

ANNUAL REPORT OF THE BOARD OF DIRECTORS OF ETN. FRANZ COLRUYT, A LIMITED LIABILITY COMPANY, WHOSE HEADQUARTERS IS AT EDINGENSESTEENWEG 196, 1500 HALLE, BE-0400 378 485, TO THE ANNUAL GENERAL MEETING OF SHAREHOLDERS, TO BE HELD AT THE COMPANY'S HEADQUARTERS AT 4 p.m. ON 17 SEPTEMBER 2008.

Ladies and gentlemen,

In accordance with our statutory duties and those under the articles of association, we hereby present our report on our exercises of our office over the 2007/2008 reporting period.

1) We have the honour of submitting the financial statements for the 2007/2008 reporting period for your approval.

2) APPROPRIATION OF PROFIT

EURO

The profit of the reporting period, before tax:	343,117,879.76
Income tax	- 86,699,165.93
Transfer to deferred taxation	- 446,078.99
Profit after tax	255,972,634.84
Transfer to tax-free reserves	- 1,646,885.10
Profit brought forward from previous period	27,626,192.85

Profit available for appropriation	281,951,942.59

We propose to you that this net profit be appropriated as follows:

* DIVIDENDS:

Coupon 10

32,229,439 shares X EUR 3.68 =

EUR 118,604,335.52

Basis of calculation:

33,257,748 profit sharing shares
at 22 December 2006

+ 90,852 capital increase at 21 December 2007

- 1,174,243 Number of treasury shares at 6 June 2008

+ 55,082 Number of treasury shares
intended for profit sharing

= 32,229,439 shares

* ADDITION TO AVAILABLE RESERVES:	EUR 120,661,267.37
ADDITION TO AVAILABLE RESERVES	
DIVIDEND ON TREASURY SHARES:	EUR 4,118,512.48
* ALLOCATION TO THE STATUTORY RESERVE:	EUR 1,140,192.60
* DIRECTORS' FEES:	EUR 3,168,000.00
* PROFIT SHARE 2007/2008 REPORTING PERIOD:	EUR 22,837,257.51
* PROFIT CARRIED FORWARD:	EUR 11,422,377.11

* TOTAL:	EUR 281,951,942.59

Dividend for the 2007/2008 reporting period

The Board of Directors proposes to the Annual General Meeting that a gross dividend of EUR 3.68 per share be granted to shares participating in the profits of the 2007/2008 reporting period.

Of the gross dividend of EUR 3.68, shareholders will receive a net of EUR 2.76 after deduction of the 25 % withholding tax on movables, in exchange for coupon no. 10 of their Colruyt shares.

VVPR strip holders will benefit from a reduced withholding tax on the dividends. For those shares the net dividend per share will be EUR 3.128, after deduction of the 15 % withholding tax on movables.

Ever since 1995, capital increases reserved to members of the personnel of the Colruyt Group have always involved the issue of such VVPR strips.

For foreign shareholders, the amount of the net dividend may differ depending on the double taxation treaties in force between Belgium and

the various countries. We must receive the necessary certificates no later than 12 October 2008.

The Board of Directors proposes to make the dividend for the 2007/2008 reporting period payable as of 30/09/2008 upon presentation of coupon no. 10 at the counters of the financial institutions.

The coupons for dividend collection can be presented at the counters of:

- Fortis Bank
- ING
- KBC Bank
- Dexia Bank
- Bank Degroof
- Petercam

3) PURCHASE OF TREASURY SHARES

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For years, an Extraordinary General Meeting of Shareholders has, in accordance with article 620 of the Companies Code, granted the Board of Directors of Etn. Fr. Colruyt NV the authority to acquire Colruyt treasury shares up to a maximum of 10% of the total number of shares issued.

The last authorisation was provided by the Extraordinary General Meeting on 22 October 2007.

The Board of Directors used the power granted.

On 31 March 2007 (= position at the end of the previous reporting period, 2006/2007) Etn. Colruyt NV owned 9,203 treasury shares with a total value of EUR 1,355,395.18.

In the period between 01 April 2007 and 31 March 2008, 1,169,085 treasury shares were purchased with a value of EUR 178,009,577.93.

On 30 September 2007 Etn. Colruyt NV gave 48,279 treasury shares to employees who wished to receive their participation in 2006/2007 profits in the form of shares. Their value was EUR 7,759,172.32.

