Consolidated interim financial report - 2013/14

Colruyt Group confirms its earlier full-year outlook despite strong first six months

Halle, 26 November 2013

Consolidated key figures

(in EUR million)	01/04/2013 - 30/09/2013	01/04/2012 - 30/09/2012	Variance
Revenue	**4.252,0**	**4.066,5**	**4,6%**
Gross profit	**1.059,1**	**996,4**	**6,3%**
% of revenue	24,9%	24,5%	
Operating cash flow (EBITDA)	**348,1**	**322,2**	**8,0%**
% of revenue	8,2%	7,9%	
Operating profit (EBIT)	**254,7**	**230,8**	**10,4%**
% of revenue	6,0%	5,7%	
Profit before tax	**253,1**	**229,3**	**10,4%**
% of revenue	6,0%	5,6%	
Profit for the period (group share)	**176,2**	**160,6**	**9,7%**
% of revenue	4,1%	3,9%	
Earnings per share - basic and diluted (group share) **in EUR**	**1,13**	**1,03**	**9,4%**

Main developments

- Revenue increased by 4,6% in a highly competitive market;
- Colruyt Lowest Prices holds a 26,1% market share over our first semester of 2013/14 (25,85% over the comparable period in 2012/13);
- Gross profit margin of 24,9 % was up 40 basic points compared to the weaker first semester of last financial year;
- Costs grew in line with revenue but increased less than the gross profit margin;
- In the French market we continued to invest in our lowest price position and in store network expansion;
- Investments rose by EUR 7,5 million to EUR 123,6 million;
- Net financial resources and cash equivalents increased by EUR 110,6 million to EUR 614,4 million;
- At the end of this reporting period the group had 24.964 employees (expressed in full-time equivalents), which is a 5,3% increase compared to the same period last year.

Financial report

A. Income statement

During the first six months of the financial year 2013/14 the group's revenue increased by 4,6% from EUR 4.066,5 million to EUR 4.252,0 million.

Today's economic climate is characterised by a structural shift in the spending pattern towards a cheaper product mix. The resulting pressure on revenue growth was heightened by the poor weather conditions and an unfavourable calendar effect in the first months of this financial year. In the second half of the semester the revenue pressure was partly offset by the good summer and a favourable calendar effect.

The group's gross profit improved by 6,3% to EUR 1.059,1 million (EUR 996,4 million last year) mainly as a result of the fact that the prime cause of last year's weaker margin (the delay in recharging increased purchasing conditions) was largely absent this semester. This enabled the group to achieve a gross profit margin of 24,9% versus 24,5% last year. Since August 2013 we are, however, again experiencing a delay in passing food inflation on to the customer.
The DATS24 activities experienced margin pressure in the last semester due to increased competitive pressure and the difficult market they are operating in.

Also over the past six months Colruyt Group managed to keep cost growth under control in relation to revenue growth. Employee benefit expenses amounted to 12,5% of sales (an increase with 8 basic points) while services and miscellaneous goods totalled 4,6% of sales (an increase with 11 basic points). Cost control remains a key objective for Colruyt Group.

The 4,6% revenue growth combined with the margin growth and cost growth control made operating cash flow (EBITDA) increase 8,0% to EUR 348,1 million.

Depreciation, amortisation and impairment costs rose by 2,2% to EUR 93,4 million as a result of the implementation of the investment programmes. No significant impairment costs were recorded.

Operating profit (EBIT) increased by 10,4% to EUR 254,7 million. The 6,0% EBIT margin (compared to 5,7% last year) results from the growth in revenue and in margin.

The group's effective tax rate amounted to 30,1% (versus 29,7% last year) as taxes went up EUR 8,3 million to EUR 77,0 million.

As a result of the above elements, the profit of the period (group share) improved by 9,7% to EUR 176,2 million.
Earnings per share (EPS) increased by 9,4% from EUR 1,03 to EUR 1,13.

B. Income statement per segment

I. RETAIL TRADE

The retail segment represented 75,6% of the consolidated revenue and recorded a revenue growth of 4,8% to EUR 3.215,1 million.

As at 30 September 2013 the retail segment in Belgium and Luxembourg consisted of 232 Colruyt stores, 91 OKay stores and 9 Bio-Planet stores as far as food activities are concerned. The non-food activities comprised 56 DreamLand and DreamBaby stores (2 of which are located in France). In France the food retail segment includes 67 stores to date.

Colruyt continues implementing its lowest prices strategy. During the first six months of 2013/14 the Belgian Colruyt stores achieved a revenue growth of 4,0%: revenue amounted to 2.666,5 million versus EUR 2.565,2 million the year before. This growth is also attributable to a further extension of the customer base with a higher frequency of store visits, an increase in promotional events, the expansion of the store network with 5 stores and a partial pass-through of food inflation. The growth resulted in a gain in market share with 25 basic points to 26,1% over the first semester.

