Consolidated information on the first semester of 2018/19

Revenue grows 3,0%
Results in line with expectations

Halle, 11 December 2018

I. Headlines

- Colruyt Group's revenue grows 3,0% to over EUR 4,5 billion.
- Market share in Belgium expands to 32,4% in the first semester of 2018/19 (31,9% in the first semester of 2017/18).
- Gross profit margin improves from 25,7% to 26,3% in the first semester. Gross margin of 2018/19 is in line with the second semester of 2017/18.
- The Colruyt banner delivers on its promise to offer the lowest prices day after day.
- Investments in the long-term strategy are continued.
  Efficiency, quality, innovation and sustainability remain key priorities.
- Increased depreciation charges reflect continuous investments in the distribution network and in transformation programmes.
- Operating profit (EBIT) increases from 5,2% to 5,5% of revenue.
- Higher financial result and lower share in result from investments as a result of one-off effects.
- Net profit increases by EUR 28 million to EUR 208 million (4,5% of revenue).

- Investments in tangible and intangible assets amount to EUR 183 million.
- Net cash and cash equivalents amount to EUR 210 million, an increase by EUR 123 million compared to 31 March 2018.
- At the end of September 2018 Colruyt Group has 27.764 employees (full-time equivalents) compared to 27.758 at 30 September 2017.

II. Consolidated key figures

(in million EUR)	1/4/2018 - 30/9/2018	1/4/2017 - 30/9/2017	Variance
Revenue	**4.595**	**4.458**	**+3,0%**
Gross profit	**1.210**	**1.145**	**+5,5%**
% of revenue	26,3%	25,7%	
Operating cash flow (EBITDA)	**388**	**352**	**+10,2%**
% of revenue	8,4%	7,9%	
Operating profit (EBIT)	**253**	**232**	**+9,2%**
% of revenue	5,5%	5,2%	
Profit before tax	**282**	**251**	**+12,2%**
% of revenue	6,1%	5,6%	
Profit for the period	**208**	**180**	**+15,4%**
% of revenue	4,5%	4,0%	
Earnings per share (in EUR) (1)	**1,50**	**1,23**	**+21,5%**

(1) *The weighted average number of outstanding shares equalled 137.816.429 in the first semester of 2018/19 versus 145.206.504 last year.*

III. Financial report

A. Consolidated income statement

Revenue increased by 3,0% to EUR 4.595 million in the first half of 2018/19. Excluding petrol, revenue increased by 2,3%. This growth in revenue compared to last year is attributable to organic growth, sales price inflation and sales surface expansion. There was a negative calendar effect of 2,0% this year due to fewer sales days.

The market share in Belgium of Colruyt Lowest Prices, OKay and Spar Colruyt Group expanded from 31,9% to 32,4% in the first half of financial year 2018/19.

The **gross profit margin** amounted to 26,3% of revenue (25,7% in 2017/18). The Belgian retail market was less competitive than in the first six months of last year, which were marked by increased promotional activity and intensified price and promotional pressure. The retail market became less competitive in the second half of last year, a trend that continued in the first half of 2018/19.
The Colruyt banner continues to deliver on its brand promise and guarantees its customers the lowest price for each product at each moment.

Colruyt Group has kept its operating expenses under control. The increase in operating expenses from 17,8% to 17,9% of revenue is mainly the result of ongoing investments in employees, distribution channels, transformation projects and further chain sustainability efforts.

The **EBITDA margin** amounted to 8,4% versus 7,9% in the first six months of 2017/18. The increase is mainly attributable to the higher gross profit margin.

Investments in the distribution network and in transformation programmes resulted in an increase of the depreciation charges by EUR 7 million to EUR 125 million. The first semester of 2018/19 included a EUR 9 million impairment on transformation programmes.

Operating profit (EBIT) increased by EUR 21 million to EUR 253 million. The EBIT margin improved from 5,2% to 5,5% of revenue.

The financial result increased thanks to the gain (EUR 18 million) arising from the sale of the participation in the offshore wind farm Northwester 2.

Results from investments in associates and joint ventures decreased by EUR 8 million this year, mainly due to one-off gains from Parkwind group in 2017/18 (effect of EUR -15 million) and higher results from the participation in Vendis Capital in 2018/19 (EUR +5 million).

The effective tax rate decreased from 30,6% to 27,3%, primarily due to the reform of the Belgian corporation tax and the non-taxable gain on the sale of the participation in Northwester 2.

The **profit for the period** amounted to EUR 208 million (4,5% of revenue).

B. Income statement per segment

1. Retail

Revenue from the retail activities grew by 2,7% to EUR 3.781 million. Retail accounted for 82,3% of the consolidated revenue. As from 2018/19 the export activity Colex is reported within the retail segment.

In the first half of 2018/19 the Belgian retail market was less competitive than in the first half of last year. The share of the own brands grew, partly as a result of further national brand price increases. The negative effect of cross-border purchases observed since the introduction of higher alcoholic beverage excise duties three years ago, continues to increase.

Revenue of **Colruyt in Belgium and Luxembourg** climbed 1,7% through the combination of sales price inflation, volume growth and a negative calendar effect.
Colruyt continues to invest in store expansion and modernisation. Three new Colruyt stores opened in the first half of 2018/19. By 2029, 171 Colruyt stores will be converted into low-energy stores.
Colruyt Lowest Prices delivers on its brand promise day after day by guaranteeing the lowest price for every product at every moment. Every day, price reductions and promotions offered by competitors are integrated in the sales prices. This enables Colruyt Lowest Prices to remain the cheapest supermarket in Belgium.

OKay, Bio-Planet and Cru reported an aggregate revenue growth of 6,9% thanks to new store openings, new customer inflow and sales price inflation, partly offset by the negative calendar effect.
During the first half of 2018/19 OKay opened two new stores. In the years ahead, OKay plans to open around six stores per year and to progressively roll out the renewed OKay store concept. Bio-Planet remains the group's pioneer in organic products, healthy food and sustainability. Bio-Planet opened its first city centre store and launched 'Food compass', a test platform that provides 1.500 families with personalised nutritional advice over a period of 6 months. The Cru multi-experience markets continued to work on revenue growth and operational efficiency gains.