On 31 March 2007 (= position at the end of the previous reporting period, 2007/2008), Etn. Colruyt NV owned 1,130,009 treasury shares with a total value of EUR 171,605,800.79

At 13/06/2008 Etn. Fr. Colruyt NV owns 1,174,843 treasury shares.

Hence Etn Fr Colruyt NV and its subsidiaries together own a total of 1,174,243 treasury shares.

This is 3.52 % of the total number of shares issued (33,348,600).

Of these shares, 55,082 will be given to employees who wish to receive their participation in 2007/2008 profits in the form of shares, on the resolatory condition of approval by the Annual General Meeting.

The ability to buy treasury shares makes it possible for the Board of Directors to take advantage of the opportunities that they believe they recognise in the fluctuations of Colruyt shares on the stock market: it offers them the chance to acquire treasury shares at a relatively low price.

Purchasing treasury shares means that no dividend need be paid on those shares and thus more liquidity remains within the company.

For the other shareholders this means added value for the shares in circulation.

In accordance with article 622, paragraph 1 of the Companies Code, the voting rights linked to shares or share certificates owned by the company or its subsidiaries are suspended.

4) MOST IMPORTANT EVENTS OF THE 2007/2008 REPORTING PERIOD

Notes to the financial statements for the reporting period

The events described below occurred during the 2007/2008 reporting period:

- * the DATS24 operation was transferred to a separate company, NV DATS24;
- * the COLEX operation was merged with NV COLLIVERY;
- * the following activities:
 - personnel department
 - work simplification
 - systems design
 - central administration save for cleaning/canteens
 - environment
 - government relations

together with NV PREMEDIA and the ICT division of NV INFOCO were brought together in one new limited company, NV COLRUYT GROUP SERVICES.

This is done in order to create a central services unit that is optimally organised to supply and coordinate services to all the commercial entities in the Colruyt Group.

At 31/03/2008 the branch of NV Etn. Fr. Colruyt, incorporated in the Netherlands under company registration number 17197514, showed a loss of -0.86 million euros, which was recognised in Etn. Fr. Colruyt NV's figures.

BALANCE SHEET

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ASSETS

Non-current assets

The carrying amount of Etn. Fr. Colruyt's non-current assets is EUR 1,860.64 million, compared with EUR 1,667.89 million in the previous reporting period.

Excluding capital gains and impairments, the net carrying amount of the non-current assets is EUR 1,852.65 million, compared with EUR 1,659.60 million in the previous reporting period.

I. Formation expenses

Under this heading the cost of initial expenditure on equipment and installations used to be capitalised and immediately written off at its full amount.

From the 2005/2006 reporting period on this no longer happens.

II. Intangible non-current assets

The net carrying amount under this heading is EUR 2.44 million compared with EUR 1.82 million in the previous year.

The amortisation amounts to 0.91 million euros (0.66 million euros of which is on goodwill), and write-offs to 0.14 million euros.

New investments amount to 1.67 million euros and consist mainly of purchases of software.

III. Plant, property and equipment

The net carrying amount under this heading is EUR 327.61 million, compared with EUR 297.26 million in the previous reporting period.

Depreciation and impairment amount to EUR 48.07 million, disposals and write-offs to EUR 8.59 million.

The depreciation on investments in this reporting period is EUR 8.71 million.

Investments (in EUR million)	2007/2008 -----	2006/2007 -----
- Land and buildings	11.33	12.30
- Plant, machinery and equipment	19.82	13.50
- Furniture and vehicles	24.57	10.82
- Leased assets	30.46	17.05
- Other property, plant and equipment	0.82	3.35
	-----	-----
	87.00	57.02

Investments in 'land and buildings' relate to alterations and extensions to existing stores.

The increases in 'plant, machinery and equipment' are mainly: Installation of the O.C.B. (order consolidation buffer), automatic pallet sorting in Dassenveld, production machinery, butchery equipment and self-service trolleys (easyriders).

The investments in furniture and vehicles include the purchase of hardware (converting checkout from doltec/dolpay to xtac, PCs) for EUR 8.92 million (EUR 2.28 million in the previous reporting period) and the purchase of vehicles for EUR 14.06 million (compared with EUR 8.23 million in the previous reporting period): semi-trailers, passenger cars, warehouse trucks, transpallets and fork-lift trucks.

The increases in leased assets relate exclusively to land and buildings leased by Etn. Fr. Colruyt NV. Last reporting period this involved the recognition of new contracts for new stores: Marbais, Diksmuide, Tongeren, Deurne, Alsemberg, Landen, Aalst and Keerbergen, plus individual amendments to existing contracts.