The OKay and Bio-Planet formats recorded a 12,1% revenue growth to EUR 289,4 million mainly through the influx of new customers and additional store openings.

In May 2013 Colruyt Group launched the private label Boni Selection, which groups more than 50 existing private labels of the group. The recognisable packaging and the carefully selected assortment will make it easier for the customer to choose between three brand layers: national brands, the affordable, domestic quality products of Boni Selection and the Everyday Selection products, the discount brand of the group.

The Colruyt stores in France realised a revenue growth of 11,3% to EUR 119,8 million. The French retail market continues to face negative growth in volumes sold, price erosion and fierce price competition. In such a difficult socio-economic climate, our concept of the lowest prices for national brands is appreciated by the French consumer. By continuing to invest in price positioning and expanding and modernising the store network, the group seeks to further develop its integrated store activities on the French market.

Revenue of the specialised non-food stores DreamLand and DreamBaby increased by 2,1% to EUR 101,8 million. This revenue growth was promoted by the opening of 2 new DreamLand stores and 6 new DreamBaby stores, 5 of which resulted from the transfer of DreamBaby departments from DreamLand to individual stores.

II. WHOLESALE & FOODSERVICE

The wholesale and food service segment represented 17,1% of the consolidated revenue and realised a revenue increase of 5,2% to EUR 725,0 million.

The wholesale segment, that also comprises the deliveries to independent storekeepers in Belgium and France in addition to the Spar Retail activities, was able to post a 3,3% revenue growth. The growth can entirely be attributed to Spar Retail, that recorded a strong first six months. This is the result of efforts to develop the 3 main areas of focus: a close and authentic collaboration with and strong involvement of the independent entrepreneurs whose profitability ranks among the best on the market, a large and high-quality range of good, fresh products and competitive prices. These three elements combined allowed our Spar store format to achieve a steady growth of its revenue per m².

In a stagnating market the food service branch generated a 6,5% revenue growth, mainly as a result of the start of a new contract in France.
In Belgium, Collivery and Foodinvest merged in September 2013 to form Solucious, that supplies food articles to both professional and private customers
We are convinced that the clear positioning of the food service activities via Solucious and via Pro à Pro in France will generate further growth. The main assets we are building upon to strengthen our position in the food service segment are the reliability of the deliveries, the service, the product quality and the personal contact with the customers.

III. OTHER ACTIVITIES

The segment of the other activities represented 8,8% of the consolidated revenue and grows by 1,3% compared with last financial year.

The other activities basically comprise the DATS24 petrol stations in Belgium and France, where revenue increased by 2,7% as compared to the same period last financial year. Revenue growth remained limited due to the fact that the 6,5% volume increase was largely offset by the price war at the petrol pumps.
During the first semester of 2013/14 four new stations were opened in Belgium and one in France. As at 30 September 2013 the group holds 94 stations in Belgium (7 of which are CNG filling stations) and 37 stations in France.

C. Cash flow and balance sheet analysis

As compared to 31 March 2013, the net carrying amount of the tangible and intangible assets increased with EUR 27,2 million to EUR 1.703,5 million. This increase mainly results from the investment programme in the amount of EUR 123,6 million (versus EUR 116,1 million last financial year), which exceeded depreciation expenses (EUR 93,4 million).
In September 2013 Colruyt Group laid the foundation stone for a new logistic centre at Ollignies (Ath / Lessines). This centre will be operational in February 2015 and will enable Colruyt Group to continue its growth in the years to come.

During the first six months of the financial year 2013/14 the company did not repurchase any treasury shares. As at 30 September 2013 the company held 8.286.947 treasury shares or 5,0% of the total number of shares issued.

In the first semester of the current financial year, the permanent optimisation of the trading capital was slowed down by an increase of the other receivables (primarily in respect of capital grants) and a stock increase, mainly for the start-up phase of an important food service contract in France.

As a result of all these elements, coupled with the improved results, net financial resources and cash equivalents amounted to EUR 614,4 million at 30 September 2013, as compared to EUR 503,8 million at the end of last financial year.

D. Outlook

Colruyt Group will continue to invest consistently and relentlessly in its long-term strategy.

We expect that, as a result of the consumer's decreasing spending pattern and of a further increase of competitive pressure, the result growth of the first semester will not be maintained in the second half of the financial year. As announced at the General Meeting of Shareholders of 25 September 2013 we therefore confirm the outlook that the consolidated net result for the full financial year 2013/2014 will be in the same range as the net result of prior year.