Colruyt Group offers its customers **3 clearly distinguishable brand layers**: (inter)national brands, products labelled Boni Selection (Colruyt Group's house brand) and products labelled Everyday (the group's discount brand).

Revenue of **Colruyt in France** increased by 11,6%. Excluding petrol, revenue grew by 9,2% as a result of organic growth and expansion.
The French retail market experienced a slight inflation effect in the first year-half of 2018. Customers appreciate the qualitative product range, the new store concept, the brand promise 'Tout simplement l'essentiel' and the sharp prices of the Colruyt stores. Colruyt Group will therefore continue to invest in its French retail activities. Four new stores were opened in the first half of 2018.
The financial year of the French activities (1 January - 31 December) will be aligned with Colruyt Group's financial year (1 April - 31 March) in the second half of this year. Consequently, the financial year 2018/19 will include fifteen months of the results of the French activities.

The combined store revenue of **Dreamland and Dreambaby** was 7,1% lower than last year. The revenue decrease mainly reflects a negative calendar effect (Easter) and less favourable weather conditions in spring. Other impacting factors include the further shift towards online sales and the closure of a French Dreamland store.

Colruyt Group continues to invest in its **online store concepts** and digital applications. Thanks to these e-commerce investments and the customer's confidence, the share of online revenue in the group revenue continued to expand.
Colruyt Group's online revenue is primarily generated by Collect&Go, the market leader in the Belgian online food market. The shopping service distinguishes itself through its extensive network of collection points, the reliability of its services, the quality of its fresh products and the friendliness of its employees. The Collect&Go network was further expanded in 2018/19. Today it comprises over 260 collection points. In July 2018 Collect&Go launched a trial with collection points at OKay neighbourhood supermarkets.

Xtra, the joint loyalty card of Colruyt Group, was successfully launched in April 2017. Since May 2018, Xtra is not only a fuel card, but also a payment card. Thanks to Xtra, customers automatically and immediately enjoy all advantages of the ten store formats and webshops of the group. Customers can manage their interaction with Colruyt Group and their own preferences themselves in a transparent way. The number of customers making use of the Xtra card continues to increase. Today, there are more than 4 million active users and Colruyt Group notices that more and more customers prefer the use of the Xtra app rather than the card (more than 500.000 customers already).

In 2018, information on allergens was added to the **SmartWithFood** app. This app was launched early 2017 to support the consumer in making choices that fit with his personal nutritional profile, taking into account individual preferences and intolerances.

Colruyt Group is also fully endorsing and promoting the **Nutri-Score** in order to offer customers easy access to as much information as possible on the nutritional composition of products. In 2018/19 the group made the Nutri-Score of the majority of products on sale in Colruyt Lowest Prices, OKay, Bio-Planet and Spar Colruyt Group stores available through its own free online tools (the apps SmartWithFood and MyColruyt and the websites of Colruyt and Collect&Go). Colruyt Group is the only retailer in Belgium that has made the nutritional value of 20.000 products (own brands as well as national brands) readily available. Consumers are also able to calculate their own product scores on the nutriscore.colruytgroup.com website. By mid 2020, the letter- and colour-coded Nutri-Score label will be implemented on all packaging of the Boni Selection food product range.

2. Wholesale and Foodservice

Revenue from the wholesale and foodservice segment grew to EUR 469 million, an increase by 1,2% compared to last year. These activities accounted for 10,2% of the consolidated revenue in 2018/19.

Wholesale revenue showed a 4,8% increase to EUR 410 million in the first six months. The revenue growth was largely realised by Retail Partners Colruyt Group in Belgium, partly thanks to a strong summer performance and sales price inflation. Retail Partners Colruyt Group is responsible for the purchasing of goods for and the provision of logistics and other services to independent stores, including Spar Colruyt Group, Alvo and Mini Market stores. Spar Colruyt Group's entire commercial and marketing policy is determined by Retail Partners Colruyt Group, in close collaboration with the Spar entrepreneurs. The new Spar store concept was further rolled out in 2018/19. The renewed stores achieve an above average revenue growth and a profitability that ranks among the best on the market. The 'Spar Colruyt Group' concept, which is based on the value-driven, customer-oriented collaboration with the independent Spar entrepreneurs, is appreciated by both the customer and the independent entrepreneurs.

In June 2018 a self-scanning system was introduced in four Spar stores. The new Scan.Pay.Go. app allows customers to scan and pay for their purchases with their smartphones. In August 2018 the pilot project was extended to four OKay neighbourhood supermarkets.
In France the wholesale activity mainly includes the supplies to Coccinelle, Coccimarket and Panier Sympa stores.

As from the financial year 2018/19 the export activities of Colex are reported within the retail segment. As a result, **foodservice** revenue has decreased compared to last year. The Belgian foodservice business Solucious posted a slight increase in revenue (+0,9%) in the first semester.

3. Energy and other activities

Revenue from the other activities increased by 10,8% to EUR 346 million, accounting for 7,5% of this year's consolidated revenue.

This segment basically comprises the revenue of the Belgian **DATS 24** filling stations. The revenue growth of DATS 24 in 2018/19 is driven by increased fuel prices.
DATS 24 furthers its investments in CNG (Compressed Natural gas) for vehicles. CNG is more economical and ecological than conventional fuels and less impacting on the environment and health. The CNG network in Belgium was expanded with 4 stations, bringing the total to 59. Meanwhile, DATS 24 also installed 62 electric charging posts on car parks of Colruyt Group stores. In the years ahead, our energy specialist plans to double the number of electric charging posts. Early October 2018 Colruyt Group opened its first public hydrogen filling station.

Colruyt Group also seeks to become increasingly self-reliant in its energy needs.
Eoly, the group's green energy producer, continues to invest in sustainable energy projects. As a reliable and transparent supplier of sustainable energy, Eoly is currently also targeting the external market.

