Consolidated information on the first semester of 2016/17

Revenue grows 2,4%
Net result in line with prior year

Halle, 13 December 2016

I. Headlines

- Revenue grows 2,4% to over EUR 4,6 billion.
- Market share in Belgium expands by 19 basis points to 31,8% in the first semester.
- Gross profit margin improves to 25,7% (25,0% last year).
- The Colruyt banner continuously offers its customers the lowest price.
- With its focus on the long term, Colruyt Group continues to invest in price positioning, employees, quality, innovation, sustainability, processes, efficiency and ICT systems.
- Increased depreciation charges resulting from investments in stores and the logistics infrastructure.
- Operating profit (EBIT) decreases from 5,7% to 5,5% of revenue.
- Net profit increases to EUR 192 million or 4,1% of revenue.
- Investments in tangible and intangible assets amount to EUR 191 million.
- Net cash and cash equivalents increase to EUR 475 million.
- Employment increases by more than 1.500 employees to 28.735 as at 30 September 2016 (expressed in full-time equivalents).

II. Consolidated key figures

(in million EUR)	1/4/2016 - 30/9/2016	1/4/2015 - 30/9/2015	Variance
Revenue	**4.655,7**	**4.546,7**	**+2,4%**
Gross profit	**1.197,7**	**1.136,6**	**+5,4%**
% of revenue	25,7%	25,0%	
EBITDA	**370,9**	**360,8**	**+2,8%**
% of revenue	8,0%	7,9%	
Operating profit (EBIT)	**257,5**	**258,5**	**-0,4%**
% of revenue	5,5%	5,7%	
Profit before tax	**267,0**	**258,6**	**+3,2%**
% of revenue	5,7%	5,7%	
Profit for the period	**192,5**	**182,5**	**+5,5%**
% of revenue	4,1%	4,0%	
Earnings per share - basic and diluted (in EUR) (1)	**1,30**	**1,24**	**+5,1%**

(1) The weighted average number of outstanding shares equals 147.365.578 in 2016/17 compared to 146.844.760 last year.

III. Financial report

A. Consolidated income statement

Revenue increased by 2,4% to EUR 4.656 million in the first half of 2016/17.
Excluding petrol revenue grew by 2,9%, mainly as a result of sales price inflation and sales surface expansion. Colruyt Group's market share in Belgium (Colruyt, OKay and Spar) expanded by 19 basis points to 31,8% in the first semester.

The **gross profit margin** improved by 73 basis points to 25,7%. Excluding petrol, the gross margin increased by 64 basis points. Whereas the Belgian and French retail market remained highly competitive, the competitive climate was somewhat milder, as a result of which suppliers' price increases were passed on to the market more swiftly.
The Colruyt Lowest Prices banner continues to consistently offer its customers the lowest sales price in the market for all products.

Colruyt Group kept its operating expenses under control. The group did however continue its long-term investments in employees, efficiency, sustainability and transformation programmes.

EBITDA improved by EUR 10 million to EUR 371 million. The EBITDA margin increased from 7,9% to 8,0% of revenue.

Depreciation, amortisation and impairment costs amounted to EUR 113 million.
The EUR 11 million increase in depreciation charges is mainly attributable to the execution of the investment programmes. No significant impairment costs were recorded.

Due to the higher depreciation charges the **operating profit** (EBIT) declined by EUR 1 million to EUR 257 million. The EBIT margin decreased from 5,7% to 5,5% of revenue.

The higher result from investments in joint ventures mainly relates to a one-off result of EUR 7 million from the participation in Parkwind group.

The effective tax rate declined from 29,4% to 28,7% in the first semester. Throughout the year we expect an average effective tax rate in the range of 29,0 to 29,5%.

The above developments resulted in a **profit of the period** of EUR 192 million, a 5,5% increase compared to last year.

B. Income statement per segment

1. Retail

Revenue from the retail activities grew by 2,7% to EUR 3.569 million. Retail accounted for 76,6% of the consolidated revenue.

Strong competition and a persistently difficult economic climate continue to characterise the Belgian and French retail market. There were few signs of economic recovery and consumer confidence remained negative.

Revenue of the **Colruyt stores in Belgium and Luxembourg** climbed 1,9%, mainly as a result of sales price inflation. The store network was further modernised: in the first semester, five stores were converted into fourth generation stores.
The Colruyt banner delivers on its brand promise to offer the lowest prices day after day, for any product at any given time. Price reductions and promotions offered by competitors are immediately integrated in its sales prices. Colruyt's lowest price guarantee was again this year confirmed by consumer organisations and specialised trade press publications.

