

Only the Dutch version is valid. (This version only for information purposes).

**REPORT OF THE BOARD OF DIRECTORS OF ETABLISSEMENTEN FR.
COLRUYT NV TO THE EXTRAORDINARY GENERAL MEETING OF
SHAREHOLDERS OF 22 OCTOBER 2007**

**CONTRIBUTION OF THE COLEX DIVISION TO THE LIMITED LIABILITY
COMPANY COLLIVERY**

Today, 6 September 2007

THE FOLLOWING GATHERED IN A MEETING

The Board of Directors of the Limited Liability Company “**ETABLISSEMENTEN FRANZ COLRUYT**”, with registered office at 1500 Halle, Edingensesteenweg 196, Brussels register of juristic persons, company number 0400.378.485 (hereinafter “Colruyt NV”), the following directors of which are present or represented today:

- Mr Jozef COLRUYT
- Mr Franciscus COLRUYT
- The limited liability company FARIK, represented here by its permanent representative, Mr Franciscus COLRUYT
- The limited liability company ANIMA, represented here by its permanent representative, Mr Jozef COLRUYT.

The majority of the Board of Directors of Colruyt NV are thus present or represented and the Board of Directors may validly deliberate in accordance with article 14 of the statutes.

Today, 6 September 2007, the proposed contribution of the Colex division to the limited liability company Collivery was approved by the Board of Directors of both Colruyt NV and Collivery NV.

The Board of Directors declares it is meeting in order to draw up the contribution report in accordance with article 761, §2 of the Companies Act in that respect.

The contribution proposal reproduced hereinafter was thus drawn up. The appendices referred to in this contribution proposal form an integral part of it.

I. THE PROPOSED CONTRIBUTION OPERATION

The intended contribution concerns the Colex division, whose speciality and operations consist of the supply of foodstuffs, products, articles, goods and merchandise by road, by container, or by air freight. The customers are solely businesses ("B2B"). The most important customers of Colex are shopkeepers, wholesalers and supermarkets. Large kitchens, hotels and restaurants can also use Colex. The majority of the customers are outside Belgian territory.

The contribution shall be made to Collivery NV.

From a technical point of view, the Colex division to be contributed constitutes an independent company that is able to operate with its own resources, and comprises all of the constituents covered by this section.

The rental of the stores located in Sint-Pieters-Leeuw, used as a warehouse and distribution point for the goods sold by Colex and for the sales administration, shall be taken over by Collivery NV. A soil certificate has been obtained from OVAM for the transfer of the lease.

Constituents that are not exclusively used for the Colex division, but which are used jointly for this division and the other divisions of Colruyt NV, shall not be transferred together with it. If the use of these constituents is necessary or desirable for the operation of the division, separate contracts shall be concluded between Colruyt NV and Collivery NV to this end (such as a *Service Level Agreement* relating to the use of common group services provided by Colruyt NV and the companies related to it).

II. CONTRIBUTION METHOD AND IMPACT ON THE CAPITAL

The Colex division is contributed at a value equal to the book value, as derived from the company annual accounts of 31 March 2007.

The appendix contains a pro forma balance sheet of the assets and liabilities included in the intended contribution operation, on the basis of the book value of these assets and liabilities with Colruyt NV on 31 March 2007 (appendix 1).

A net asset book value of € 1,010,262.12 shall be contributed to Collivery NV.

In exchange for this contribution, Collivery NV shall issue 30,856 fully paid-up shares without face value, and which together shall represent 30,856/69,856 of the capital of Collivery NV. The value of a Collivery NV share is determined on the basis of the equity of this company as shown by the company annual accounts of 31 March 2007, divided by the total number of shares before the contribution. This gives an amount per share of € 32.74. € 770.547.79 of the contribution shall be booked to the capital of Collivery NV and € 239,714.33 as an issue premium.

For Colruyt NV, the Collivery NV shares received in exchange for the contribution shall be booked to the financial fixed assets (under the shareholdings) at the same value as the transferred accounting net assets, i.e. € 1,010,262.12.

A pro forma balance sheet of Colruyt NV on the basis of the figures of the company annual accounts of 31 March 2007 has been added to the appendix, but with the intended contribution of the division to Collivery NV already taken into account (appendix 2).

Both on a company and consolidated basis, the intended contribution operation itself has no effect on the capital and results of Colruyt NV.

III. DESIRABILITY OF THE CONTRIBUTION

The Board of Directors considers the intended contribution of the Colex division to Collivery NV desirable, as both operations are complementary to one another, which is shown by the following conclusions:

- Both Colex and Collivery are specialised in sales with transport.
The commercialisation of the products of Colex and Collivery go through the same channels (online/catalogue/folders).
- The logistical processing is similar (albeit that for Colex there is a minimum purchase quantity per article of 1 box). In time the intention is to have both operations conducted from one central warehouse.
- Colex sells exclusively to businesses, Collivery NV primarily (75%). Colex and Collivery NV together develop a range that is targeted at these business customers and with common logistics that are separate from those of Colruyt.
- Both operations are conducted centrally by one departmental head within the organisation of the Colruyt group. The employee training of Colex and Collivery is also joint.

The Board of Directors expects the integration of the Colex operations with Collivery NV will further contribute to the growth of the revenue and the profitability of both the Colex and Collivery operations.