C. Balance sheet

The net carrying amount of the **tangible and intangible fixed assets** increased by EUR 41 million to EUR 2.355 million. The increase is basically the net effect of new investments (EUR 183 million) and of depreciation and impairment costs (EUR 134 million). Colruyt Group furthers its investments in its stores and future-oriented transformation programmes.

In the first year-half of 2018/19, Colruyt Group sold two **participations**: the stake in the Lithuanian retail group IKI and that in the offshore wind farm Northwester 2.

Net **cash and cash equivalents** increased by EUR 123 million to EUR 210 million as at 30 September 2018. The improved cash position is essentially attributable to the stronger performance, a different staggering of the Belgian corporation tax prepayments and the one-off proceeds from the sale of the participations in IKI and Northwester 2.

D. Treasury shares

On 2 October 2017 Colruyt Group launched a **share buyback programme** for a maximum amount of EUR 350 million. The purchase programme had an expected term of 2 years and is implemented under the authorisation granted by the Extraordinary General Meeting of Shareholders of 14 October 2014. The programme is being executed by an intermediary pursuant to a discretionary mandate, which implies that shares are purchased during both open and closed periods, without any intervention of Colruyt Group.

From the maximum amount allocated to the programme, over EUR 338 million was used in the period up to 30 September 2018. No shares were purchased after the reporting period.

Colruyt Group currently holds 12.695.660 treasury shares, which represent 8,45% of the total number of shares issued. The Board of Directors has decided to cancel 7.000.000 treasury shares before 31 December 2018.

E. Events after the reporting period

There were no significant events in between the balance sheet date and the publication date of this press release.

IV. Outlook

Colruyt Group expects the retail market to remain competitive in the financial year 2018/19. The group does not anticipate a significant upturn in the economic climate for the consumer in Belgium and France in the short term.

Colruyt Group confirms its result guidance of the financial year 2018/19.
Excluding one-off effects, Colruyt Group expects the 2018/19 consolidated net result to exceed prior year’s net result. This guidance takes into account the strong performance of the first year-half and an increase in competition in the second semester.
Financial year 2018/19 also includes a EUR 18 million one-off gain from the sale of the participation in Northwester 2.

Colruyt Group will keep its operating expenses under control, while continuing to invest in its long-term strategy. The group will not scale down its investments in its stores and distribution channels, IT systems, employees, sustainable (energy) projects and the quality of products and services.

Colruyt Lowest Prices will continue to implement its lowest prices strategy in all circumstances.

V. Financial calendar

• Information to financial analysts	12/12/2018 (14h00)
• Publication annual results 2018/19	18/06/2019 (17h45)
• Information to financial analysts	19/06/2019 (14h00)
• Publication annual report 2018/19	31/07/2019
• General Meeting of Shareholders	25/09/2019 (16h00)

VI. Contacts

For questions on this press release or for further information, please send an email to investor@colruytgroup.com or contact Marc Hofman (CFO) or Liesbeth Nuelant (Investor Relations) by phone at +32 2 363 50 51 (extension: 92590).

About Colruyt Group

Colruyt Group operates in the food and non-food distribution sector in Belgium, France and Luxembourg with approximately 560 own stores and over 580 affiliated stores. In Belgium this includes Colruyt, OKay, Bio-Planet, Cru, Dreamland, Dreambaby and the affiliated stores Spar and Spar Compact. In France, in addition to Colruyt stores, there are also affiliated Coccinelle, Coccimarket and Panier Sympa stores. The group is also actively involved in the foodservice business (supply of food products to hospitals, company canteens and catering businesses) in Belgium (Solucious). The other activities comprise the sale of fuel in Belgium (DATS 24), printing and document management solutions (Symeta) and the production of green energy. The group employs over 29.300 employees and recorded a EUR 9,0 billion revenue in 2017/18. Colruyt is listed on NYSE Euronext Brussels (COLR) under ISIN code BE0974256852.

Risks relating to forecasts

Statements by 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 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 a 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. 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.

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

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

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (not audited)

Condensed consolidated interim income statement

(in million EUR)	01.04.2018 - 30.09.2018	01.04.2017 - 30.09.2017
Revenue	4.594,9	4.457,8
Cost of goods sold	(3.385,3)	(3.312,7)
Gross profit	**1.209,6**	**1.145,1**
Other operating income	56,1	48,6
Services and miscellaneous goods	(251,6)	(228,8)
Employee benefit expenses	(612,5)	(601,8)
Depreciation, amortisation and impairment of non-current assets	(134,3)	(119,9)
Other operating expenses	(13,9)	(11,2)
Operating profit (EBIT)	**253,4**	**232,0**
Finance income	20,6	4,0
Finance costs	(3,1)	(3,8)
Net financial result	**17,5**	**0,2**
Share in the result of investments accounted for using the equity method	10,8	18,8
Profit before tax	**281,7**	**251,0**
Income tax expense	(74,0)	(71,0)
Profit for the period	**207,7**	**180,0**
Attributable to:		
Non-controlling interests	0,9	0,7
Owners of the parent company	**206,8**	**179,3**
Earnings per share (EPS) – basic and diluted (in EUR)	**1,50**	**1,23**

Condensed consolidated interim statement of comprehensive income

(in million EUR)	01.04.2018 - 30.09.2018	01.04.2017 - 30.09.2017
Profit for the period	**207,7**	**180,0**
Items of other comprehensive income from fully consolidated subsidiaries		
Items that will not be reclassified to profit or loss		
Revaluation of liabilities related to long-term post-employment benefits, after taxes	(1,6)	9,2
Net change in fair value of financial assets available for sale, after taxes [(1)]	0,1	0,6
Total of the items that will not be reclassified to profit or loss	**(1,5)**	**9,8**
Items that may be reclassified subsequently to profit or loss		
Profit/(loss) from currency translation of foreign subsidiaries, after taxes	(0,8)	(1,2)
Net change in fair value of derivative financial instruments, after taxes	0,1	-
Total of the items that may be reclassified subsequently to profit or loss	**(0,7)**	**(1,2)**
Items of other comprehensive income from investments accounted for using the equity method		
Items that may be reclassified subsequently to profit or loss		
Net change in fair value of derivative financial instruments, after taxes	0,5	4,2
Total of the items that may be reclassified subsequently to profit or loss	**0,5**	**4,2**
Other comprehensive income for the period	**(1,7)**	**12,8**
Total comprehensive income for the period	**206,0**	**192,8**
Attributable to:		
Non-controlling interests	0,9	0,7
Owners of the parent company	**205,1**	**192,1**

