

## GROUP COLRUYT - CONSOLIDATED

Annual information – IFRS 2008/09

**Despite the economic crisis the Colruyt Group continues to invest in future growth and sees its turnover and profits increase further**

Halle, 24 June 2009

### Key figures

<i>(in EUR million)</i>	<b>2008/09</b>	<b>2007/08</b>	<b><u>Variance</u></b>
<b>Revenue</b>	<b>6.309,6</b>	<b>5.673,8</b>	<b>11,2%</b>
<b>Operating cash flow (EBITDA) <sup>(1)</sup></b>	<b>549,0</b>	<b>504,0</b>	<b>8,9%</b>
% of revenue	8,7%	8,9%	
<b>Operating profit (EBIT)</b>	<b>431,8</b>	<b>401,6</b>	<b>7,5%</b>
% of revenue	6,8%	7,1%	
<b>Net financing income</b>	<b>3,4</b>	<b>14,1</b>	<b>(76,0%)</b>
<b>Profit before tax <sup>(2)</sup></b>	<b>432,9</b>	<b>416,9</b>	<b>3,8%</b>
% of revenue	6,9%	7,3%	
<b>Income tax expense</b>	<b>126,8</b>	<b>128,7</b>	<b>(1,4%)</b>
<b>Profit for the period (Group share)</b>	<b>306,0</b>	<b>288,2</b>	<b>6,2%</b>
% of revenue	4,8%	5,1%	
<b>Cash flow <sup>(3)</sup> (Group share)</b>	<b>423,1</b>	<b>390,5</b>	<b>8,3%</b>
Weighted average number of outstanding shares	32.033.719	32.501.883	
<b>Earnings before tax per share in EUR</b>	<b>13,51</b>	<b>12,83</b>	<b>5,4%</b>
<b>Earnings per share (Group share) in EUR</b>	<b>9,55</b>	<b>8,87</b>	<b>7,7%</b>
<b>Dividend per share in EUR <sup>(4)</sup></b>	<b>4,04</b>	<b>3,68</b>	<b>9,8%</b>

(1) Operating cash flow (EBITDA) = operating profit (EBIT) + depreciation and amortisation

(2) The profit before tax includes the share of profit of associates

(3) Cash flow = profit for the period + depreciation and amortisation

(4) For the current reporting period the dividend per share is a proposed dividend, subject to approval by the General Meeting of Shareholders

## **Financial report**

### **A. Income statement Group**

During full year 2008/09 the Colruyt Group sales increased by 11.2 % from EUR 5,673.8 million to EUR 6,309.6 million.

The Group's *gross profit* rose by 12.4% to EUR 1,546.8 million from EUR 1,376.0 million, which corresponds to a gross profit margin of 24.5% compared to 24.3% last year.

Operating cash flow (EBITDA) increased by 8.9 % to EUR 549.0 million. The Group's operating *profit (EBIT)* rose by 7.5 % to EUR 431.8 million, which resulted in a decrease of the EBIT margin by 24 basis points. This decrease is due to a substantial increase of the personnel costs (wage inflation resulting from the automatic wage indexation mechanism following the price index) and to increased depreciation charges (in recent years the investment programme has increased to EUR 230.6 million). The effect of increased wage costs was somewhat offset by the growth of the gross profit margin. The Colruyt Group investment programme is expected to follow a similar trend in the near future, to further support the future growth.

*Net financing income* dropped by 76 % by the end of March 2009 to EUR 3.4 million versus EUR 14.1 million last year. This decrease can be attributed to the financial crisis on the capital markets, reducing the return of the Colruyt Group's investment portfolio.

*Income tax expense* dropped by 1.4 % to EUR 126.8 million or an effective tax rate of 29.1 % versus 30.9 % last year. The *profit* of the Colruyt Group improved by 6.2 % to EUR 306.0 million. *Earnings per share (EPS)* increased by 7.7 % to EUR 9.55.

A gross dividend of EUR 4.04 per share is proposed, versus EUR 3.68 last year.