OKay, Bio-Planet and Cru reported an aggregate revenue growth of over 11% as a result of sales surface expansion, organic growth and sales price inflation. The new distribution centre for OKay and Bio-Planet has been fully operational since March 2016 and supports the further growth of both banners. During the first semester, the group opened five OKay proximity stores and one Bio-Planet supermarket. Two new fresh markets based on the experience concept Cru opened their doors, respectively in Ghent and in Wijnegem.

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 Selection (the group's discount brand).
Bringing the existing private labels together under the house brand Boni Selection has led to product range simplification. The brand transition was successfully completed and Boni Selection's brand awareness has increased significantly.

The **Colruyt stores in France** reported a 3,2% revenue growth, excluding petrol. Petrol included, revenue remained stable.
The revenue growth excluding petrol is attributable to organic growth in the deflationary French market. The success of the French Colruyt stores can be explained by store network modernisation and continuous investments in price positioning.
Colruyt Group will continue to invest in its French retail activities in the years to come.

The combined revenue of **Dreamland and Dreambaby** decreased 2,0% compared to last year. The revenue decrease is due to a combination of poor weather conditions in the spring and an unfavourable calendar effect (no Easter effect in the first semester of the financial year 2016/17).

The share of **online** in the total retail revenue increased further.
Collect&Go, Colruyt Group's online shopping service, continues on its nice growth trajectory. The Collect&Go network currently includes about 250 collection points and is further expanded. This enables Collect&Go to process more reservations and increase the comfort for customers. Colruyt considers collection points to be the most sustainable and economically sound solution for online sales.

2. Wholesale & Foodservice

Wholesale and foodservice sales increased by 2,9% to EUR 810 million. This segment accounted for 17,4% of the consolidated revenue.

Wholesale revenue remained stable at EUR 388 million. Wholesale activities include the deliveries to independent storekeepers in Belgium (Retail Partners Colruyt Group) and France (Coccinelle, CocciMarket and Panier Sympa). Retail Partners Colruyt Group comprises the collaboration with Spar entrepreneurs, as well as the deliveries to Alvo, independent Mini Markets and independent storekeepers.

Revenue from **foodservice activities** grew by 5,8%. The growth is attributable to the performance of both Solucious (in Belgium) and Pro à Pro (in France). The assets of our foodservice companies remain the delivery reliability, the service, the product quality and the personal contact with the customer.

In July 2016, following an in-depth strategic evaluation, Colruyt Group decided to sell its French foodservice business **Pro à Pro** to Metro Group. With this decision, the group wants to support Pro à Pro in its future growth and create sustainable added value for all parties involved.
The transaction comprises the brand name and the operational business, as well as the distribution centres, logistic platforms and truck fleet of Pro à Pro. The acquisition is still pending approval by the European and French regulatory authorities. Colruyt Group expects approval to come through in the next few months.
The transaction was valued at generally applied market multiples and will have a limited effect on Colruyt Group's consolidated results in accounting year 2016/17.
We refer to Colruyt Group's press release of 8 July 2016 for further details.

3. Other activities

Revenue from the other activities declined by 2,5% to EUR 277 million. These activities accounted for 6,0% of the consolidated revenue.

This segment basically comprises the revenue of the Belgian **DATS 24** filling stations. Revenue of DATS 24 decreased as volume gains were more than fully offset by the fall in fuel prices.

In Belgium, DATS 24 is the first fuel supplier with public filling stations with natural gas for vehicles (CNG or compressed natural gas). In the first half of 2016/17, the CNG network was expanded with 16 stations, which brings the total to 43. CNG is more economical than conventional fuels and less impacting on the environment and health.

C. Balance sheet

The net carrying amount of the **tangible and intangible fixed assets** decreased by EUR 2 million to EUR 2.117 million. The investments made (EUR 191 million) were mainly offset by depreciation (EUR 113 million) and by the reclassification of the fixed assets of Pro à Pro (EUR 75 million).
In September 2016 the new production plant for Fine Food Meat came into use. The automated meat processing plant will be responsible for the production, slicing and conditioning of meat products, delicatessen articles and veggie products. Sustainability, energy consumption, ergonomics and food safety were prime concerns in the development of the new production site.