[(1)] *Following the application of IFRS 9 'Financial Instruments', this line is reported as 'Items that will not be reclassified to profit or loss', whereas last year this line was reported as 'Items that may be reclassified subsequently to profit or loss'.*

Condensed consolidated interim statement of financial position

(in million EUR)	30.09.2018	31.03.2018
Goodwill	55,4	58,1
Intangible assets	128,6	123,6
Property, plant and equipment	2.170,8	2.131,8
Investments accounted for using the equity method	273,1	261,5
Financial assets	10,0	40,9
Deferred tax assets	15,3	28,2
Other receivables	37,9	37,5
Total non-current assets	**2.691,1**	**2.681,6**
Inventories	606,0	592,5
Trade receivables	519,2	496,1
Current tax assets	1,5	1,1
Other receivables	56,2	39,6
Financial assets	29,2	29,7
Cash and cash equivalents	210,1	212,1
Assets held for sale	11,9	1,4
Total current assets	**1.434,1**	**1.372,5**
TOTAL ASSETS	**4.125,2**	**4.054,1**
Share capital	315,9	315,9
Reserves and retained earnings	1.706,4	1.720,1
Total equity attributable to owners of the parent company	**2.022,3**	**2.036,0**
Non-controlling interests	4,6	5,5
Total equity	**2.026,9**	**2.041,5**
Provisions	32,8	32,7
Liabilities related to employee benefits	128,4	127,6
Deferred tax liabilities	50,8	59,0
Interest-bearing and other liabilities	8,2	13,7
Total non-current liabilities	**220,2**	**233,0**
Provisions	0,8	0,9
Interest-bearing liabilities	8,1	128,6
Trade payables	1.137,1	1.092,3
Current tax liabilities	65,6	42,1
Liabilities related to employee benefits and other liabilities	666,5	515,7
Total current liabilities	**1.878,1**	**1.779,6**
Total liabilities	**2.098,3**	**2.012,6**
TOTAL EQUITY AND LIABILITIES	**4.125,2**	**4.054,1**

Condensed consolidated interim statement of changes in equity

(in million EUR, except number of shares)	Attributable to the owners of the parent company										Non-controlling interests	Total equity
	Number of shares	Share capital	*Number of treasury shares*	Treasury shares	Other reserves				Retained earnings	**Total**		
					Revaluation reserves of liabilities related to long-term post-employment benefits	Cumulative translation adjustments	Cash flow hedge reserves	Fair value reserves of financial assets through OCI [(1)]				
At 1 April 2018	***150.196.352***	**315,9**	***11.688.496***	**(506,4)**	**(36,8)**	**(1,8)**	**(5,6)**	**1,3**	**2.269,4**	**2.036,0**	**5,5**	**2.041,5**
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**(1,6)**	**(0,8)**	**0,6**	**0,1**	**206,8**	**205,1**	**0,9**	**206,0**
Profit for the period	-	-	-	-	-	-	-	-	206,8	**206,8**	0,9	**207,7**
Other comprehensive income for the period	-	-	-	-	(1,6)	(0,8)	0,6	0,1	-	**(1,7)**	-	**(1,7)**
Transactions with the owners	**-**	**-**	***1.007.164***	**(46,5)**	**-**	**-**	**-**	**-**	**(172,3)**	**(218,8)**	**(1,8)**	**(220,6)**
Capital increase	-	-	-	-	-	-	-	-	1,1	**1,1**	-	**1,1**
Treasury shares purchased	-	-	*1.032.718*	(47,5)	-	-	-	-	(0,5)	**(48,0)**	-	**(48,0)**
Treasury shares distributed as profit-sharing to employees	-	-	*(25.554)*	1,0	-	-	-	-	(1,0)	**-**	-	**-**
Dividends	-	-	-	-	-	-	-	-	(167,8)	**(167,8)**	(1,8)	**(169,6)**
Stability allowance reference shareholders	-	-	-	-	-	-	-	-	(3,7)	**(3,7)**	-	**(3,7)**
Other	-	-	-	-	-	-	-	-	(0,4)	**(0,4)**	-	**(0,4)**
At 30 September 2018	***150.196.352***	**315,9**	***12.695.660***	**(552,9)**	**(38,4)**	**(2,6)**	**(5,0)**	**1,4**	**2.303,9**	**2.022,3**	**4,6**	**2.026,9**