### **B. Income statement per segment**

**I. RETAIL                      Revenue +10.9 %;                      EBITDA +8.2%;                      Operating profit +7.1 %**

The retail segment represents 76.8 % of the consolidated revenue. Over the last nine months of 2008 the average food inflation amounted to 5.95%. At the end of May 2009 food inflation dropped to 1.27%. The lower food inflation will continue to have an impact on the development of the Colruyt Group's revenue in the period 2009/10.

By the end of the accounting period the retail segment in Belgium consisted out of 216 Colruyt stores, 57 OKay stores and 5 Bio-Planet stores as far as food activities are concerned. Belgian non-food activities comprised 37 stores: DreamLand, dream and DreamBaby. In France the retail segment includes 46 stores to date.

The *Colruyt stores* achieved a revenue growth of 10.6%. During the financial year 2008/09 the revenue of the Colruyt stores amounted to EUR 4,195.0 million versus EUR 3,792.6 million last year. As a result of the current economic recession, consumers tend to focus more on price. Hence the consistent implementation of Colruyt's lowest prices strategy led to a further increase of the market share to 22.46 % by the end of the calendar year 2008.

*OKay & Bio-Planet stores* again achieved a strong sales increase by 21.2 % to EUR 295,2 million.

In France sales at our integrated stores increased by 19.9 % to EUR 141.3 million. However, new legislation on the calculation of cost prices (Loi Chattel), combined with the consistent implementation of the current lowest prices strategy for national brands on the French market by the Colruyt Group, has put slightly more pressure on the gross profit. In France the Loi Chattel, which aims at lowering the prices, increased price competition between the various brands. New legislation on store openings (Loi Raffarin) on the other hand has opened up new opportunities for SA Colruyt France.

Sales of our non-food retail stores *DreamLand, DreamBaby and dream* increased this year by 6.2 %. This increase is achieved by opening three new *DreamLand stores and one new DreamBaby*. In spite of these growth figures we need to take into account the fact that the DreamLand group today is facing lower buying power and less non-food impulse buying.

**II. WHOLESALE                      Revenue +11.7 %;                      EBITDA + 11.3 %;                      Operating profit +6.6 %**

The growth of our wholesale business in Belgium (+ 5.9 %) was largely realised by N.V. Spar Retail, where sales (+4.1 %) and operating income showed a favourable evolution. The success of Spar Retail N.V. is a result of the close cooperation with and the hard work of our independent Spar entrepreneurs.

In France food service and wholesale revenue grew by 19.9 % to EUR 473.2 million. Today the pressure on the French food service margin has eased, leading to better results of the food service. After the recent acquisitions SA Colruyt France's food service activities have, in addition to an almost national presence in groceries, also acquired a national presence in fresh food.

**III. OTHER ACTIVITIES                      Revenue +12.9 %;                      EBITDA 36.9 %;                      Operating profit 71.4 %**

Our other activities were significantly impacted by the growth of our DATS24 petrol stations, both in France and in Belgium (revenue growth of 12.8 % compared to last year). The evolution of the oil prices alleviated the pressure on the margins and resulted in an increase of the operating profit. The Colruyt Group's printing activities (Druco) felt the consequences of the economic crisis and saw a slight increase in revenue of 3.2 %. Finally, also the engineering activities of the Group delivered strong revenue growth numbers of 21.2 %, whereby the number of completed engineering projects grew considerably.

**C. Cash flow and balance sheet analysis**

During the last year the Colruyt Group's tangible and intangible assets increased by 11.6 % to EUR 1,053.2 million. This increase is the result of the Group's intensive investment programme (EUR 230.6 million) versus a depreciation level of EUR 117.2 million.

Cash & cash equivalents remained practically stable and amount to 292.9 million. On May 5 2009 the Colruyt group held 5.07 % of the 33,414,490 outstanding Colruyt shares.

**D. Prospects**

At the Annual General Meeting of September 16 2009 the Colruyt Group will present its full year 2009/10 net profit guidance.