Investments in other property, plant and equipment amount to EUR 0.82 million, compared with EUR 3.35 million in the previous reporting period.

Assets under construction and prepayments show a fall of EUR 0.94 million, compared with an increase of EUR 1.74 million in the previous reporting period. In accordance with the group's valuation rules, no depreciation is applied to assets under construction.

IV. Financial non-current assets

Financial non-current assets amount to EUR 1,530.60 million compared with EUR 1,368.81 million in the previous reporting period.

This increase may be explained by a further increase in holdings in associates of EUR 142.05 million, of which EUR 1.50 million still remains to be paid for the holding in WE Power.

The most important holdings include those in NV Dats 24, NV Immo Okay, NV Van Duffel, Colruyt Luxembourg Gestion, NV Colruyt Group Services and NV Finco.

There is also an increase of EUR 36.36 million in companies in which there is a participating interest, i.e. Sofindev III, Eldepasco and IKI

Guarantees amount to EUR 0.36 million compared with EUR 0.14 million in the previous year.

Current assets

Current assets amount to EUR 642.66 million, compared with 424.87 million EUR in the previous reporting period.

The main changes compared with the previous reporting period:
(in EUR millions)

	2007/2008	2006/2007
	-----	-----
V - Receivables due in over 1 year	1.22	1.02
VI - Inventories	279.25	250.60
VII A - Trade receivables	116.36	90.10
VII B - Other receivables	7.83	5.05
VIII - Investments	195.26	5.45
IX - Cash and cash equivalents	41.86	69.86

X	- Prepayments and accrued income	0.88	2.79
		-----	-----
		642.66	424.87

The treasury shares purchased are recognised in the investments of EUR 195.26 million at a value of EUR 171.61 million (1,130.09 shares at 31/03/2008).

The remaining investments rose from EUR 4.09 million in the previous reporting period to EUR 23.65 million this reporting period.

This increase is attributable to the subscription for the D Star Corporate note 1 with KBC in a sum of EUR 20,000,000 on 31/01/2008.

On 31/03/07 Etn. Fr. Colruyt NV owned 158,266 shares in DCA. On 31/10/2007 Colruyt had sold a total of 10,680 shares. On 31/12/2007 28,691 shares were bought by DCA, which involved a reduction in that company's capital by purchase of its own shares.

At the end of the reporting period DCA was taken over by Real Software, as a result of which 1 DCA share was worth 32 Real Software shares. At that time Colruyt NV owned 118,507 DCA shares, which means that on 31/03/08 there were 3,792,224 Real Software shares owned by Etn. Fr. Colruyt NV but there were no longer any DCA shares.

LIABILITIES

Equity

The equity of Etn Fr. Colruyt NV is EUR 505.54 million compared with EUR 379.61 million in the previous reporting period.

I. Capital

At 31 March 2008 the capital of Etn. Fr. Colruyt NV amounted to EUR 185,349,591.08 represented by 33,348,600 shares.

In the course of the 2007/2008 reporting period the capital was increased by EUR 11,401,926.00 by means of a capital increase reserved to members of the personnel.

This increase in capital became effective on 21 December 2007 and represented 90,852 shares.

Capital authorised, but not subscribed

The capital authorised, but not subscribed is EUR 148,815,234.

II. Issue premiums - warrants

In the 1998/99 reporting period issue premiums rose by EUR 24,789.35 as a result of the creation of warrants.

Total issue premiums: EUR 49,578.70.

On 25/10/2003 these warrants expired and were not renewed.

The sum of EUR 49,578.70 remains under this heading.

III. Revaluation gains

The carrying amount is EUR 8.04 million, compared with EUR 8.31 million in the previous reporting period.

The heading is reduced by the depreciation and amortisation for the reporting period, viz. EUR 0.26 million.

IV. Reserves

The proposal to the Annual General Meeting on appropriation of the profit for the 2007/2008 reporting period has already been dealt with in section 2.

The figures presented are thus subject to adoption by the Annual General Meeting.

The reserves amount to EUR 300.29 million, compared with EUR 169.62 million in the previous reporting period.