IV. GENERAL CONDITIONS AND EFFECTS OF THE OPERATION

1. The division is contributed on the basis of a balance sheet drawn up on the thirty first of March two thousand and seven. All transactions performed by Colruyt NV relating to the Colex division as of the closing date of the balance sheet, shall be considered as having been performed for the account of Collivery NV. >From an accounting point of view, the contribution shall be regarded as having been realised as of the first of April two thousand and seven.
2. The contribution of the Colex operations is a contribution of a division in accordance with articles 759 and onwards of the Companies Act. This means that the contribution brings about a general transfer, which means that the contribution becomes applicable to third parties purely through the publication of the executed contribution deed in the Belgisch Staatsblad, without additional formalities having to be observed.
The aforementioned contribution shall take place in accordance with the tax neutrality system, in application of article 46 of the Income Tax Code, article 117 of the Registration Duties Code and article 11 of the VAT Code, and thus also in accordance with the principle of continuity from an accounting point of view in application of article 81 of the Royal Decree in execution of the Companies Act. As mentioned, on a consolidated and company basis the intended contribution operation itself shall have no effect on the capital and results of Colruyt NV.
3. The acquiring company shall be subrogated in all rights and obligations of the contributing company regarding the contributed division.
4. The goods are contributed in the condition they are in today. Collivery NV declares it has full knowledge of the goods and rights that are contributed and does not want a more detailed description of them.
5. In the most general way the contribution comprises all rights, accounts receivable, legal and extra-legal claims, administrative claims, personal and real guarantees, as well as all other guarantees that the contributing company is the holder or beneficiary of for whatever reason in the framework of the contributed division, and this with respect to all third parties, including the public authorities.
6. The accounts receivable and the rights contained in the contribution, as well as all real and personal guarantees attached to them, are transferred to the acquiring company. This company shall thus be subrogated, without there being a case of novation, in all real and personal rights of the contributing company, in all its goods and with respect to any debtors.

This subrogation applies in particular to the privileges, mortgages, claims in dissolution, attachments, guarantees and pledges. The acquiring company is authorised, to its charge, to claim or consent to all notices, statements, registrations, renewals or lifting of registrations, privileges, mortgages, attachments, as well as all previous subrogations in this respect.

The substitution or subrogation shall be stated in the margin of the mortgage registrations, made in the favour of the contributing company, by handing over an annotation specification, defining the statements that have to be put in the margin, and an exemplified copy of this deed.

In this respect, the address chosen for the service of process, as stipulated in the registration specifications, shall be transferred to the registered office of Collivery NV as many times as there are references to the registered office of the contributing company.

7. This contribution is made with Collivery NV having to do the following within the framework of the contributed division:
 - It shall take on all liabilities of the contributing company with respect to third parties insofar they relate to the contributed division. It shall execute all obligations and commitments of the contributing company relating to the contributed division in such a way that the same company may no longer be held liable or contacted in this respect.
 - The observance and execution of all agreements or obligations entered into by the contributing company with the transferred personnel of this company, and in particular the observance of the seniority and other rights of the personnel in accordance with the provisions, terms and conditions contained in these contracts and obligations.
 - The observance and execution of all contracts, commercial agreements, agreements and obligations entered into by the contributing company relating to the contributed division, in particular those entered into with the customers, suppliers, creditors, and all fire and accident insurance as well as all other risk insurance. Collivery NV is subrogated in all rights and obligations arising from this, and it shall be responsible for the risks and hazards, without the possibility of redress against the contributing company.
 - It shall take on all taxes, duties, contributions, insurance premiums, as well as all ordinary and extraordinary costs, that may encumber the contributed division and its components and which are inherent to the ownership and exploitation of them.
8. The contribution also includes the archives and accounting documents of the contributing company relating to the contributed goods and rights, with the requirement for Collivery NV, aforementioned, to keep these documents.
9. All costs, charges, fees, taxes and costs arising from this contribution shall be to the charge of the acquiring company.

Drawn up in Halle on 6 September 2007.

Jozef COLRUYT

Franciscus COLRUYT

FARIK NV

represented here by its permanent representative, Mr Franciscus COLRUYT

ANIMA NV

represented here by its permanent representative, Mr Jozef COLRUYT

Appendices

1. Pro forma balance sheet of 31 March 2007 of the contributed net assets of the Colex operations
2. Pro forma balance sheet of 31 March 2007 of Colruyt NV, with the intended contribution taken into account

COLEX ACTIVITEITENRAPPORT
BALANS
PERIODE 20060401 - 20070331

ACTIEF	31/mrt/07	PASSIEF	31/mrt/07
VASTE ACTIVA	160.899,33		
Materiële vaste activa	160.899,33		
VLOTTENDE ACTIVA	1.092.539,78	SCHULDEN	243.176,99
Vorraden	753.259,13	Te betalen bedrijfsvoorheffing & accijnzen	7.681,67
Handelsvorderingen < 1jaar	339.280,65	Te betalen bezoldigingen & sociale lasten	235.495,32
TOTAAL ACTIVA	1.253.439,11	TOTAAL PASSIVA	243.176,99

ONTWERP-SPLITSINGSBALANS ETN. FRANZ COLRUYT NV PER 31 MAART 2007 (na winstverdeling)

ACTIEF		PASSIEF	
Immateriële vaste activa	1.824.721,05	Eigen vermógen	379.608.638,99
Materiële vaste activa	297.259.288,03	Voorzieningen en uitgestelde bel.	18.996.502,48
Min: Colex	<u>-160.899,33</u>	Schulden	1.694.150.325,12
Saldo materiële vaste activa	293.797.279,67	Min: Colex fiscale schulden	-7.681,67
Financiële vaste activa	1.368.805.084,12	Min: Colex sociale schulden	<u>-235.495,32</u>
Plus: deelneming in Collivery NV	<u>1.010.262,12</u>		1.668.283.269,60
Saldo financiële vaste activa	1.376.304.084,12		
Vlottende activa	424.866.373,39		
Min: Colex	<u>-1.092.539,78</u>		
Saldo vlottende activa	394.962.326,23		
TOTAAL ACTIVA	2.066.888.411,07	TOTAAL PASSIVA	2.066.888.411,07