**E. Financial calendar**

- |   |                   |
|---|-------------------|
| • Information meeting for financial analysts                  | 25 June 2009      |
| • Publication of revenue figures for first quarter of 2009/10 | 30 July 2009      |
| • General Meeting of Shareholders                             | 16 September 2009 |

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**Risks relating to forecasts**

*Statements by the Colruyt Group included in this press release, along with references to this press release in other written or verbal statements of the Group which refer to future expectations with regard to activities, events and strategic developments of the Colruyt Group, are predictions and as such contain risks and uncertainties. The information communicated relates to information available at the present time, which can differ from the final results. Factors that can generate any variation between expectation and reality are: changes in the micro- or macroeconomic context, changing market situations, changing competitive climate, unfavourable decisions with regard to the building and/or extension of new or existing stores, procurement problems with suppliers, as well as all other factors that can impact the Group's result. The Colruyt Group does not make any commitments with respect to future reporting that might have an influence on the Group's result or which could bring about a deviation from the forecasts included in this press release or in other group communication, whether written or oral.*

## CONSOLIDATED FINANCIAL STATEMENTS

### Consolidated income statement

<i>(in EUR million)</i>	<b>2008/09</b>	<b>2007/08</b>
Revenue	6.309,6	5.673,8
Cost of goods sold	(4.762,8)	(4.297,8)
<b>Gross profit</b>	<b>1.546,8</b>	<b>1.376,0</b>
Other operating income	49,8	46,3
Services and miscellaneous goods <sup>(1)</sup>	(238,6)	(206,5)
Employee benefit expenses <sup>(1)</sup>	(786,3)	(693,7)
Depreciation and amortisation	(117,2)	(102,3)
Provisions and write-offs of current assets	(1,2)	0,3
Other operating expenses	(21,4)	(18,4)
<b>Operating profit before financing costs (EBIT)</b>	<b>431,8</b>	<b>401,6</b>
Financial income	12,9	18,7
Financial expenses	(9,6)	(4,7)
<b>Net financing income</b>	<b>3,4</b>	<b>14,1</b>
Share of profit of associates	(2,3)	1,2
<b>Profit before tax</b>	<b>432,9</b>	<b>416,9</b>
Income tax expense	(126,8)	(128,7)
<b>Profit for the period</b>	<b>306,0</b>	<b>288,2</b>
<i>Attributable to:</i>		
Minority interests	0,1	(0,0)
<b>Equity holders of the parent</b>	<b>306,0</b>	<b>288,2</b>
Weighted average number of outstanding shares	32.033.719	32.501.883
Earnings per share – basic and diluted (in EUR)	<b>9,55</b>	<b>8,87</b>

(1) Reclassification of EUR 22,4 million for the comparative reporting period as a result of the change in presentation for costs related to 'Interim and hired personnel, directors' fees and employee benefits settled in surprisecheques'

## Consolidated balance sheet

(in EUR million)

	31.03.09	31.03.08
<b>ASSETS</b>		
Goodwill	72,6	64,3
Intangible assets	9,5	7,0
Property, plant and equipment	1.043,7	936,9
Investments in associates	12,2	11,1
Investments <sup>(1)</sup>	35,2	37,1
Deferred tax assets	9,6	12,2
Other receivables <sup>(1)</sup>	10,3	4,7
<b>Total non-current assets</b>	<b>1.193,0</b>	<b>1.073,2</b>
Inventories	472,3	438,0
Trade receivables	314,8	288,4
Income tax receivable	6,9	2,7
Other receivables <sup>(1)</sup>	26,9	30,7
Investments <sup>(1)</sup>	55,3	55,0
Cash and cash equivalents	292,9	296,6
<b>Total current assets</b>	<b>1.169,1</b>	<b>1.111,5</b>
<b>TOTAL ASSETS</b>	<b>2.362,1</b>	<b>2.184,7</b>
<b>EQUITY</b>		
Share capital	195,3	185,4
Reserves and retained earnings	902,7	785,1
<b>Total equity attributable to equity holders of the parent</b>	<b>1.098,1</b>	<b>970,5</b>
Minority interests	0,8	0,7
<b>Total equity</b>	<b>1.098,8</b>	<b>971,1</b>
<b>LIABILITIES</b>		
Provisions	12,8	12,5
Employee benefits	39,6	36,8
Deferred tax liabilities	55,5	55,1
Interest-bearing loans and borrowings and other liabilities	19,0	18,5
<b>Total non-current liabilities</b>	<b>126,9</b>	<b>123,0</b>
Interest-bearing loans and borrowings	3,6	2,8
Trade payables	768,5	754,9
Income tax payable	32,3	31,4
Employee benefits and other liabilities	332,0	301,5
<b>Total current liabilities</b>	<b>1.136,4</b>	<b>1.090,6</b>
<b>Total liabilities</b>	<b>1.263,3</b>	<b>1.213,6</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2.362,1</b>	<b>2.184,7</b>

(1) Reclassification of EUR 4,3 million (non-current) and EUR 0,9 million (current) for the comparative reporting period as a result of the change in presentation for 'Loans granted to customers'.