E. Financial calendar

- Information to the financial analysts	27/11/2013 (14:00h)
- Publication of revenue figures for third quarter of 2013/14	31/01/2014 (17:45h)
- Publication of annual results of financial year 2013/14	23/06/2014 (17:45h)
- Information to the financial analysts	24/06/2014 (14:00h)
- Publication of revenue figures for first quarter of 2014/15	31/07/2014 (17:45h)
- General Meeting of Shareholders 2013/2014	24/09/2014 (16:00h)

F. Contacts

For further information regarding this press release, you can send your questions to investor@colruytgroup.com or contact us directly by calling Marc Hofman, CFO Colruyt Group, at the number +32 2 363 51 11.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (Not audited)

Condensed consolidated interim income statement

(in million EUR)	01/04/2013 - 30/09/2013	01/04/2012 - 30/09/2012
Revenue	4.252,0	4.066,5
Cost of goods sold	(3.192,9)	(3.070,1)
Gross profit	**1.059,1**	**996,4**
Other operating income	30,1	28,6
Services and miscellaneous goods	(195,5)	(182,7)
Employee benefit expenses	(531,9)	(505,4)
Depreciation, amortisation and impairment of non-current assets	(93,4)	(91,4)
Provisions and write-offs of current assets	(1,1)	(1,4)
Other operating expenses	(12,6)	(13,2)
Operating profit before financing costs (EBIT)	**254,7**	**230,8**
Finance income	5,0	5,0
Finance costs	(3,7)	(4,2)
Net financial result	**1,3**	**0,8**
Share in results of investments accounted for by using the equity method	(2,9)	(2,3)
Profit before tax	**253,1**	**229,3**
Income tax expense	(77,0)	(68,7)
Profit for the period	**176,1**	**160,6**
Attributable to:		
Non-controlling interests	(0,1)	-
Owners of the parent	**176,2**	**160,6**
Earnings per share (EPS) – basic and diluted (in EUR)	**1,13**	**1,03**

Condensed consolidated interim statement of comprehensive income

(in million EUR)	01/04/2013 - 30/09/2013	01/04/2012 - 30/09/2012
Profit for the period	**176,1**	**160,6**
Items that will not be reclassified to profit or loss		
Actuarial profit/(loss) on long term employee benefits	1,0	(2,7)
Total of the items that will not be reclassified to profit or loss	**1,0**	**(2,7)**
Items that may be reclassified subsequently to profit or loss		
Profit/(loss) from currency translation of foreign entities	(0,6)	-
Share in other comprehensive income of investments accounted for by using the equity method	6,8	(2,4)
Total of the items that may be reclassified subsequently to profit or loss	**6,2**	**(2,4)**
Other comprehensive income for the period	**7,2**	**(5,2)**
Total comprehensive income for the period	**183,3**	**155,4**
Attributable to:		
Non-controlling interests	(0,1)	-
Owners of the parent	**183,4**	**155,4**

All components of the above statement of comprehensive income are presented net of tax.

Condensed consolidated interim statement of financial position

(in million EUR)	30/09/2013	31/03/2013
Goodwill	89,5	89,6
Intangible assets	61,3	51,6
Property, plant and equipment	1.552,7	1.535,1
Investments in associates	0,4	0,3
Investments in joint ventures	123,0	119,0
Financial assets	33,7	35,7
Deferred tax assets	9,3	10,3
Other receivables	21,0	20,3
Total non-current assets	**1.890,9**	**1.861,9**
Inventories	564,8	550,4
Trade receivables	503,4	469,4
Current income tax receivable	4,0	3,0
Other receivables	42,4	27,0
Financial assets	22,4	25,0
Cash and cash equivalents	615,1	503,9
Assets held for sale	2,0	2,7
Total current assets	**1.754,1**	**1.581,4**
TOTAL ASSETS	**3.645,0**	**3.443,3**
Share Capital	249,2	249,2
Reserves and retained earnings	1.565,6	1.542,0
Total equity attributable to owners of the parent	**1.814,8**	**1.791,2**
Non-controlling interests	1,8	1,7
Total equity	**1.816,6**	**1.792,9**
Provisions	14,7	16,0
Employee benefits	51,8	51,3
Deferred tax liabilities	56,8	57,3
Interest-bearing loans, borrowings and other liabilities	27,6	29,1
Total non-current liabilities	**150,9**	**153,7**
Bank overdrafts	0,7	-
Interest-bearing loans and borrowings	3,1	3,1
Trade payables	1.015,8	967,4
Current income tax payable	65,8	64,5
Employee benefits and other liabilities	592,1	461,7
Total current liabilities	**1.677,5**	**1.496,7**
Total liabilities	**1.828,4**	**1.650,4**
TOTAL EQUITY AND LIABILITIES	**3.645,0**	**3.443,3**