Cash and cash equivalents increased by EUR 42 million to EUR 475 million as at 30 September 2016. The total cash increase of EUR 80 million was partly offset by the reclassification of Pro à Pro's cash and cash equivalents (EUR 38 million).

As at 30 September 2016, all assets (EUR 282 million) and all liabilities (EUR 112 million) of Pro à Pro were presented as '**held for sale**'.

D. Treasury shares

At the end of the reporting period Colruyt Group held 2.203.939 treasury shares, representing 1,47% of the total number of shares issued.

E. Events after the reporting period

Between 30 September 2016 and 8 December 2016 Colruyt Group purchased 1.882.952 treasury shares. This brings the total number of treasury shares held by the company to 4.086.891, representing 2,73% of the total number of shares issued.

IV. Outlook

We expect the market to remain competitive during the 2016/17 financial year. We do not anticipate a significant upturn in the economic climate nor in the consumer confidence in Belgium and France in the short term.

Colruyt Group will continue to invest in its long-term strategy. The group will continue its investments in employees, stores, systems, innovation, sustainability and efficiency. Colruyt Lowest Prices will consistently implement its lowest prices strategy. At the same time, the group will keep its operating expenses under control.

Colruyt Group confirms its outlook for the consolidated net result of the financial year 2016/17 to match or slightly exceed last year's result. This outlook is exclusive of the limited impact of the sale of the French foodservice business Pro à Pro.

V. Financial calendar

• Information to financial analysts	14/12/2016 (14h00)
• Publication annual results 2016/17	20/06/2017 (17h45)
• Information to financial analysts	21/06/2017 (14h00)
• Publication annual report 2016/17	31/07/2017
• General Meeting of Shareholders	27/09/2017 (16h00)

VI. Contacts

For questions on this press release or for further information, please send an e-mail to investor@colruytgroup.com or contact Marc Hofman (CFO) or Liesbeth Nuelant (Investor Relations) by phone at 32 2 363 51 11.

About Colruyt Group

Colruyt Group operates in the food and non-food distribution sector in Belgium, France and Luxembourg with approximately 525 own stores and over 500 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 approximately 70 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 France (Pro à Pro) and in Belgium (Solucious). The other activities comprise the sale of fuel (DATS 24), printing and document management solutions (Symeta) and the production of green energy. The group employs over 29.000 employees and recorded a EUR 9,1 billion revenue in 2015/16. 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)	01.04.2016 - 30.09.2016	01.04.2015 - 30.09.2015
Revenue	4.655,7	4.546,7
Cost of goods sold	(3.458,0)	(3.410,1)
Gross profit	**1.197,7**	**1.136,6**
Other operating income	42,0	39,3
Services and miscellaneous goods	(228,2)	(205,9)
Employee benefit expenses	(627,6)	(597,3)
Depreciation, amortisation and impairment of non-current assets	(113,4)	(102,3)
Other operating expenses	(13,0)	(11,9)
Operating profit (EBIT)	**257,5**	**258,5**
Finance income	3,8	3,3
Finance costs	(1,6)	(2,8)
Net financial result	**2,2**	**0,5**
Share in the result of investments accounted for using the equity method	7,3	(0,4)
Profit before tax	**267,0**	**258,6**
Income tax expense	(74,5)	(76,1)
Profit for the period	**192,5**	**182,5**
Attributable to:		
Non-controlling interests	0,6	0,5
Owners of the parent company	**191,9**	**182,0**
Earnings per share (EPS) – basic and diluted (in EUR)	**1,30**	**1,24**

Condensed consolidated interim statement of comprehensive income

(in million EUR)	01.04.2016 - 30.09.2016	01.04.2015 - 30.09.2015
Profit for the period	**192,5**	**182,5**
<u>**Items of other comprehensive income from fully consolidated subsidiaries**</u>		
Items that will not be reclassified to profit or loss		
Remeasurement of liabilities related to long-term post-employment benefits, after taxes	(55,9)	4,6
Total of the items that will not be reclassified to profit or loss	**(55,9)**	**4,6**
Items that may be reclassified subsequently to profit or loss		
Profit/(loss) from currency translation of foreign subsidiaries, after taxes	0,1	(0,5)
Net change in fair value of financial assets available for sale, after taxes	5,2	-
Total of the items that may be reclassified subsequently to profit or loss	**5,3**	**(0,5)**
<u>**Items of other comprehensive income from investments accounted for using the equity method**</u>		
Items that may be reclassified subsequently to profit or loss		
Net change in fair value of derivative financial instruments, after taxes	(7,6)	2,3
Total of the items that may be reclassified subsequently to profit or loss	**(7,6)**	**2,3**
Other comprehensive income for the period	**(58,2)**	**6,4**
Total comprehensive income for the period	**134,3**	**188,9**
<u>*Attributable to:*</u>		
Non-controlling interests	0,6	0,5
Owners of the parent company	**133,7**	**188,4**