## **Consolidated statement of recognised income and expense**

<i>(in EUR million)</i>	<b>31.03.09</b>	<b>30.09.08</b>
Gain on sale of treasury shares	0,3	1,2
Share-based payments to be settled	8,9	9,2
Disbursed share-based payments of previous financial year	(9,2)	(8,5)
Profit/(loss) from currency translation of foreign entities	0,2	0,1
Share of changes in equity of associates	1,6	(0,6)
<b>Net profit recognised directly in equity</b>	<b>1,8</b>	<b>1,4</b>
Profit for the period	306,0	288,2
<b>Total recognised income and expense for the period</b>	<b>307,8</b>	<b>289,6</b>
<i>Attributable to:</i>		
Minority interests	0,1	(0,0)
Equity holders of the parent	307,7	289,6

## **Consolidated cash flow statement**

<i>(in EUR million)</i>	<b>2008/09</b>	<b>2007/08</b>
<b>OPERATING ACTIVITIES:</b>		
<b>Profit for the reporting period</b>	<b>306,0</b>	<b>288,2</b>
<i>Adjustments for:</i>		
Depreciation and amortisation	117,2	102,4
Interest income	(12,4)	(16,6)
Interest expense	2,5	1,7
Loss/(gain) on sale of property, plant and equipment and intangible assets	2,9	(3,5)
Loss/(gain) on investments	6,6	0,9
Loss/(gain) on current assets	0,9	0,5
Equity-settled share-based payments expenses	8,9	9,2
Income tax expense	126,8	128,7
Share of profit of associates	2,3	(1,2)
<b>Operating profit before changes in working capital and provisions</b>	<b>561,8</b>	<b>510,3</b>
Decrease/(increase) in trade and other receivables	(17,0)	(55,4)
Decrease/(increase) in inventories	(32,7)	(51,8)
(Decrease)/increase in trade and other payables	42,4	131,7
(Decrease)/increase in provisions and employee benefits	2,8	5,0
Interest paid	(1,9)	(2,3)
Interest and dividends received	12,4	17,3
Income tax paid	(128,1)	(113,2)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>439,8</b>	<b>441,6</b>
<b>INVESTING ACTIVITIES</b>		
Acquisition of property, plant and equipment and intangible non-current assets	(230,6)	(228,4)
Acquisition of other financial assets and individual points of sale	(0,7)	(36,2)
Acquisition of subsidiaries (net of funds acquired)	(17,5)	(17,5)
(Increase of investments in associates)/reimbursement of capital of associates	0,0	1,0
Acquisition of minority interests	0,0	(0,1)
Acquisition/(sales) of investments	(6,4)	(20,4)
Payment of loans granted	(5,1)	(1,3)
Proceeds from sale of property, plant and equipment and intangible assets	8,6	7,6
Proceeds from the repayment of loans granted	1,1	1,1
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(250,6)</b>	<b>(294,2)</b>
<b>FINANCING ACTIVITIES</b>		
Proceeds from the issue of share capital	9,9	11,4
Sale/(purchase) of treasury shares	(77,5)	(148,8)
Repayment of borrowings	(1,6)	(2,7)
Payments of finance lease liabilities	(1,4)	(1,4)
Dividends paid	(121,8)	(107,2)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>(192,3)</b>	<b>(248,7)</b>
Effect of changes in foreign currency rates	0,2	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(2,9)</b>	<b>(101,3)</b>
Cash and cash equivalents at 1 April <sup>(1)</sup>	295,8	397,1
Cash and cash equivalents at 31 March <sup>(1)</sup>	292,9	295,8
Net increase/(decrease)	(2,9)	(101,3)

(1) Cash and cash equivalents are shown net of current cash credits, included in current 'Interest-bearing loans and borrowings' for an amount of EUR 0,0 million (comparative reporting period EUR 0,8 million)

## **Notes to the consolidated financial statements**

### **1. Presentation and statement of compliance**

Etn. Fr. Colruyt NV (the "Company") is domiciled in Belgium in Halle and is publicly traded on Euronext Brussels under the code, COLR. The consolidated financial statements for the reporting period ended on 31 March 2009 contain the Company, its subsidiaries (hereinafter referred to collectively as the "Group"), and the Group's interests in associated companies and jointly controlled entities.