Condensed consolidated interim statement of changes in equity

	Attributable to owners of the parent						
(in million EUR)	Share capital	Treasury shares	Other reserves	Retained earnings	**Total**	Non-controlling interests	**Total equity**
At 1 April 2013	**249,2**	**(262,7)**	**(1,6)**	**1.806,3**	**1.791,2**	**1,7**	**1.792,9**
Total comprehensive income for the period	-	-	**7,2**	**176,2**	**183,4**	**(0,1)**	**183,3**
Profit for the period	-	-	-	176,2	**176,2**	(0,1)	**176,1**
Other comprehensive income for the period	-	-	7,2	-	**7,2**	-	**7,2**
Transactions with the owners of the parent	**-**	**1,9**	**(1,6)**	**(160,1)**	**(159,8)**	**0,2**	**(159,6)**
Discount on capital increase	-	-	1,0	-	**1,0**	-	**1,0**
Treasury shares purchased	-	-	0,5	-	**0,5**	-	**0,5**
Treasury shares distributed to employees as profit sharing	-	1,9	(3,1)	-	**(1,2)**	-	**(1,2)**
Dividend to shareholders	-	-	-	(160,1)	**(160,1)**	-	**(160,1)**
Non-controlling interests due to paid-in capital	-	-	-	-	**-**	0,2	**0,2**
At 30 September 2013	**249,2**	**(260,8)**	**4,0**	**1.822,4**	**1.814,8**	**1,8**	**1.816,6**

	Attributable to owners of the parent						
(in million EUR)	Share capital	Treasury shares	Other reserves	Retained earnings	**Total**	Non-controlling interests	**Total equity**
At 1 April 2012	**239,1**	**(384,6)**	**4,1**	**1.726,0**	**1.584,7**	**32,5**	**1.617,3**
Total comprehensive income for the period	**-**	**-**	**(5,2)**	**160,6**	**155,4**	**-**	**155,4**
Profit for the period	-	-	-	160,6	**160,6**	-	**160,6**
Other comprehensive income for the period	-	-	(5,2)	-	**(5,2)**	-	**(5,2)**
Transactions with the owners of the parent	**-**	**0,3**	**(1,9)**	**(151,8)**	**(153,4)**	**(31,9)**	**(185,4)**
Discount on capital increase	-	-	1,1	-	**1,1**	-	**1,1**
Treasury shares purchased	-	(2,7)	(0,1)	-	**(2,8)**	-	**(2,8)**
Treasury shares distributed to employees as profit sharing	-	3,0	(2,9)	-	**0,1**	-	**0,1**
Dividend to shareholders	-	-	-	(151,8)	**(151,8)**	-	**(151,8)**
Non-controlling interests resulting from loss of control	-	-	-	-	**-**	(31,9)	**(31,9)**
At 30 September 2012	**239,1**	**(384,3)**	**(3,0)**	**1.734,8**	**1.586,7**	**0,6**	**1.587,2**

"Other reserves" include amongst others results related to the actuarial calculations of long term employee benefits, currency translation differences related to foreign operations, Colruyt Group's share in other comprehensive income of investments accounted for by using the equity method, the benefits on capital increases subscribed by employees and the result on treasury shares distributed to employees as part of the profit sharing scheme.

Condensed consolidated interim statement of cash flow

(in million EUR)	01/04/2013 - 30/09/2013	01/04/2012 - 30/09/2012
Operating activities		
Profit for the period	**176,1**	**160,6**
Adjustments for:		
Amortisation, depreciation and impairment of non-current assets	93,4	91,4
Interest income and expenses	(1,6)	(0,5)
Income tax expense	77,0	68,7
Other ([1])	4,8	7,7
Cash flow from operating activities before changes in working capital and provisions	**349,7**	**328,0**
Decrease/(increase) in trade and other receivables	(52,5)	(22,7)
Decrease/(increase) in inventories	(14,0)	12,8
(Decrease)/increase in trade and other payables	23,3	56,2
(Decrease)/increase in provisions and employee benefits	0,4	0,2
Interest paid	(0,6)	(2,4)
Interest received	4,4	2,9
Dividends received	0,5	-
Income tax paid	(77,1)	(66,7)
Cash flow from operating activities	**234,1**	**308,4**
Investing activities		
Purchase of property, plant and equipment and intangible assets	(123,6)	(116,1)
Business combinations (net of cash and cash equivalents acquired) and business disposals (net of cash and cash equivalents disposed)	(1,1)	(6,5)
(Increase in investment in)/proceeds from capital reimbursement of associates and joint ventures	(0,1)	(12,0)
Loss of control of subsidiaries	-	(47,2)
(Purchase)/sales of financial assets	2,4	(1,7)
(Payment of)/proceeds from repayment of loans granted	(0,1)	3,9
Proceeds from the sale of property, plant and equipment and intangible assets	4,4	4,8
Cash flow from investing activities	**(118,1)**	**(174,9)**
Financing activities		
Purchase of treasury shares	-	(2,7)
New/(Repayment of) borrowings	(0,2)	(0,4)
Payments of finance lease liabilities	(1,5)	(1,7)
Dividends paid	(3,6)	(3,9)
Cash flow from financing activities	**(5,3)**	**(8,7)**
Net increase/(decrease) of cash and cash equivalents	**110,7**	**124,8**
Net cash and cash equivalents at 1 April	503,8	307,6
Effect of changes in foreign currency rates	(0,1)	-
Net cash and cash equivalents at 30 September	**614,4**	**432,4**