[(1)] *Terminology in line with IFRS 9.*

Condensed consolidated interim statement of changes in equity

	Attributable to the owners of the parent company											
(in million EUR, except number of shares)	*Number of shares*	Share capital	*Number of treasury shares*	Treasury shares	Other reserves				Retained earnings	**Total**	Non-controlling interests	**Total equity**
					Revaluation reserves of liabilities related to long-term post-employment benefits	Cumulative translation adjustments	Cash flow hedge reserves	Fair value reserves of financial assets through OCI [(1)]				
At 1 April 2017	***149.935.894***	**305,8**	***4.300.386***	**(180,0)**	**(57,8)**	**0,4**	**(8,4)**	**5,3**	**2.070,7**	**2.136,0**	**4,2**	**2.140,2**
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**9,2**	**(1,2)**	**4,2**	**0,6**	**179,3**	**192,1**	**0,7**	**192,8**
Profit for the period	-	-	-	-	-	-	-	-	179,3	**179,3**	0,7	**180,0**
Other comprehensive income for the period	-	-	-	-	9,2	(1,2)	4,2	0,6	-	**12,8**	-	**12,8**
Transactions with the owners	**-**	**-**	***791.179***	**(35,3)**	**-**	**-**	**-**	**-**	**(175,3)**	**(210,6)**	**-**	**(210,6)**
Capital increase	-	-	-	-	-	-	-	-	1,1	**1,1**	-	**1,1**
Treasury shares purchased	-	-	*823.256*	(36,5)	-	-	-	-	(0,2)	**(36,7)**	-	**(36,7)**
Treasury shares distributed as profit-sharing to employees	-	-	*(32.077)*	1,2	-	-	-	-	(1,2)	**-**	-	**-**
Dividends	-	-	-	-	-	-	-	-	(170,9)	**(170,9)**	-	**(170,9)**
Stability allowance reference shareholders	-	-	-	-	-	-	-	-	(3,8)	**(3,8)**	-	**(3,8)**
Other	-	-	-	-	-	-	-	-	(0,3)	**(0,3)**	-	**(0,3)**
At 30 September 2017	***149.935.894***	**305,8**	***5.091.565***	**(215,3)**	**(48,6)**	**(0,8)**	**(4,2)**	**5,9**	**2.074,7**	**2.117,5**	**4,9**	**2.122,4**

[(1)] *Terminology in line with IFRS 9 and as applied to the condensed consolidated interim statement of changes in equity as per 30 September 2018. The original description was 'Fair value reserves of financial assets available for sale'.*

Condensed consolidated interim statement of cash flows

(in million EUR)	01.04.2018 - 30.09.2018	01.04.2017 - 30.09.2017
Operating activities		
Profit before tax	**281,7**	**251,0**
Adjustments for:		
Depreciation, amortisation and impairment of non-current assets	134,3	119,9
Finance income and finance costs	(17,5)	(0,2)
Share in the result of investments accounted for using the equity method	(10,8)	(18,8)
Other [(1)]	1,7	(0,3)
Cash flow from operating activities before changes in working capital and provisions	**389,4**	**351,6**
Decrease/(increase) in trade and other receivables	(45,3)	(73,9)
Decrease/(increase) in inventories	(12,7)	9,7
(Decrease)/increase in trade payables and other liabilities	36,0	2,6
(Decrease)/increase in provisions and liabilities related to employee benefits	(12,3)	(1,1)
Interest paid	(0,3)	(0,5)
Interest received	1,8	2,3
Dividends received	-	1,3
Income tax paid	(49,1)	(113,8)
Cash flow from operating activities	**307,5**	**178,2**
Investing activities		
Purchase of property, plant and equipment and intangible assets	(182,8)	(189,6)
Business combinations (net of cash and cash equivalents acquired) and business disposals (net of cash and cash equivalents disposed of)	(1,9)	-
(Increase in investment in)/proceeds from capital reimbursements of associates and joint ventures	(0,8)	0,6
(Purchases)/sales of financial assets	38,5	(1,2)
(Payment of)/proceeds from repayment of loans granted	4,4	(0,5)
Proceeds from sale of property, plant and equipment and intangible assets	8,5	5,6
Cash flow from investing activities	**(134,1)**	**(185,1)**
Financing activities		
Purchase of treasury shares	(48,0)	(36,7)
New/(repayment of) borrowings [(2)]	(124,4)	0,5
Payment of finance lease liabilities	(2,0)	(2,0)
Stability allowance paid to reference shareholders	(0,9)	(0,9)
Cash flow from financing activities	**(175,3)**	**(39,1)**
Net increase/(decrease) of cash and cash equivalents	**(1,9)**	**(46,0)**
Cash and cash equivalents at 1 April	212,1	523,7
Effect of changes in foreign currency rates	(0,1)	(0,5)
Cash and cash equivalents at 30 September	**210,1**	**477,2**

(1) *The category 'Other' includes amongst other losses/(gains) on the sale of property, plant and equipment, intangible assets and financial non-current assets, impairments and reversal of impairments on inventories, trade receivables and other receivables, employee benefits in the context of profit sharing and capital increases reserved for employees.*
(2) *The current accounting period includes amongst others the repayment of EUR 125 million 'straight loans'.*

Notes to the condensed consolidated interim financial statements

1. Basis of presentation and statement of compliance

Etn. Fr. Colruyt NV (hereinafter referred to as 'the Company') is domiciled in Halle, Belgium and is publicly traded on NYSE Euronext Brussels under the code COLR. The condensed consolidated interim financial statements for the period ending 30 September 2018 contain the financial statements of the Company, its subsidiaries (hereinafter referred to collectively as 'Colruyt Group'), and Colruyt Group's interests in associates and joint ventures.

These condensed consolidated interim financial statements provide financial information on the period from 1 April 2018 until 30 September 2018 inclusive and were approved for publication by the Board of Directors on 6 December 2018.

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standard IAS 34 *'Interim Financial Reporting'*, as adopted by the European Union. They do not contain all information required for full annual financial statements and should therefore be read in conjunction with the consolidated financial statements for financial year 2017/18.

Amounts are, unless mentioned otherwise, expressed in million EUR, rounded to one decimal place.

2. Significant accounting policies

The accounting principles applied by Colruyt Group in these condensed consolidated interim financial statements are consistent with those applied in the consolidated financial statements 2017/18, except for the changes listed below.

On 1 April 2018, the following (amendments to) standards and improvements became effective for Colruyt Group:

- IFRS 2 (Amendment), '*Share-based Payment';*
- IFRS 4 (Amendment), '*Insurance Contracts';*
- Improvements to IFRS cycle 2014-2016;
- IFRS 9, *'Financial Instruments';*
- IFRS 15, *'Revenue from Contracts with Customers'.*

These new or amended standards and improvements do not have a material impact on the condensed consolidated interim financial statements.

IFRS 9 replaces IAS 39 *'Financial Instruments: Recognition and Measurement*'. IFRS 9 introduces a new expected-loss impairment model and introduces limited changes to the classification and measurement of financial assets. This standard also introduces the new requirements for hedge accounting, to further align these with risk management.