CHANGES IN THE RESERVES (in EUR million):

Closing balance for previous reporting period:	169.62
Allocation to the statutory reserve	1.14
Tax-free reserve	
- allocation for deferred taxation	1.65
Free reserve	

-allocation of amortisation/depreciation and revaluation losses on non-current assets	0.26
- transfer to restricted reserve for treasury shares	-178.01
-allocation from distributable profits of 2007/2008 reporting period	120.66
- transfer to restricted reserve for purchase of treasury shares	7.76
- dividend on treasury shares at EUR 3.24 / share => purchased between 01/04/07 and 01/10/07	2.84
- dividend on treasury shares at EUR 3.68 / share => purchased between 02/10/07 and 06/06/08	4.12
Restricted reserve	
- cancellation of treasury shares 2007/2008	0.00
- transfer to free reserve for purchase of treasury shares	178.01
- transfer to restricted reserve for treasury shares, profit sharing 2006/2007 reporting period	-7.76
Balance at the end of the reporting period:	300.29

VI. Capital grants

New capital grants of 0.39 million euros were received.

VII.A. Provisions for risks and expenses

The provisions for risks and expenses amount to EUR 17.88 million, compared with EUR 17.24 million in the previous reporting period.

Summary of provisions (in EUR millions) for:	2007/2008 -----	2006/2007 -----
- Pensions	5.58	4.96
- Major repair works	5.90	5.75
- Other risks	6.40	6.53
	-----	-----
	17.88	17.24

The other risks are made up of soil decontamination, provision for coffee and miscellaneous.

VII. B. Deferred taxation

Deferred taxation amounts to EUR 2.21 million, compared with EUR 1.76 million in the previous reporting period.

This heading comprises deferred taxation of EUR 0.16 million on the capital grants received and EUR 2.19 million (EUR 1.73 million in the previous reporting period) in deferred taxation on capital gains from non-current assets.

The calculation is based on the applicable rate.

Progressive de-recognition is done via the income statement (see IX bis "Withdrawals from deferred taxation".)

LIABILITIES

VIII. Liabilities over more than one year

The outstanding balance of long-term borrowings amounts to 265.06 million euros, compared with EUR 254.20 million in the previous reporting period.

EUR 29.80 million was also transferred to heading IX.A "Current liabilities over more than one year falling due within the year."

New leasing agreements amounting in total to EUR 22.52 million have been concluded with the Onveco property subsidiary in order to finance new Colruyt stores.

IX. Liabilities over no more than one year

Current liabilities over no more than one year amount to EUR 1,697.77 million compared with EUR 1,425.18 million in the previous reporting period.

Summary (in EUR million) for:	2007/2008	2006/2007
	-----	-----
- Long-term liabilities falling due within the year	30.92	15.20
- Trade payables	509.06	464.97
- Prepayments received	6.79	7.43
- Taxation, employee benefits	183.91	168.25
- Other payables	967.09	769.33
	-----	-----
	1,697.77	1,425.18

The trade payables consist for the most part of suppliers requiring payment totalling EUR 467.14 million compared with EUR 433.47 million in the previous year.

The other payables include a sum of EUR 144.61 million for payable dividends, directors' fees and employee participation in the profit for the 2007/2008 reporting period, as well as the short-term liability to Finco of EUR 814.58 million.

INCOME STATEMENT

I.+ II. Gross profit

Sales in the 2007/2008 reporting period amounted to EUR 4,072.16 million, excluding VAT and sales by the DATS24 operation, compared with EUR 4,022.67 million, including sales by the DATS24 operation (EUR 251.82 million) in the 2006/2007 reporting period.

That is an increase of 1.23%.

On a comparison of the two figures without the DATS24 operation, sales increase by 7.99% (EUR 4,072.16 million compared with EUR 3,770.85)

The gross margin on sales is EUR 920.40 million (22.60 % of sales) compared with EUR 871.97 million (21.68 % of sales) in the previous reporting period.

Reimbursements of publicity costs that relate to the purchase of goods are recognised in the gross margin on sales.

The non-current assets produced amount to EUR 19.26 million compared with EUR 14.87 million in the previous reporting period. This heading consists chiefly of investments made by the internal technical departments (fitting out central buildings and stores).

Initial expenditure on equipment and installations are no longer capitalised. They continue to be recognised in the appropriate expense account.

The other operating income (EUR 159.25 million compared with EUR 137.67 million in the previous reporting period) mainly comprises reimbursements of publicity costs and other miscellaneous operating income that does not directly relate to the sale of merchandise. The other operating income also includes invoices passed on to subsidiaries.

Purchases of commodities, other consumables and merchandise have increased by 0.03% and amount to EUR 3,151.76 million compared with EUR 3,150.70 million in the previous reporting period. This amount includes the reclassification of reimbursements of publicity costs. Without the reclassification of such reimbursements the increase would be 0.66%.

The cost of services and miscellaneous goods rose by 14.10% and amounts to EUR 316.40 million, compared with EUR 277.30 million in the previous year.