Condensed consolidated interim statement of financial position

(in million EUR)	30.09.2016	31.03.2016
Goodwill	64,3	89,3
Intangible assets	64,5	65,3
Property, plant and equipment	1.988,5	1.965,1
Investments accounted for using the equity method	179,8	171,3
Financial assets	43,3	42,2
Deferred tax assets	32,7	4,7
Other receivables	33,0	47,1
Total non-current assets	**2.406,1**	**2.385,0**
Inventories	615,0	640,7
Trade receivables	443,3	489,4
Current tax assets	1,1	2,1
Other receivables	41,5	43,9
Financial assets	26,1	25,5
Cash and cash equivalents	475,0	432,6
Assets held for sale	281,9	-
Total current assets	**1.883,9**	**1.634,2**
TOTAL ASSETS	**4.290,0**	**4.019,2**
Share capital	291,7	291,7
Reserves and retained earnings	1.718,6	1.752,6
Total equity attributable to owners of the parent company	**2.010,3**	**2.044,3**
Non-controlling interests	3,6	3,4
Total equity	**2.013,9**	**2.047,7**
Provisions	11,0	12,3
Liabilities related to employee benefits	167,2	83,8
Deferred tax liabilities	60,4	65,9
Interest-bearing and other liabilities	25,4	28,9
Total non-current liabilities	**264,0**	**190,9**
Provisions	0,3	0,3
Bank overdrafts	1,2	0,1
Interest-bearing liabilities	4,1	4,6
Trade payables	1.076,6	1.145,0
Current tax liabilities	201,0	133,4
Liabilities related to employee benefits and other liabilities	617,1	497,2
Liabilities related to assets held for sale	111,8	-
Total current liabilities	**2.012,1**	**1.780,6**
Total liabilities	**2.276,1**	**1.971,5**
TOTAL EQUITY AND LIABILITIES	**4.290,0**	**4.019,2**

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**
					Actuarial reserves	Cumulative translation adjustment	Cash flow hedge reserves	Fair value reserves of financial assets available for sale				
At 1 April 2016	***149.609.386***	**291,7**	***2.243.808***	**(81,5)**	**(12,3)**	**(0,4)**	**(5,6)**	**11,9**	**1.840,5**	**2.044,3**	**3,4**	**2.047,7**
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**(55,9)**	**0,1**	**(7,6)**	**5,2**	**191,9**	**133,7**	**0,6**	**134,3**
Profit for the period	-	-	-	-	-	-	-	-	191,9	**191,9**	0,6	**192,5**
Other comprehensive income for the period	-	-	-	-	(55,9)	0,1	(7,6)	5,2	-	**(58,2)**	-	**(58,2)**
Transactions with the owners	**-**	**-**	***(39.869)***	**1,5**	**-**	**-**	**-**	**-**	**(169,2)**	**(167,7)**	**(0,4)**	**(168,1)**
Capital increase	-	-	-	-	-	-	-	-	1,1	**1,1**	-	**1,1**
Treasury shares distributed as profit-sharing to employees	-	-	*(39.869)*	1,5	-	-	-	-	(1,5)	**-**	-	**-**
Dividends and bonuses	-	-	-	-	-	-	-	-	(168,8)	**(168,8)**	-	**(168,8)**
Other	-	-	-	-	-	-	-	-	-	**-**	(0,4)	**(0,4)**
At 30 September 2016	***149.609.386***	**291,7**	***2.203.939***	**(80,0)**	**(68,2)**	**(0,3)**	**(13,2)**	**17,1**	**1.863,2**	**2.010,3**	**3,6**	**2.013,9**