(1) The category “Other” includes amongst others loss/(gain) on the sale of property, plant and equipment and intangible assets, loss/(gain) on the sale of current assets, share in the results of investments accounted for by using the equity method, employee benefits in the context of share-based payments and capital increases reserved for employees and losses/(gains) on investments.

Notes to the condensed consolidated interim financial statements

1. Basis of presentation and statement of compliance

Etn. Fr. Colruyt NV (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 2013 contain the financial statements of the Company, its subsidiaries (hereinafter known collectively as the “Colruyt Group”), and Colruyt Group’s interests in associated companies and jointly controlled entities.

These condensed consolidated interim financial statements provide financial information on the period from 1 April 2013 till 30 September 2013 and they were approved for publication by the Board of Directors on 21 November 2013.

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 the financial year ended on 31 March 2013.

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

2. Principles for the presentation and preparation of consolidated financial statements

The accounting principles applied in these condensed consolidated interim financial statements are consistent with those applied in the consolidated financial statements for the year ended 31 March 2013, except for the following changes as a result of evolutions in the IASB-pronouncements:

- IAS 34, ‘*Interim Financial Reporting*’ §16A (j) requires additional disclosures regarding financial instruments in interim condensed financial statements (9. Financial assets and liabilities by category and class).
- IAS 1 (Amendment), ‘*Presentation of financial statements – Presentation of items of other comprehensive income*’ requires that other comprehensive income is split into two categories: (a) items that are potentially reclassifiable into profit or loss; and (b) items that are not reclassifiable. Tax associated with items of other comprehensive income will be split on the same basis.

Colruyt Group did not early apply new standards, changes to existing standards or interpretations which were published but not yet effective after balance sheet date.

3. Operating segments

	Retail		Wholesale and Foodservice		Other activities		Operating segments	
(in million EUR)	13/14	12/13	13/14	12/13	13/14	12/13	13/14	12/13
Revenue	3.215,1	3.068,1	725,0	688,9	374,0	369,3	**4.314,1**	**4.126,2**
Operating cash flow (EBITDA)	305,5	285,7	18,4	16,5	8,2	10,6	**332,1**	**312,8**
Operating profit (EBIT)	238,7	220,0	9,7	8,8	1,7	2,5	**250,1**	**231,2**
Share in results of investments accounted for by using the equity method	-	-	-	-	(2,9)	(2,3)	**(2,9)**	**(2,3)**
Segment assets	2.069,7	1.972,5	507,3	455,5	267,5	253,6	**2.844,5**	**2.681,6**
of which investments accounted for by using the equity method	-	-	-	-	*123,0*	*112,5*	***123,0***	***112,5***
of which assets held for sale	*1,3*	*1,3*	-	-	*0,7*	-	***2,0***	***1,3***
Segment liabilities	1.120,5	1.063,8	245,3	209,3	81,0	84,5	**1.446,8**	**1.357,6**
Capital expenditure	82,0	90,0	14,8	8,8	15,6	4,8	**112,4**	**103,6**
Depreciation, amortisation and impairment of non-current assets	66,9	65,8	8,7	7,7	6,4	8,1	**82,0**	**81,6**
Number of staff employed (FTE) at reporting date	19.572	18.502	2.963	2.848	316	322	**22.851**	**21.672**