Causes of this increase include the headings: Passing on the service costs of WALDICO, Administration and management, Carriage charges and transport, Training, Passing on mecano costs, temporary staff and costs relating to the advertising pamphlets.

The heading "Remuneration, pensions and other employee costs" comprises the cost of wages, including the provisions for holiday pay and end-of-year bonuses, and amounts to EUR 429.95 million, compared with EUR 398.34 million in the previous reporting period. This is an increase of 7.94% compared with the previous reporting period.

The depreciation, amortisation and impairment on non-current assets amounts to EUR 48.98 million compared with EUR 46.11 million in the previous reporting period.

Initial expenditure on equipment and installations are no longer capitalised and immediately written off

The amount of impairment of trade receivables is EUR 0.23 million compared with EUR 2.13 million in the previous year.

Summary of depreciation, amortisation and impairment
(in EUR millions)

	2007/2008 -----	2006/2007 -----
Depreciation, amortisation and impairment of		
- Intangible non-current assets	0.91	0.82
- Property, plant and equipment	48.07	45.29
- Trade receivables	0.23	2.13
	-----	-----
	49.21	48.24

In comparison with the previous reporting period, in total an additional EUR 0.97 million of depreciation, amortisation and impairment was applied.

The degressive depreciation method is applied to the increases in "Property, plant and equipment" (headings III.A-B-C-D and E). Compared with the linear system this means additional depreciation/ amortisation of EUR 4.26 million.

The provisions recognised in the operating profit/loss amount to EUR 0.64 million, compared with EUR 1.48 million in the previous reporting period.

Appropriations to provisions were made amounting to EUR 4.53 million; there were reversals of EUR 3.89 million.

Provisions ----- (in EUR millions)	Addition -----	Reversal -----
- For early retirement pensions	3.00	-2.37
- For major maintenance work	0.14	-
- Decontamination	0.70	-1.14
- Miscellaneous	0.69	-0.38
	-----	-----
	4.53	-3.89

Other operating expenses amount to EUR 3.65 million, compared with EUR 3.31 million in the previous reporting period and consist of (in EUR millions):

	2007/2008 -----	2006/2007 -----
- Miscellaneous duties and taxes	3.34	3.22
- Capital losses on realised assets	0.31	0.09
	-----	-----
	3.65	3.31

Operating profit

The operating profit for the 2007/2008 reporting period amounts to EUR 298.54 million compared with EUR 296.36 million in the previous reporting period. This is an increase of 0.73% compared with the previous reporting period.

Operating cash flow

The operating cash flow amounts to EUR 347.44 million, compared with EUR 342.47 million in the previous reporting period and rose by 1.45% compared with that year.

IV. + V Net financing income

The NET FINANCING INCOME (difference between income and expense) amounts to EUR 27.58 million EUR (previous reporting period EUR -35.79 million).

Summary of FINANCIAL INCOME and EXPENSE (in EUR million)	2007/2008 -----	2006/2007 -----
- Income from investments	71.02	1.03
- Income from current assets	0.21	0.21
- Other financing income	13.16	11.39
- Cost of borrowings	-55.36	-46.91
- Impairment (reversal)	-0.03	0.00
- Cost of financial transactions	-1.42	-1.51
	-----	-----
	27.58	-35.79

The income of EUR 71.02 million from financial non-current assets consists virtually entirely of dividends received from associates, of which EUR 70.00 million is an interim dividend from NV Vlevico on 19/03/2008.

The income from current assets includes interest received on advances to subsidiaries and interest received on fixed-yield securities.

The remaining financing income (EUR 13.16 million) includes sales discounts of EUR 11.85 million.

The cost of borrowing amounts to EUR 55.36 million. This is interest on loans of EUR 38.31 million, interest on real property leasing of EUR 17.03 million and miscellaneous interest of EUR 0.02 million.

The other financing expense (EUR 1.42 million) relates to the cost of day-to-day financial transactions and exchange losses on payments in foreign currencies (EUR 0.26 million).

Profit from ordinary activities

The profit for the 2007/2008 reporting period amounts to the profit from ordinary activities of EUR 326.12 million compared with 260.57 million in the previous year. This is an increase of 25.16%.

This increase of 25.16 % is attributable to the interim dividend of EUR 70.00 million from NV Vlevico. If we do not take this dividend into account, there is a reduction in the profit from ordinary operations of -1.72 %.