(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**		
					Actuarial reserves	Cumulative translation adjustment	Cash flow hedge reserves	Fair value reserves of financial assets available for sale				
At 1 April 2015	***156.636.503***	**274,6**	***9.791.743***	**(361,9)**	**(8,6)**	**0,4**	**(6,9)**	**-**	**1.900,7**	**1.798,3**	**2,4**	**1.800,7**
Total comprehensive income for the period	**-**	**-**	**-**	**-**	**4,6**	**(0,5)**	**2,3**	**-**	**182,0**	**188,4**	**0,5**	**188,9**
Profit for the period	-	-	-	-	-	-	-	-	182,0	**182,0**	0,5	**182,5**
Other comprehensive income for the period	-	-	-	-	4,6	(0,5)	2,3	-	-	**6,4**	-	**6,4**
Transactions with the owners	**-**	**-**	***(47.935)***	**1,9**	**-**	**-**	**-**	**-**	**(151,1)**	**(149,2)**	**-**	**(149,2)**
Capital increase	-	-	-	-	-	-	-	-	1,0	**1,0**	-	**1,0**
Treasury shares distributed as profit-sharing to employees	-	-	*(47.935)*	1,9	-	-	-	-	(1,9)	**-**	-	**-**
Dividends and bonuses	-	-	-	-	-	-	-	-	(150,2)	**(150,2)**	-	**(150,2)**
At 30 September 2015	***156.636.503***	**274,6**	***9.743.808***	**(360,0)**	**(4,0)**	**(0,1)**	**(4,6)**	**-**	**1.931,6**	**1.837,5**	**2,9**	**1.840,4**

Condensed consolidated interim statement of cash flows

(in million EUR)	01.04.2016 - 30.09.2016	01.04.2015 - 30.09.2015 (1)
Operating activities		
Profit for the period	**192,5**	**182,5**
Adjustments for:		
Depreciation, amortisation and impairment of non-current assets	113,4	102,3
Finance income and finance costs	(2,2)	(0,5)
Income tax expense	74,5	76,1
Other (2)	(11,5)	(2,7)
Cash flow from operating activities before changes in working capital and provisions	**366,7**	**357,7**
Decrease/(increase) in trade and other receivables	(63,0)	(33,0)
Decrease/(increase) in inventories	(23,7)	(37,8)
(Decrease)/increase in trade payables and other liabilities	5,7	35,2
(Decrease)/increase in provisions and liabilities related to employee benefits	(13,1)	(39,3)
Interest paid	(0,5)	(0,9)
Interest received	1,9	8,2
Dividends received	0,6	0,1
Income tax paid	(11,2)	(0,9)
Cash flow from operating activities	**263,4**	**289,3**
Investing activities		
Purchase of property, plant and equipment and intangible assets	(180,0)	(160,9)
(Increase in investment in)/proceeds from capital reimbursements of associates and joint ventures	(8,7)	-
(Purchases)/sales of financial assets	4,0	(5,3)
(Payment of)/proceeds from repayment of loans granted	(0,5)	-
Proceeds from sale of property, plant and equipment and intangible assets	7,8	4,7
Cash flow from investing activities	**(177,4)**	**(161,5)**
Financing activities		
New/(repayment of) borrowings	(0,4)	(0,7)
Payment of finance lease liabilities	(2,5)	(2,1)
Dividends and bonuses paid	(3,7)	-
Cash flow from financing activities	**(6,6)**	**(2,8)**
Net increase/(decrease) of cash and cash equivalents	**79,4**	**125,0**
Net cash and cash equivalents at 1 April	432,5	308,5
Effect of changes in foreign currency rates	-	(0,1)
Net cash and cash equivalents at 30 September	**511,9**	**433,4**
Of which presented in the balance sheet as "Cash and cash equivalents"	475,0	434,3
Of which presented in the balance sheet as "Assets held for sale"	38,1	-
Of which presented in the balance sheet as "Bank overdrafts"	(1,2)	(0,9)

(1) Due to a refinement of the presentation of finance income and finance costs applied as of the second half of financial year 2015/16, the figures of the comparative period have also been adjusted. There has been a reclassification of EUR 1,1 million between the line items 'Finance income and finance costs' and 'Other'.

(2) The category 'Other' includes amongst others losses/(gains) on the sale of property, plant and equipment, intangible and financial fixed assets, write-off's and reversal of write-off's on inventories, trade receivables and other receivables, the share in the result of investments accounted for using the equity method, employee benefits in the context of share-based payments and capital increases reserved for employees.

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 2016 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 2016 until 30 September 2016 inclusive and were approved for publication by the Board of Directors on 8 December 2016.