	Operating segments		Transactions between operating segments		Unallocated		Consolidated	
(in million EUR)	13/14	12/13	13/14	12/13	13/14	12/13	13/14	12/13
Revenue	4.314,1	4.126,2	(62,1)	(59,7)	-	-	**4.252,0**	**4.066,5**
Operating cash flow (EBITDA)	332,1	312,8	-	(0,1)	16,0	9,5	**348,1**	**322,2**
Operating profit (EBIT)	250,1	231,2	-	(0,1)	4,6	(0,4)	**254,7**	**230,8**
Share in results of investments accounted for by using the equity method	(2,9)	(2,3)	-	-	-	-	**(2,9)**	**(2,3)**
Net financial result					1,3	0,8	1,3	0,8
Income tax expense					(77,0)	(68,7)	(77,0)	(68,7)
Profit for the period							**176,1**	**160,6**
Attributable to:								
Non-controlling interests							*(0,1)*	-
Owners of the parent							*176,2*	*160,6*
Total assets	2.844,5	2.681,6	(69,3)	(53,2)	869,8	701,2	**3.645,0**	**3.329,6**
Total liabilities	1.446,8	1.357,6	(69,3)	(52,0)	450,9	436,7	**1.828,4**	**1.742,3**
Capital expenditure	112,4	103,6	-	-	11,5	11,9	**123,9**	**115,4**
Depreciation, amortisation and impairment of non-current assets	82,0	81,6	-	-	11,4	9,8	**93,4**	**91,4**
Number of staff employed (FTE) at reporting date	22.851	21.672	-	-	2.113	2.029	**24.964**	**23.700**

4. Revenue

(in million EUR)	01/04/2013 - 30/09/2013	01/04/2012 - 30/09/2012
Colruyt Belgium	2.666,5	2.565,2
OKay and Bio-Planet Belgium	289,4	258,2
DreamLand Belgium and France and DreamBaby	101,8	99,7
Colruyt France	119,8	107,6
Transactions with other operating segments	37,6	37,4
Retail	**3.215,1**	**3.068,1**
Wholesale	385,6	373,4
Foodservice	335,5	315,1
Transactions with other operating segments	3,9	0,3
Wholesale and Foodservice	**725,0**	**688,9**
Dats24 Belgium and France	347,8	338,7
Printing and document management solutions	5,5	6,2
Alternative energy	-	2,4
Transactions with other operating segments	20,7	21,9
Other activities	**374,0**	**369,3**
Total operating segments	**4.314,1**	**4.126,2**
Transactions between operating segments	**(62,1)**	**(59,7)**
Consolidated	**4.252,0**	**4.066,5**

5. Income tax expense

The effective tax rate for Colruyt Group for the first half year ending on 30 September 2013 is 30,1%. The effective tax rate for the financial year 2012/13 as well as for the first semester of the previous accounting period, ending on 30 September 2012, was 29,7%.

6. Changes in the number of shares outstanding

The number of shares outstanding has changed as follows:

	Ordinary shares	VVPR shares	Shares issued (a)	Treasury shares (b)	Shares outstanding (a) – (b)
At 1 April 2013	**155.465.925**	**9.386.924**	**164.852.849**	**8.350.868**	**156.501.981**
Distributed to employees as part of the profit-sharing scheme (financial year 2012/13)	-	-	-	(63.921)	63.921
At 30 September 2013	**155.465.925**	**9.386.924**	**164.852.849**	**8.286.947**	**156.565.902**

	Ordinary shares	VVPR shares	Shares issued (a)	Treasury shares (b)	Shares outstanding (a) – (b)
At 1 April 2012	**159.465.925**	**9.054.199**	**168.520.124**	**12.355.249**	**156.164.875**
Purchase of treasury shares	-	-	-	92.762	(92.762)
Distributed to employees as part of the profit-sharing scheme (financial year 2011/12)	-	-	-	(97.143)	97.143
At 30 September 2012	**159.465.925**	**9.054.199**	**168.520.124**	**12.350.868**	**156.169.256**

7. Earnings per share

	01/04/2013 - 30/09/2013	**01/04/2012 - 30/09/2012**
Profit for the period (share of Colruyt Group) (in million EUR)	176,2	160,6
Weighted average number of outstanding shares	156.501.981	156.082.907
Earnings per share – basic and diluted (in EUR)	1,13	1,03

8. Changes in consolidation scope

By the end of September 2013, Colruyt Group founded a new European strategic union CORE S.C.R.L. together with Conad (Italy), REWE (Germany) and Coop (Switzerland). This agreement of cooperation replaces Coopernic S.C.R.L. which will end its activities on 31 December 2013.
As Colruyt Group participates for 25% in the capital of CORE S.C.R.L., this company will be consolidated using the equity method.

Colruyt Group has acquired 2 stores of the frozen food retailer O' Cool and 1 store of the toy retailer Fun. These stores will be transformed into various stores of Colruyt Group.

In Belgium, from 1 April onwards, Finco N.V. merged with Copimex N.V. and Colim N.V. merged with Distienen N.V. In the foodservice segment, Foodinvest N.V. merged with Collivery N.V. on 30 September 2013 and changed its name into Solucious N.V.