This reduction is the result of granting semi-autonomous status to the DATS24 operation, the transfer of Colex to NV Collivery and the transfer of the aforementioned departments of Colruyt NV to Colruyt Group Services.

See also above: notes to the annual financial statements.

VII. + VIII. Exceptional income

The exceptional income amounts to EUR 17.65 million - a sum of EUR 0.46 million as a result of the capital gain on treasury shares distributed as participation in the profits of the 2006/2007 reporting period. A sum of EUR 16.09 million relates to a capital gain on the sale of Locre shares and a sum of EUR 0.17 million to a capital gain on the sale of Infoco shares.

Exceptional expenses amount to EUR 0.66 million.

These relate for the most part to the capital loss on investments in existing stores that were renovated.

IX. Profit before tax

Etn. Fr. Colruyt ended the 2007/2008 reporting period with a profit before tax of EUR 343.12 million.

The previous reporting period ended with a profit before tax of EUR 261.70 million EUR. This is an increase of 31.11%.

This increase of 31.11 % is attributable to the interim dividend of EUR 70.00 million from NV Vlevico. If we do not take this dividend into account, there is an increase in the profit before tax of 4.36 %. This includes the extraordinary capital gain of EUR 16.26 million on the sale of holdings in associates.

If this extraordinary capital gain is excluded, the profit before tax is reduced by - 1.38 %.

This reduction is the result of granting semi-autonomous status to the DATS24 operation, the transfer of Colex to NV Collivery and the transfer of the aforementioned departments of Colruyt NV to Colruyt Group Services.

See also above: notes to the annual financial statements.

X. Income tax expense

The income tax expense amounts to EUR 86.70 million.

The average tax rate is 25.27%, that is the estimated tax for the reporting period compared with the profit before tax. The drop in the tax rate is the result of the dividend of EUR 70.00 million, which is 95 % exempt from tax.

In the previous reporting period, the tax amounted to EUR 88.79 million or 33.93% of the profit before tax.

XI. Profit of the reporting period

The profit of Etn. Franz Colruyt NV after tax from the 2007/2008 reporting period amounts to EUR 255.97 million, compared with EUR 172.59 million in the previous reporting period. This is an increase of 48.12 %.

This increase of 48.12 % is attributable to the interim dividend of EUR 70.00 million from NV Vlevico. If we do not take this dividend into account, there is an increase in the profit before tax of 7.60 %. This includes the extraordinary capital gain of EUR 16.26 million on the sale of holdings in associates.

If this extraordinary capital gain is excluded, the profit before tax is reduced by - 1.08 %.

This reduction is the result of granting semi-autonomous status to the DATS24 operation, the transfer of Colex to NV Collivery and the transfer of the aforementioned departments of Colruyt NV to Colruyt Group Services.

See also above: notes to the annual financial statements.

XIII. Profit of the reporting period available for appropriation

The profit of Etn. Franz Colruyt NV for the 2007/2008 reporting period available for appropriation amounts to EUR 254.33 million, compared with EUR 172.59 million in the previous reporting period.

Cash flow

The cash flow of Etn. Franz Colruyt NV is EUR 304.88 million for the 2007/2008 reporting period compared with EUR 218.93 million in the previous reporting period

5) Events after the balance sheet date

Please refer to the press release on 19 May 2008 in which we announced that the Colruyt Group had shelved its plans for organic growth in the Netherlands.

There are no other events after the balance sheet date.

6) There are no circumstances known that might affect the company's development appreciably.

7) Given the peculiar nature and specific activities of the company, no activities are carried on in the research and development field.

8) The Board of Directors gives notice that in October 2008 the parent company of the Colruyt Group, NV Etn Fr Colruyt will distribute a share of its profit to the Belgian members of the group's staff. The profit share under the terms of the Act of 22 May 2001 and the Collective

Labour Agreement of 19 April 2007 was decided upon at group level and will consist of a grant of shares or money at the staff member's option; the shares will be distributed from among those held by NV Etn Fr Colruyt.

All this is subject to the resolutive condition of approval by the Annual General Meeting of Shareholders.

9) Since April 2007 the Group has been under investigation by the Belgian competition authorities regarding infringement of Belgian competition law with respect to perfume, drugstore and personal care products. The Group is cooperating fully with this investigation. There is as yet insufficient information to make a realistic risk assessment.

Otherwise the company has no knowledge of risks or uncertainties other than those mentioned in the group's annual report.