The impact of IFRS 9 for Colruyt Group is as follows:

- *Classification and measurement:* the classification and measurement of financial assets under IFRS 9 depends on the business model and the assets' contractual cash flow characteristics. The classification of the financial liabilities remains unchanged.
- *Impairments*: Colruyt Group has identified one category of financial assets which is subject to the new expected credit loss model, i.e. trade and other receivables. For certain segments Colruyt Group applies the simplified approach of IFRS 9 to account for expected credit losses on trade receivables: as of 1 April 2018, provisions for impairment losses will be calculated based on provision matrices, making a distinction between the provision for receivables of the segments 'Retail' and 'Other activities' on one hand, and the provision for receivables of the subsegment 'Foodservice' on the other hand. The expected credit losses on receivables within the subsegment 'Wholesale' will be accounted for using the standard method, having credit losses determined at the level of the individual receivable. The application of the provision matrices would result in an immaterial impact on the opening balance. As the impact is not material, it has not been taken into account in the opening balance, but recorded as an additional impairment in the current financial year 2018/19.
- *Hedge accounting:* the existing hedge relationships, which were designated as effective hedge relationships under IAS 39, qualify for hedge accounting under IFRS 9. As IFRS 9 does not change the general principles of how an entity accounts for hedges, its application does not have an impact on the figures of 30 September 2018.

IFRS 15 supersedes the current standards IAS 18*'Revenue'*, IAS 11 *'Construction Contracts'* and certain related IFRIC interpretations, such as IFRIC 13 *'Customer Loyalty Programmes'*. This standard introduces a new five-step model for the recognition of revenue from contracts with customers. The core principle of this standard is that an entity recognises revenue to the extent it represents the transfer of promised goods or services to customers for a consideration that is the reflection of the remuneration to which the entity expects to be entitled in exchange for those goods or services. In addition, the standard introduces extended disclosure requirements regarding revenue. Based on the analysis performed, the application of IFRS 15 has no material impact for Colruyt Group. The conclusions published in the financial statements for the financial year 2017/18 continue to apply.

Colruyt Group did not early apply the following published (amended) standards which were relevant to the group but effective only after 31 March 2019:

- IFRS 16, *'Leases*' (effective date for Colruyt Group 1 April 2019);
- IFRS 17, *'Insurance Contracts*' (effective date for Colruyt Group 1 April 2021).

The potential impact of IFRS 16 for Colruyt Group is being analysed. Colruyt Group will apply the new standard as of financial year 2019/20. In accordance with the transition method of IFRS 16, Colruyt Group chooses to apply the cumulative catch-up method, recognising the right-of-use asset at an amount equal to the lease liability (modified B) with effect from financial year 2019/20. The revised definition of the lease term under IFRS 16 will also be taken into account. Payments for short-term leases and leases of low-value assets will be recognised as a cost in profit or loss on a straight-line basis. To be in line with the new rules, Colruyt Group will implement a tool to perform the calculations.

There are no other (amended) standards, interpretations or improvements which are not yet effective for Colruyt Group and which are expected to have a material impact on the consolidated financial statements of Colruyt Group.

3. <u>Assets held for sale</u>

Colruyt Group sells its participation in Colruyt Renewable Energy Private to the Indian company Sanchore Services Private. The sales value is in line with the carrying amount of the assets held for sale.

4. Operating segments

	Retail		Wholesale and Foodservice		Other activities		Operating segments	
(in million EUR)	2018/19	2017/18	2018/19	2017/18	2018/19	2017/18	2018/19	2017/18
Revenue - external	3.780,8	3.682,9	468,5	462,9	345,6	312,0	**4.594,9**	**4.457,8**
Revenue - internal	28,2	50,9	2,8	2,9	4,7	18,4	**35,7**	**72,2**
Operating profit (EBIT)	237,3	219,3	15,6	13,6	7,2	4,6	**260,1**	**237,5**
Share in the result of investments accounted for using the equity method	0,1	0,4	-	-	2,2	15,4	**2,3**	**15,8**
Purchase of property, plant and equipment and intangible assets	138,7	143,5	7,0	5,1	5,3	10,4	**151,0**	**159,0**
Depreciation and amortisation	95,0	89,6	7,4	7,0	4,8	5,1	**107,2**	**101,7**
Impairment of non-current assets	9,5	1,8	(0,4)	-	-	0,1	**9,1**	**1,9**

	Operating segments		Unallocated		Eliminations between operating segments		Consolidated	
(in million EUR)	2018/19	2017/18	2018/19	2017/18	2018/19	2017/18	2018/19	2017/18
Revenue – external	4.594,9	4.457,8	-	-	-	-	**4.594,9**	**4.457,8**
Revenue – internal	35,7	72,2	-	-	(35,7)	(72,2)	**-**	**-**
Operating profit (EBIT)	260,1	237,5	(6,7)	(5,5)	-	-	**253,4**	**232,0**
Share in the result of investments accounted for using the equity method	2,3	15,8	8,5	3,0	-	-	**10,8**	**18,8**
Net financial result							**17,5**	**0,2**
Income tax expense							**(74,0)**	**(71,0)**
Profit for the period							**207,7**	**180,0**
Purchase of property, plant and equipment and intangible assets	151,0	159,0	31,8	30,6	-	-	**182,8**	**189,6**
Depreciation and amortisation	107,2	101,7	18,0	16,3	-	-	**125,2**	**118,0**
Impairment of non-current assets	9,1	1,9	-	-	-	-	**9,1**	**1,9**