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 2015/16.

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 2015/16.

On 1 April 2016, a number of amendments to standards became effective:

- IAS 1 (Amendment), *'Presentation of Financial Statements – Disclosure Initiative'*;
- IAS 16 and IAS 38 (Amendment), *'Property, Plant and Equipment and Intangible Assets – Clarification of Acceptable Methods of Depreciation and Amortisation'*;
- IFRS 10, IFRS 12 and IAS 28 (Amendment), *'Investment Entities – Applying the Consolidation Exception'*;
- IFRS 11 (Amendment), *'Joint Arrangements – Accounting for Acquisitions of Interests in Joint Operations'*;
- Improvements to IFRS cycle 2012-2014, published in September 2014, which consist of a series of minor improvements to existing standards: IFRS 5 *'Non-current Assets Held for Sale and Discontinued Operations'*, IFRS 7 *'Financial Instruments: Disclosures'*, IAS 19 *'Employee Benefits'* and IAS 34 *'Interim Financial Reporting'*.

These modifications do not have a material impact on the condensed consolidated interim financial statements.

Colruyt Group did not early apply new standards, changes to existing standards or interpretations which were published but not yet effective at the reporting date. However, Colruyt Group is assessing the impact of the following (amended) standards, interpretations and improvements:

- IFRS 9, *'Financial Instruments'* (effective date for Colruyt Group 1 April 2018);
- IFRS 15, *'Revenue from Contracts with Customers'* (effective date for Colruyt Group 1 April 2018);
- IFRS 16, *'Leases'* (effective date for Colruyt Group 1 April 2019).

There are otherwise no (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.

The changes to the presentation of the financial statements that were implemented in the second half of financial year 2015/16 are now also applied in these condensed consolidated interim financial statements. They relate to changes in the presentation of the segment reporting. The filling stations of DATS 24 France are included in the segment Retail as Colruyt Group considers the performance of the stores in France and the related DATS 24 filling stations as a whole. The comparative figures have also been adjusted.
The changes mentioned above do not impact the consolidated revenue, the consolidated gross profit, the operating profit (EBIT) or the profit, nor for the financial year 2015/16 nor for the current financial year.

Furthermore, in light of recent events in the legislation, Colruyt Group has decided to classify the defined contribution plans with a legally guaranteed return as a defined benefit plan. The recognition of the net defined liability is based on the 'projected unit credit' method. The impact of this transition is processed through other comprehensive income.

3. Assets held for sale

As indicated in the first part of this press release, the French foodservice distribution business Pro à Pro is being sold to Metro Group. The sale is pending approval by the relevant regulatory authorities. The approval is expected at the beginning of 2017.

Below an overview is given of the assets and liabilities related to the French foodservice distribution business:

(in million EUR)	**30.09.2016**
Goodwill	25,0
Intangible assets and property, plant and equipment	49,7
Other non-current assets	14,9
Inventories	52,6
Trade receivables	95,4
Other current assets	6,2
Cash and cash equivalents	38,1
Assets held for sale	**281,9**
Non-current liabilities	7,5
Trade payables	86,1
Other current liabilities	18,2
Liabilities related to assets held for sale	**111,8**
NET ASSETS OF ASSETS HELD FOR SALE	**170,1**

No impairment has been recognised as the sales value is larger than the carrying amount of the assets held for sale minus the liabilities related to assets held for sale. The actuarial reserves included in other comprehensive income in equity will not be reclassified to the income statement but to other reserves within equity at the time of effective deconsolidation.

4. Operating segments

There have been changes in presentation, as described in *2. Significant accounting policies*, due to which the comparative figures have been adjusted.

	Retail		Wholesale and Foodservice		Other activities		Operating segments	
(in million EUR)	2016/17	2015/16	2016/17	2015/16	2016/17	2015/16	2016/17	2015/16
Revenue - external	3.568,5	3.475,0	810,1	787,5	277,1	284,2	**4.655,7**	**4.546,7**
Revenue - internal	43,0	41,0	10,1	9,2	21,7	21,6	**74,8**	**71,8**
Operating profit (EBIT)	237,7	239,3	23,1	17,7	5,7	4,8	**266,5**	**261,8**
Share in the result of investments accounted for using the equity method	(0,2)	0,6	-	-	7,5	(1,0)	**7,3**	**(0,4)**
Purchase of property, plant and equipment and intangible assets	148,0	127,6	8,8	14,0	12,0	11,7	**168,8**	**153,3**
Depreciation and amortisation	82,2	73,5	11,2	11,0	5,2	4,6	**98,6**	**89,1**
Impairment of non-current assets	1,0	0,8	-	-	-	0,8	**1,0**	**1,6**