10) No use is made of financial instruments

11) Corporate Governance

A. Board of Directors

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Composition

- Representatives of Principal Shareholders, Executive Directors:

Jef COLRUYT	Director-Chairman (2010)
Frans COLRUYT	Director (2009)

- Representatives of the Principal Shareholders, Non-Executive Directors:

François GILLET	Director (2008), Director of Sofina SA
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NV ANIMA	Director (2008) for which the following acts as permanent representative: Jef Colruyt
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NV HERBECO	Director (2009) for which the following acts as permanent representative: Piet Colruyt
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NV FARIK	Director (2009) for which the following acts as permanent representative: Frans Colruyt
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- Independent Director

BVBA DELVAUX TRANSFER Director (2011), for which the following acts as permanent representative: Willy Delvaux

- Secretary

Jean de LEU de CECIL

Secretary

() Year of end of mandate and possible reappointment at the Annual General Meeting.

The articles of association contain no rules on the appointment of directors and the renewal of their mandates. Neither is there any set age limit.

Messrs. Jef Colruyt, Frans Colruyt, Piet Colruyt, Willy Delvaux and François Gillet hold other directorships besides those of the companies involved in the Colruyt Group.

As of 1/7/2006 the Board of Directors has one independent director.

B. AUDITOR

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KLYNVELD PEAT MARWICK GOERDELER CVBA

- Company Auditors, represented by Ludo RUYSEN(2010).

() Year of end of mandate and possible reappointment at the Annual General Meeting.

MANDATES

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- The mandate of ANIMA NV, permanently represented by Jef Colruyt, expires after the Annual General Meeting on 17 September 2008.

He may be re-elected and is again a candidate. The Board of Directors proposes that he be granted a new 4-year mandate to expire after the Annual General Meeting in 2012.

- The mandate of François Gillet expires after the Annual General Meeting on 17 September 2008.

He may be re-elected and is again a candidate. The Board of Directors proposes that he be granted a new 4-year mandate to expire after the Annual General Meeting in 2012.

C. Corporate sustainable governance of the Colruyt Group

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A Charter

1. General Assemblies:

The annual General Assembly of Shareholders takes place at the company's headquarters on the third Wednesday of September at 16.00. If that day is a holiday, the meeting is held on the first business day thereafter. All General Assemblies are called in accordance with the law. The Board of Directors and Auditor may call a General Assembly and set the agenda.

A General Assembly must also be called within one month of a request from or written application by shareholders together representing 1/5th of the company's capital.

Each share gives an entitlement to one vote. In order to attend the meeting, every owner of bearer shares must deposit them at the company's headquarters or with the institutions designated in the invitation to the meeting no later than three full days before the date set for the meeting. Before the meeting opens, he must produce proof that his shares have been deposited. Shareholders shall vote in person or through a proxy. Every proxy must satisfy the conditions for admission to the meeting.

The General Assembly may not discuss matters that do not appear on the agenda.

2. Board of Directors:

* Composition:

The composition of the Board of Directors is the result of the structure of the company's share ownership where family shareholders, with the support of Sofina NV, are reference shareholders. As in the past, the family shareholders ensure the stability and continuity of the company, thereby promoting the interests of all shareholders.

They choose to put forward as directors a limited number of representatives with a variety of backgrounds, wide experience and a thorough knowledge of the company. The directors form a small team with the necessary flexibility and efficiency to adapt itself from time to time to the events and opportunities that the market offers.

The articles of association contain no rules on the appointment of directors or renewal of their mandates. The Board of Directors has decided to put forward candidates for potentially renewable terms of no more than four years.

Only a General Meeting of Shareholders is entitled to appoint (and, if necessary, dismiss) the directors. At present, the Board of Directors is made up of two executive directors and five non-executive directors, one of whom is an independent director. The Board of Directors is of the opinion that increasing the number of members must be associated with a significant enhancement of the general management of the Colruyt Group.

In line with the Colruyt Group's longstanding tradition, Mr. Jef Colruyt is currently the Chairman of the Board of Directors and Chairman of the Colruyt Group Management Team and the Future Board. This deviation from the recommendations of the Belgian Corporate Governance Code for publically quoted companies is justified by the history of the Colruyt Group and the desire of the reference shareholders not to entrust the leadership of the Group Management Team to outside professional managers.

* Functioning of the Board of Directors:

The Board of Directors meets every quarter in accordance with a previously-determined schedule. The meetings are always held during the second half of the months of September, November, March and June.

When necessary, interim meetings are held to discuss specific subjects or to make decisions within specific timeframes.

The Board of Directors has a quorum only if at least half of its members are present or represented. All resolutions of the Board of Directors must be passed by an absolute majority of votes. In the event of a tie, the Chairman has a casting vote.