5. Revenue by cash-generating unit

(in million EUR)	2018/19	2017/18
Retail Food [(1)]	3.676,6	3.570,8
Colruyt Belgium and Luxembourg [(2)] [(4)]	*2.946,5*	*2.898,1*
OKay, Bio-Planet and Cru [(3)]	*476,5*	*445,5*
Colruyt France and DATS 24 France	*253,6*	*227,2*
Retail Non-food [(1)]	104,2	112,1
Dreamland Belgium and France and Dreambaby	*104,2*	*112,1*
Transactions with other operating segments [(4)]	28,2	50,9
Retail	**3.809,0**	**3.733,8**
Wholesale	410,1	391,4
Foodservice [(4)]	58,4	71,5
Transactions with other operating segments	2,8	2,9
Wholesale and Foodservice	**471,3**	**465,8**
DATS 24 Belgium	342,7	309,8
Printing and document management solutions	2,9	2,2
Transactions with other operating segments [(5)]	4,7	18,4
Other activities	**350,3**	**330,4**
Total operating segments	**4.630,6**	**4.530,0**
Eliminations between operating segments	**(35,7)**	**(72,2)**
Consolidated	**4.594,9**	**4.457,8**

(1) *The subtotals 'Food' and 'Non-food' within the operating segment 'Retail' are for information purposes only.*
(2) *Including the revenue of the webshops Collect&Go, Bio-Planet, Collishop, Dreamland and Dreambaby realised by the Colruyt stores.*
(3) *Including the revenue of the webshops Collect&Go, Collishop, Dreamland and Dreambaby realised by the OKay and Bio-Planet stores.*
(4) *The export activities of Colex are presented in the 'Retail' segment as from the financial year 2018/19 (previously in the 'Foodservice' segment).*
(5) *The internal revenue of our printing solutions is reported as 'Other operating income' as from the financial year 2018/19.*

6. Income tax expense

The effective tax rate for Colruyt Group for the first half year ending on 30 September 2018 is 27,3%. The effective tax rate for the financial year 2017/18 was 29,6% and the one for the first semester of the previous accounting period, ending on 30 September 2017, was 30,6%.

(in million EUR)	2018/19	2017/18
Current year taxes	72,4	79,7
Deferred taxes	1.6	(8,7)
Total income tax expense	**74,0**	**71,0**

7. Capital expenditure

During the first semester of financial year 2018/19, Colruyt Group acquired property, plant and equipment and intangible assets for a total amount of EUR 182,8 million. In the first semester of the comparative financial year 2017/18, Colruyt Group acquired property, plant and equipment and intangible assets for EUR 189,6 million.

The investments of Colruyt Group include amongst others the further modernisation of the production facilities, further investments in the store network and store design and investments towards transformation programmes with a long-term character.

8. Dividends

On 26 September 2018 the General Meeting of Shareholders approved a gross dividend of EUR 1,22 per share for the financial year 2017/18, for a total amount of EUR 167,8 million. This dividend was made available for payment on 2 October 2018.

9. Changes in the consolidation scope

There are no significant changes in the consolidation scope of Colruyt Group.

10. Financial assets and liabilities per category and per class

In accordance with IFRS 7 *'Financial instruments: Disclosures'* and IFRS 13 '*Fair Value Measurement*', financial instruments measured at fair value are classified using a fair value hierarchy.

The table for the current financial year is set up in accordance with the new classification under IFRS 9 '*Financial Instruments',* whereas the table related to the previous financial year is set up in accordance with the classification under IAS 39 '*Financial Instruments: Recognition and Measurement*'.

	Historical or amortised cost	Measurement at fair value			**Total**
(in million EUR)		Quoted prices Level 1	Observable market inputs Level 2	Unobservable market inputs Level 3	
Financial assets at fair value through other comprehensive income					
Equity investments	-	-	-	9,8	**9,8**
Financial assets at fair value through profit or loss					
Equity investments	-	11,5	-	0,2	**11,7**
Fixed-income securities	-	14,7	-	-	**14,7**
Financial assets at amortised cost					
Cash investments	3,0	-	-	-	**3,0**
Loans and receivables	575,4	-	-	-	**575,4**
Cash and cash equivalents	210,1	-	-	-	**210,1**
Total at 30 September 2018	**788,5**	**26,2**	**-**	**10,0**	**824,7**
Financial liabilities					
Interest-bearing and other liabilities	16,3	-	-	-	**16,3**
Trade payables	1.137,1	-	-	-	**1.137,1**
Total at 30 September 2018	**1.153,4**	**-**	**-**	**-**	**1.153,4**

(in million EUR)	Historical or amortised cost	Measurement at fair value			Total
		Quoted prices Level 1	Observable market inputs Level 2	Unobservable market inputs Level 3	
Financial assets					
Financial assets available for sale	12,0	-	-	28,9	**40,9**
Loans and receivables	540,8	-	-	-	**540,8**
Financial assets held for trading	3,6	26,1	-	-	**29,7**
Cash and cash equivalents	212,1	-	-	-	**212,1**
Total at 31 March 2018	**768,5**	**26,1**	**-**	**28,9**	**823,5**
Financial liabilities					
Interest-bearing and other liabilities	142,3	-	-	-	**142,3**
Trade payables	1.092,3	-	-	-	**1.092,3**
Total at 31 March 2018	**1.234,6**	**-**	**-**	**-**	**1.234,6**

The fair value hierarchy is based on the inputs used to measure financial assets and liabilities at measurement date. The following three levels are distinguished:

- Level 1: inputs used for measurement of fair value are officially quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: the fair value of financial instruments not traded on an active market is determined using valuation techniques. These techniques use inputs of observable market prices, if available, as much as possible and and avoid reliance on entity-specific estimations. Colruyt Group has no financial instruments within this category.
- Level 3: financial instruments for which fair value is determined with valuation techniques using certain parameters not based on observable market data.

For the amounts recognised at 'historical or amortised cost', the carrying amount equals the fair value in most cases due to the nature of the instrument or due to the short-term character. Those cases where the historical or amortised cost deviates from the fair value are not material.

Following the sale of the participation in the Lithuanian group IKI, the financial assets measured at fair value through other comprehensive income, classified under level 3, mainly include the participations in the holding companies Sofindev.