	Operating segments		Unallocated		Eliminations between operating segments		Consolidated	
(in million EUR)	2016/17	2015/16	2016/17	2015/16	2016/17	2015/16	2016/17	2015/16
Revenue – external	4.655,7	4.546,7	-	-	-	-	**4.655,7**	**4.546,7**
Revenue – internal	74,8	71,8	-	-	(74,8)	(71,8)	**-**	**-**
Operating profit (EBIT)	266,5	261,8	(9,0)	(3,3)	-	-	**257,5**	**258,5**
Share in the result of investments accounted for using the equity method	7,3	(0,4)	-	-	-	-	**7,3**	**(0,4)**
Net financial result							**2,2**	**0,5**
Income tax expense							**(74,5)**	**(76,1)**
Profit for the period							**192,5**	**182,5**
Purchase of property, plant and equipment and intangible assets	168,8	153,3	21,9	13,7	-	-	**190,7**	**167,0**
Depreciation and amortisation	98,6	89,1	13,7	11,6	-	-	**112,3**	**100,7**
Impairment of non-current assets	1,0	1,6	0,1	-	-	-	**1,1**	**1,6**

5. Revenue by cash-generating unit

There have been changes in presentation, as described in *2. Significant accounting policies*, due to which the comparative figures have been adjusted.

(in million EUR)	2016/17	2015/16
Retail Food (1)	3.464,0	3.368,2
Colruyt Belgium and Luxembourg (2)	*2.845,3*	*2.792,8*
OKay, Bio-Planet and Cru (3)	*415,1*	*372,3*
Colruyt France and DATS 24 France	*203,6*	*203,1*
Retail Non-food (1)	104,5	106,8
Dreamland Belgium and France and Dreambaby	*104,5*	*106,8*
Transactions with other operating segments	43,0	41,0
Retail	**3.611,5**	**3.516,0**
Wholesale	387,8	388,4
Foodservice	422,3	399,1
Transactions with other operating segments	10,1	9,2
Wholesale and Foodservice	**820,2**	**796,7**
DATS 24 Belgium	274,9	282,3
Printing and document management solutions	2,2	1,9
Transactions with other operating segments	21,7	21,6
Other activities	**298,8**	**305,8**
Total operating segments	**4.730,5**	**4.618,5**
Eliminations between operating segments	**(74,8)**	**(71,8)**
Consolidated	**4.655,7**	**4.546,7**

(1) The subtotals 'Food' and 'Non-food' within the operating segment 'Retail' are for information purposes only.
(2) Inclusive of the revenue of the webshops Collect&Go, Bio-Planet, Collishop, Dreamland and Dreambaby realised by the Colruyt stores.
(3) Inclusive of the revenue of the webshops Collishop, Dreamland and Dreambaby realised by the OKay and Bio-Planet stores.

6. Income tax expense

The effective tax rate for Colruyt Group for the first half year ending on 30 September 2016 is 28,7%. The effective tax rate for the financial year 2015/16 was 29,9% and the one for the first semester of the previous accounting period, ending on 30 September 2015, was 29,4%.

(in million EUR)	2016/17	2015/16
Current year taxes	79,6	79,3
Deferred taxes	(5,1)	(3,2)
Total income tax expense	**74,5**	**76,1**

7. Capital expenditure

During the first semester of financial year 2016/17, Colruyt Group acquired property, plant and equipment and intangible assets for a total amount of EUR 190,7 million. In the first semester of the comparative financial year 2015/16, Colruyt Group acquired property, plant and equipment and intangible assets for EUR 167,0 million.

The investments of Colruyt Group include amongst others the further automation of the production facility for Fine Food Meat in Halle and further investments in the store network. Expenses related to transformation programmes with a long-term character were fully accounted for as operating costs, with the exception of EUR 3,2 million.

8. Dividends

On 28 September 2016 the General Meeting of Shareholders approved a gross dividend of EUR 1,12 per share for the financial year 2015/16, for a total amount of EUR 165,1 million. This dividend was made payable on 4 October 2016.