In France, the real estate companies Sama S.C.I., Des Buttes S.C.I., Atout Trefle S.C.I. and Jacodi S.C.I. have merged with Immo Colruyt France S.A.S.
These mergers were executed with a retroactive effect as from 1 January 2013.
Also in France, S.C.I. Les Clauzures has been liquidated by the end of June 2013.

9. Financial assets and liabilities by category and class

In accordance with IFRS 7, *'Financial instruments: Disclosures'* financial instruments measured at fair value are classified using a fair value hierarchy:

	Historical or amortised cost	At fair value		
(in million EUR)		Quoted prices Level 1	Observable market inputs Level 2	Unobservable market inputs Level 3
Financial assets:				
Investments available for sale (accounted for through other comprehensive income)	0,4	-	-	33,3
Loans and receivables	566,8	-	-	-
Investments held for trading, (accounted for through profit or loss)	0,6	21,8	-	-
Cash and cash equivalents	615,1	-	-	-
Total at 30 September 2013	**1.182,9**	**21,8**	**-**	**33,3**
Financial liabilities:				
Interest bearing liabilities	10,7	-	-	-
Lease liabilities	19,9	-	-	-
Trade payables	1.015,8	-	-	-
Bank overdrafts	0,7	-	-	-
Total at 30 September 2013	**1.047,1**	**-**	**-**	**-**

	Historical or amortised cost	At fair value		
(in million EUR)		Quoted prices Level 1	Observable market inputs Level 2	Unobservable market inputs Level 3
Financial assets:				
Investments available for sale (accounted for through other comprehensive income)	19,7	-	-	16,0
Loans and receivables	516,7	-	-	-
Investments held for trading, (accounted for through profit or loss)	-	25,0	-	-
Cash and cash equivalents	503,9	-	-	-
Total at 31 March 2013	**1.040,3**	**25,0**	**-**	**16,0**
Financial liabilities:				
Interest bearing liabilities	10,9	-	-	-
Lease liabilities	21,2	-	-	-
Trade payables	967,4	-	-	-
Total at 31 March 2013	**999,5**	**-**	**-**	**-**

The fair value hierarchy is based on the inputs used to measure financial assets and liabilities at measurement date. The following 3 levels are distinguished:

- Level 1: financial instruments for which inputs used for measurement of fair value are officially quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: financial instruments for which fair value is determined using valuation techniques. These techniques use inputs of observable market prices as much as possible and if available, 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.

The financial assets available for sale consist mainly of the participation in the Baltic Group IKI (10,5%) and investments in holding companies such as Vendis Capital N.V., Sofindev II N.V. and Sofindev III N.V. in which Colruyt Group does not have a significant influence.

A transfer between the column ‘historical or amortised cost’ and the column ‘at fair value – unobservable market inputs – Level 3’ has occurred since last annual report. This transfer is the result of the valuation at fair value of the participation in the Baltic group IKI as of the current reporting period.
This fair value was determined through a business model by estimating the present value of future cash flows, using the following non-observable inputs: a time horizon, a growth rate and a discount rate. This discount rate was calculated based on the CAPM method (Capital Asset Pricing Model).

For the investments in Sofindev II, III and Vendis, classified under level 3, the fair value consists of the acquisition price adjusted for realised results and dividends distributed by the respective companies. This fair value can be different from a measurement based on market multiples or market values. During the current reporting period, the investments in holding companies decreased net by EUR 2,0 million. This is entirely due to capital decreases.

The opening and closing balances of the investments classified under level 3 can be reconciled as follows:

(in million EUR)	
Opening balance at 1 April 2013	**16,0**
Capital decreases	(2,0)
Transfer from historical cost to level 3	19,3
Closing balance at 30 September 2013	**33,3**

10. Risk management and contingent liabilities

For a description of the risks to which Colruyt Group is exposed and of how Colruyt Group manages its exposure to these risks, we refer to part “04-Corporate governance”, “Sustainable Corporate Governance” (p. 136-152) of the 2012/13 annual report.

Colruyt Group has a number of commitments which are not recognised in the statement of financial position for a total amount of EUR 198,9 million (EUR 168,5 million at 31 March 2013).