The opening and closing balances of the financial assets at fair value classified under level 3 can be reconciled as follows:

(in million EUR)	2018/19
At 1 April	**28,9**
Acquisitions/(Sales)	(21,5)
Capital increases	1,9
Fair value adjustments through other comprehensive income	0,1
Equity investments at fair value [(1)]	0,6
At 30 September	**10,0**

[(1)] *Equity investments which were previously measured at 'historical or amortised cost' in accordance with IAS 39, and are as from the financial year 2018/19 measured at fair value in accordance with IFRS 9.*

11. Risk management and contingent liabilities

For a description of the risks to which Colruyt Group is exposed and how Colruyt Group manages its exposure to these risks, we refer to the section ‘Corporate Governance’, ‘Responsible/sustainable corporate governance’ (pages 113-125) of the 2017/18 annual report.

Colruyt Group has a number of commitments relating to the acquisition of property, plant and equipment which have not yet been recognised in the statement of financial position, for EUR 69 million (EUR 74,5 million at 31 March 2018).

As for the remainder no significant changes have occurred, we refer to the annual report 2017/18 (page 191) for a description of the contingent liabilities.

12. Events after the reporting date

There have been no significant events after the reporting date.

13. Management responsibility statement

Jef Colruyt, Chairman of the Board of Directors and Marc Hofman, Chief Financial Officer, declare in title and for the entity, that to the best of their knowledge,

- these condensed consolidated interim financial statements, prepared in accordance with IAS 34 *’Interim Financial Reporting’* as adopted by the European Union, give a true and fair view of the net assets, the financial position and the results of the company Etn. Fr. Colruyt NV and of the entities included in the consolidation;

- the interim financial report gives a true and fair summary of the information required under article 13 §5 and §6 of the Royal Decree of 14 November 2007 on the obligations of issuers of financial instruments admitted to trading on a regulated market.

Halle, 6 December 2018

Jef Colruyt
Chairman of the Board of Directors

Marc Hofman
Chief Financial Officer

14. Definitions

Capital employed
The value of the assets and liabilities that contribute to generating income.

Dividend pay-out ratio
Gross dividend per share divided by the profit for the financial year (group share) per share.

Dividend yield
Gross dividend per share divided by the share price at balance sheet date.

EBIT margin
EBIT divided by revenue.

EBITDA
Earnings before interest, taxes, depreciation and amortisation, or operating profit (EBIT) plus depreciation, amortisation and impairments.

EBITDA margin
EBITDA divided by revenue.

Free cash flow
Free cash flow is defined as the sum of the cash flow from operating activities and the cash flow from investing activities.

FTE
Full-time equivalent; unit of account with which the number of employees is expressed by dividing the contractual working time by the full-time working time.

Gross added value
The realisable value of the manufactured goods less the value of the raw materials and the auxiliary materials used in the production process and the procured services.

Gross profit
Revenue minus cost of goods sold.

Gross profit margin
Gross profit divided by revenue.

Market capitalisation
Closing price multiplied with the number of issued shares at the reporting date.

Net added value
Consists of the gross added value less depreciation, amortisation, impairments on fixed assets, provisions and write-offs of current assets.

Net profit
Profit for the financial year (after tax).

Net profit margin
Net profit divided by revenue.

Operating profit (EBIT or earnings before interest and taxes)
The operating income less all operating costs (cost of goods sold, services and miscellaneous goods, employee benefit expenses, depreciation, amortisation, impairments and other operating expenses).

Purchase of property, plant and equipment and intangible assets
Purchase of property, plant and equipment and intangible assets also includes finance leases, but excludes acquisitions through business combinations and contributions by third parties.

Revenue
Revenue comprises the sale of goods and services provided to our own customers, affiliated customers and wholesale customers, after the deduction of discounts and commissions allocated to these customers.

ROCE
Return on capital employed, or operating profit (EBIT) after tax divided by the capital employed.

Share of the group
Interest that can be attributed to the owners of the parent company.

Weighted average number of outstanding shares
The number of outstanding shares at the beginning of the period, adjusted for the number of shares cancelled, treasury shares purchased or shares issued during the period multiplied by a time-correcting factor.

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

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

Building a better working world

Ernst & Young
Réviseurs d'Entreprises
Bedrijfsrevisoren
De Kleetlaan 2
B - 1831 Diegem

Tel: +32 (0)2 774 91 11
Fax: +32 (0)2 774 90 90
ey.com

Report of the statutory auditor on the review of the Condensed Consolidated Interim Financial Statements of Etn. Fr. Colruyt NV as of 30 September 2018 and for the six-month period then ended

Introduction

We have reviewed the accompanying condensed consolidated interim statement of financial position of Etn. Fr. Colruyt NV (the "Company"), and its subsidiaries (collectively referred to as "the Group") as at 30 September 2018 and the related condensed consolidated interim income statement, condensed consolidated interim statement of comprehensive income, condensed consolidated interim statement of changes in equity and condensed consolidated interim statement of cash flows for the six-month period then ended, and explanatory notes, collectively, the "Condensed Consolidated Interim Financial Statements". These statements show a consolidated statement of financial position total of € 4.125,2 million and a consolidated profit for the six-month period then ended of € 207,7 million. The board of directors is responsible for the preparation and presentation of these Condensed Consolidated Interim Financial Statements in accordance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting* ("IAS 34") as adopted for use in the European Union. Our responsibility is to express a conclusion on these Condensed Consolidated Interim Financial Statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*" applicable to review engagements. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the International Standards on Auditing and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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Report of the statutory auditor dated 10 December 2018 on the Condensed Consolidated Interim Financial Statements of Etn. Fr. Colruyt NV for the six-month period ended 30 September 2018 (continued)

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Condensed Consolidated Interim Financial Statements as at 30 September 2018 and for the six-month period then ended are not prepared, in all material respects, in accordance with IAS 34.

Diegem, 10 December 2018

Ernst & Young Réviseurs d'Entreprises SCCRL
Statutory auditor
represented by

Daniel Wuyts
Partner*
*Acting on behalf of a BVBA/SPRL

Ref: 19/DW/0059

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