9. Changes in the consolidation scope

The participation of Colruyt Group in Fraluc NV increased from 50 to 70% at the end of April 2016. This joint venture is still accounted for using the equity method as the control over Fraluc NV is still shared with other parties after this additional acquisition.

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.

	Historical or amortised cost	Measurement at fair value		
(in million EUR)		Quoted prices Level 1	Observable market inputs Level 2	Unobservable market inputs Level 3
Financial assets:				
Financial assets available for sale	0,8	-	-	42,5
Loans and receivables	494,5	-	-	-
Financial assets held for trading	-	26,1	-	-
Cash and cash equivalents	475,0	-	-	-
Total at 30 September 2016	**970,3**	**26,1**	**-**	**42,5**
Financial liabilities:				
Interest-bearing and other liabilities	29,5	-	-	-
Trade payables	1.076,6	-	-	-
Bank overdrafts	1,2	-	-	-
Total at 30 September 2016	**1.107,3**	**-**	**-**	**-**

	Historical or amortised cost	Measurement at fair value		
(in million EUR)		Quoted prices Level 1	Observable market inputs Level 2	Unobservable market inputs Level 3
Financial assets:				
Financial assets available for sale	0,7	-	-	41,5
Loans and receivables	545,5	-	-	-
Financial assets held for trading	-	25,5	-	-
Cash and cash equivalents	432,6	-	-	-
Total at 31 March 2016	**978,8**	**25,5**	**-**	**41,5**
Financial liabilities:				
Interest-bearing and other liabilities	33,5	-	-	-
Trade payables	1.145,0	-	-	-
Bank overdrafts	0,1	-	-	-
Total at 31 March 2016	**1.178,6**	**-**	**-**	**-**

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 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 Lithuanian Group IKI (10,5%) and investments in holding companies such as Vendis Capital NV, Sofindev II NV, Sofindev III NV and Sofindev IV NV in which Colruyt Group does not have a significant influence. These financial assets, classified under level 3, are accounted for at fair value.

For the investment in the Lithuanian Group IKI, also classified under level 3, the fair value consists of the present value of future cash flows determined via a business model based on non-observable inputs, such as a time horizon, a growth rate and a discount rate. This discount rate is calculated based on the CAPM method (Capital Asset Pricing Model).

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

(in million EUR)	
At 1 April 2016	**41,5**
Capital decreases	(4,2)
Fair value adjustments through other comprehensive income	5,2
At 30 September 2016	**42,5**

11. 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 the section “Corporate Governance”, “Responsible/sustainable corporate governance” (pages 116-126) of the 2015/16 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 about EUR 64 million (about EUR 103 million at 31 March 2016).

For a description of the contingent liabilities, we also refer to the annual report 2015/16 (page 181), as no significant changes have occurred.

12. Events after the reporting period

Between 30 September 2016 and 8 December 2016, Colruyt Group purchased 1.882.952 treasury shares. This brings the total number of treasury shares held by the company to 4.086.891, representing 2,73% of the total number of shares issued.

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, 8 December 2016

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.

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 workforce is expressed by dividing the contractual working time by the full-time working time.

GMS
'Grandes et moyennes surfaces' is a term used in France for store surfaces > 400 m² ('Retail' segment), for the activity 'Deliveries to independent storekeepers' ('Wholesale and Foodservice' segment) and for the DATS 24 petrol stations ('Retail' segment).

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.

RHD
'Restauration hors domicile' concerns the foodservice in France which delivers to the hotel, restaurant and café sector (commercial) and to collectives, such as schools, hospitals and nursing homes (social).

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.

Report of the statutory auditor of Etn. Fr. Colruyt NV on the review of the Condensed Consolidated Interim Financial Statements as of 30 September 2016 and for the 6-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, as at 30 September 2016 and the related condensed consolidated interim income statement, condensed consolidated interim statement of comprehensive income, of changes in equity, and of cash flows for the 6-month period then ended, and explanatory notes, collectively, the "Condensed Consolidated Interim Financial Statements". These statements show total assets of € 4.290,0 million as of 30 September 2016 and a profit for the 6-month period then ended of € 192,5 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". 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Condensed Consolidated Interim Financial Statements are not prepared, in all material aspects, in accordance with IAS 34 Interim Financial Reporting as adopted by the European Union.

Diegem, 8 December 2016

Ernst & Young Bedrijfsrevisoren BCVBA
Statutory auditor
represented by

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