These consolidated financial statements are an excerpt from the consolidated financial statements to be published in the course of July 2009.

They are drafted in accordance with the applicable International Financial Reporting Standards, as issued by the International Accounting Standards Board (IASB) and accepted by the European Union up to 31 March 2009.

The consolidated financial statements were approved for publication by the Board of Directors on 19 June 2009.

Amounts are, unless mentioned otherwise, expressed in millions of euros, rounded to one decimal point. Totals and subtotals can differ slightly due to rounding.

### **2. Changes in accounting policies and presentation**

The accounting policies used in the preparation of the consolidated financial statements have been applied consistently for all periods presented.

One change in presentation was introduced in the current reporting period :

- As of the current reporting period costs related to temporary labour and hired personnel, to directors' fees and to employee benefits settled in surprisecheques are reclassified from 'Services and miscellaneous goods' to 'Employee benefit expenses'. For the comparative reporting period EUR 22,4 million has been reclassified
- As of the current reporting period loans granted to customers are reclassified from 'Investments' to 'Other receivables'. For the comparative reporting period EUR 4,3 million has been reclassified in the non-current assets and EUR 0,9 million in the current assets



## 5. Income tax expense

The effective tax rate of the Group for the current reporting period ended on 31 March 2009 was 29,1% against 30,9% for the comparative reporting period.

## 6. Goodwill

The main changes to goodwill can be detailed as follows:

<i>(in EUR million)</i>	<b>2008/09</b>	<b>2007/08</b>
At 1 April	64,3	46,7
Sale of individual points of sale	(0,2)	(0,2)
Purchase of individual points of sale	0,5	0,3
Adjustment relating to business combinations of previous reporting periods	(0,2)	-
Business combinations of current reporting period	8,2	17,5
<b>At 31 March</b>	<b>72,6</b>	<b>64,3</b>

The adjustment of goodwill relates to the final price setting for Enco Catering Services NV, a business combination realised in the comparative reporting period.

The goodwill of EUR 8,2 million, arising from the business combinations realised during this reporting period, relate to the acquisition of following Belgian entities : N.V. Altrak Cleaning, S.P.R.L. Danielle Volvert, N.V. Huis Maria Hooglede. In France the Group acquired S.A.S. Fema and the group Sodeger.

## 7. Investment expenses

During the current reporting period the Group acquired intangible and tangible assets for a total amount of EUR 236,8 million, of which EUR 6,1 million via business combinations.

In the comparative reporting period the Group acquired intangible and tangible assets for EUR 242,9 million, of which EUR 14,5 million via business combinations.

## 8. Changes in equity

The number of outstanding shares has changed as follows:

<b>2008/09</b>	Ordinary shares	VVPR	Number issued (a)	Treasury shares (b)		Number outstanding (a) – (b)
				Held by parent	Held by subsidiaries	
<b>At 1 April</b>	<b>31.893.185</b>	<b>1.455.415</b>	<b>33.348.600</b>	<b>1.130.009</b>		<b>32.218.591</b>
Capital increase		65.890	65.890			65.890
Purchase of treasury shares				486.134		(486.134)
Distributed to employees as part of the profit-sharing scheme (2007/08 reporting period)				(54.810)		54.810
<b>At 31 March</b>	<b>31.893.185</b>	<b>1.521.305</b>	<b>33.414.490</b>	<b>1.561.333</b>		<b>31.853.157</b>

## 8. Changes in equity (continued)

The changes in equity can be detailed as follows:

<i>(in EUR million)</i>	Attributable to the shareholders of the parent					Minority interests	Total equity
	Share capital	Reserve for treasury shares	Currency translation reserves	Retained earnings	Total		
<b>At 1 April 2007</b>	<b>173,9</b>	<b>(30,1)</b>	<b>-</b>	<b>774,8</b>	<b>918,5</b>	<b>0,8</b>	<b>919,3</b>
Total recognised income and expense				289,6	289,6		289,6
Capital increase	11,4				11,4		11,4
Treasury shares purchased		(183,9)			(183,9)		(183,9)
Treasury shares sold and distributed to employees		42,4			42,4		42,4
Purchase of minority interests				(0,1)	(0,1)	(0,1)	(0,2)
Dividend to shareholders				(107,8)	(107,8)		(107,8)
Other			0,1	0,3	0,4		0,4
<b>At 31 March 2008</b>	<b>185,3</b>	<b>(171,7)</b>	<b>0,1</b>	<b>956,8</b>	<b>970,5</b>	<b>0,7</b>	<b>971,2</b>
<b>At 1 April 2008</b>	<b>185,3</b>	<b>(171,7)</b>	<b>0,1</b>	<b>956,8</b>	<b>970,5</b>	<b>0,7</b>	<b>971,2</b>
Total recognised income and expense			0,2	307,5	307,7	0,1	307,8
Capital increase	9,9				9,9		9,9
Treasury shares purchased		(77,7)			(77,7)		(77,7)
Treasury shares distributed to employees		8,8			8,8		8,8
Dividend to shareholders				(121,2)	(121,2)		(121,2)
<b>At 31 March 2009</b>	<b>195,2</b>	<b>(240,6)</b>	<b>0,3</b>	<b>1.143,1</b>	<b>1.098,0</b>	<b>0,8</b>	<b>1.098,8</b>

## 9. Changes in consolidation scope

The French subsidiary Pro à Pro Distribution SA changed its name into Colruyt France SA. On 3 June 2008 this company also established a new company: Dreamland France SAS. Furthermore the French subsidiary Ineco SAS established a new subsidiary Transpro SAS, which will be active in transport on the island of Réunion. SCI Les Planchettes merged with SAS Codi – France.

As of 1 July 2008 Okso NV, Oksi NV, Okho NV and Okaf NV merged into NV Buurtwinkels Okay. In France merged, on the same day, S.A.S. Roret and S.A.S. Pro à Pro Distribution Nord.

On 1 October 2008 N.V. Createch Engineering and N.V. Dolmen Industrial Projects merged into N.V. Intrion.

In the second half of the reporting period the Group acquired several new subsidiaries : N.V. Altrak Cleaning, S.P.R.L. Danielle Volvert, N.V. Huis Maria Hooglede in Belgium and S.A.S. Fema and the group Sodeger in France.

Finally, the Group also established two new companies; NV Filkwaad and NV Filbever were respectively established on 5 May 2008 and 19 December 2008.

### **10. Events after the balance sheet date**

In April 2009 the Group finalised the acquisition of N.V. Fraxicor. This entity produces green energy by using fat that is not suitable for consumption or chemical industry and for which no other destination exists.

Also in April 2009 the Group increased its participation from 30% to 85% in N.V. Mitto, a specialist in mailing services and document management.

Finally in June 2009 the Group acquired the French buying organisation Unifrais and four of its members : Sodifrais, RHC, Garnaud and Pictafrais. All entities have activities in the wholesale segment and more specific in Foodservice.

No adjusting or other significant non-adjusting events arose between the balance sheet date and the date at which these consolidated financial statements have been authorised for publication.

## **CONFIRMATION INFORMATION PRESS RELEASE**

The Statutory Auditor, Klynveld Peat Marwick Goerdeler Bedrijfsrevisoren – Reviseurs d’Entreprises, represented by Mr. E. Helsen, confirms that the audit work, which is finished in substance, did not reveal any significant correction that should be made to the accounting information included in the press release.

Halle, June 24 2009

Klynveld Peat Marwick Goerdeler Bedrijfsrevisoren, Statutory Auditor,  
represented by

E. Helsen

Cette information est également disponible en français..  
Deze informatie is ook beschikbaar in het Nederlands.

Only the Dutch version is the official version.  
The French and English versions are translations of the original Dutch version.