For a description of the contingent liabilities we also refer to the 2012/13 annual report. Etn. Fr. Colruyt N.V. is still under investigation by the Belgian competition authorities concerning possible violations of the Belgian competition law on perfume, drugstore, skin care and cosmetic products, as well as chocolate products.
The only change that has occurred is in the file on perfume, drugstore, skin care and cosmetic products. The investigation report states that 7 supermarkets, including Colruyt, made prohibited price agreements with 11 suppliers between 2002 and 2007.
As a consequence, the competition council has brought this case to court on October 1, 2012.
By the entry into force of the law amendment (the new Book IV of the Code of economic law), the procedure was resumed on September 23, 2013 by the Belgian competition authorities.
Etn. Fr. Colruyt N.V. contests the argument of the investigation report and will start its defense.
On 3 October 2013, Etn. Fr. Colruyt N.V. made an appeal against the decision of the Auditor to make use of the documents seized during the domiciliary visit at Etn. Fr. Colruyt N.V. in April 2007. This procedure is lodged with the Court of Appeal in Brussels. Other distributors have started similar procedures.
Following the various ongoing proceedings, we have currently insufficient information to make a reasonable estimation of the time it will take to come to a decision, what the decision of the Competition Authority will be or what the amount of the fine will be that the Belgian Competition Authority will eventually levy. According to the current legislation, the amount of the fine is limited to a maximum of 10 % of the turnover of the year preceding the year in which the sentence is pronounced. In addition, the current legislation allows to appeal against the sentence pronounced by the Competition Authority.

11. Events after the reporting period

No events with a significant impact on these interim financial statements have occurred between 30 September 2013 and 21 November 2013, the date on which the Board of Directors has authorised these financial statements for issue.

12. Statement of responsible persons

Jef Colruyt, Chairman of the Board of Directors and Marc Hofman, Chief Financial Officer, confirm that to the best of their knowledge,

- these condensed consolidated interim financial statements are prepared in accordance with IAS 34 interim Financial Reporting and 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 its subsidiaries included in the consolidation;

- the interim financial report gives a true and fair summary of the information required under Art13 §§ 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, 21 November 2013

Jef Colruyt
Chairman of the Board of Directors

Marc Hofman
Chief Financial Officer

13. Definitions

- Share of the group is the interest that can be attributed to the Shareholders of the parent company.

- EBIT (Operating result or Earnings before interest and taxes) is the operating result less all operating costs (cost of goods sold, services and miscellaneous goods, personnel costs, depreciation, impairments and various costs) but before the settlement of the financial result and the taxes.

- EBITDA Earnings before interest, taxes, depreciation and amortisation, or EBIT plus depreciation and impairments, also defined as cash flow from operations.

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

- Net cash and cash equivalents consist of *Cash and cash equivalents* - as reported under current assets – decreased with Bank overdrafts – as reported under current liabilities.

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

- Diluted result per share: This is calculated by dividing the profit or the loss allocated to ordinary shareholders of the parent company by the average outstanding shares, to be adjusted for the effects of dilution with all potential ordinary shares, including those connected to convertible instruments, options, warrants or shares issued under specific conditions. The diluted result per share is calculated on the result of continuing operations less the minority interests on continuing operations, and on the share of the group in the net result.

- FTE Full-time equivalent: unit of account with which the workforce is expressed by dividing the number of hours worked by the actual number of hours per week.

- The profit before tax includes also the share in results of investments accounted for by using the equity method.

Colruyt Group

Colruyt Group operates in the food and non-food distribution sector in Belgium, France and Luxembourg with some 400 own stores and over 500 affiliated stores. In Belgium this involves Colruyt, OKay, Bio-Planet, DreamLand, DreamBaby, Spar and Eurospar. In France, in addition to approximately 60 Colruyt stores, there are also affiliated, independent Coccinelle, CocciMarket and Panier Sympa stores. Colruyt Group is also actively involved in the food service market (supplying food products to hospitals, company canteen kitchens, catering businesses) in France (Pro à Pro) and in Belgium (Solucious). The segment of the other activities comprise the sale of fuel (DATS 24), printing and document management solutions (Symeta) and the production of green energy (WE Power). Colruyt Group employs over 26.500 people and has sales of over EUR 8,3 billion. Colruyt is listed on 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 Colruyt 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 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 Colruyt 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 cause 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.

FREE TRANSLATION OF
Statutory auditor's report to the board of directors of Etn Fr Colruyt NV on the review of the condensed consolidated interim financial information as at 30 September 2013 and for the 6-month period then ended
ORIGINALLY PREPARED IN DUTCH

Introduction

We have reviewed the accompanying condensed consolidated statement of financial position of Etn Fr Colruyt NV as at 30 September 2013, the condensed consolidated income statement, the condensed consolidated statements of comprehensive income, changes in equity and cash flows for the 6-month period then ended, and notes to the interim financial information ("the condensed consolidated interim financial information"). The board of directors is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union. Our responsibility is to express a conclusion on this condensed consolidated interim financial information 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". 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 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial information as at 30 September 2013 and for the 6-month period then ended is not prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union.

Kontich, 21 November 2013

KPMG Bedrijfsrevisoren - Réviseurs d'Entreprises
Statutory Auditor
represented by

Ludo Ruysen
Réviseur d'Entreprises / Bedrijfsrevisor