At the quarterly meetings of the Board of Directors, ideas are exchanged and decisions made on general, strategic, economic, commercial, financial and accounting matters affecting the companies in the Colruyt Group. This is done on the basis of a dossier that, in addition to consolidated information about the Colruyt Group, also contains detailed information on each of the sectors in the Colruyt Group and its various companies.

Fixed items on the agenda include earnings, financial prospects, investment prospects and activity reports for each sector in the Colruyt Group.

The directors receive their dossiers at least five days prior to the meeting.

* Committees of the Board of Directors:

Given the limited number of members of the Board of Directors, no Nomination Committee or Remuneration Committee will be formed.

The emoluments of the Directors, the remuneration of the Chairman of the Management Team and the decisions on the basic principles underlying the remuneration of the members of the Management Team continue to be made by the Board of Directors as a whole.

The Chairman of the Management Team is responsible for the implementation of these basic principles and for the individual remuneration of the members of the Management Team and Future Board. The Board of Directors has formed an Audit Committee composed of the independent director and a number of non-executive directors. This committee works with the Group Management Team and the Auditor.

The Audit Committee has drafted an internal code of practice. This is published on our website at [www.colruyt.be/financial info](http://www.colruyt.be/financial%20info).

* Remuneration:

There is no protocol for the exercise of the position of Director. It is not customary to grant credits or advances to Directors. The Directors do not receive any bonuses or share-related incentive programmes, benefits in kind or benefits related to a pension scheme.

In their capacity as Directors, the Executive Directors receive the same remuneration components and benefits as the Executive Management of the Colruyt Group.

The remuneration of the Directors (individual) and of the members of the Group Management Team (collective) is published in the annual report. As provided by the articles of association, no more than 10% of distributable profits is reserved for the Directors and at least 90% is reserved for shareholders.

3. Day-to-Day Management:

Under the Chairmanship of Mr. Jef Colruyt, the Colruyt Management Team consists of the managers of the various sectors in the Group and the Group's Chief Financial Officer and Personnel Manager.

The Colruyt Group Management Team determines the overall strategy and policy options at group level and provides coordination between the various sectors in the Group.

The Future Board is made up of all the Colruyt Group's managers and deputy managers. It defines the common objectives for each of the sectors in the Colruyt Group.

The Future Board also pays special attention to the development and long-term vision of the Colruyt Group, making proposals in that area to the Board of Directors, which makes the final decisions.

These meetings are scheduled at fixed times, every four and eight weeks respectively, and are chaired by Mr. Jef Colruyt, Chairman of the Board of Directors.

There are also biweekly/monthly meetings with the managers of the various sectors under the chairmanship of the appropriate general manager. These meetings are devoted to the concrete implementation of the policy options adopted.

Day-to-day management of the company is divided between the General Manager for commercial, organisational and personnel matters and the Chief Financial Officer for financial and accounting matters.

Each manager and deputy manager named as a member of the Future Board has a separate duty within his department to ensure compliance with all legal, regulatory, organisational and contractual provisions and is responsible in the event of their being breached.

4. Appropriation of profit/loss - dividend policy:

On the motion of the Board of Directors, the General Assembly may resolve to use the distributable profits, fully or in part, for a free reserve or to carry them forward to the following reporting period. The Board of Directors endeavours to increase the annual dividend per share at least in proportion to the increase in Group profits. Although this is not a set rule, at least 1/3rd of the consolidated financial profits are distributed every year in the form of dividends and bonuses. As provided by the articles of association, at least 90% of distributable profit is reserved for shareholders and no more than 10% for the Directors.

D. Shareholders/Shares

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Every shareholder holding at least 5% of the voting rights must comply with the law of 2 May 2007 on the disclosure of significant interests and the Companies Code.

The legal thresholds per bracket of 5% apply.

Those affected must therefore send a notification to the Banking Commission and the company.

The most recent transparency notification is published in the company's annual report and on the website at [www.colruyt.be/financial info](http://www.colruyt.be/financial%20info).

The most recent transparency notification shows that the share ownership structure includes a group of reference shareholders.

The Colruyt family and the Sofina Group are shareholders acting in concert.

* Insider knowledge:

Those persons at the company with access to insider knowledge and the Directors are regularly reminded in writing of the legal and administrative obligations and penalties associated with misuse or unlawful diffusion of such information. For a period of one month prior to publication of the annual or half-yearly results, no transactions in Colruyt shares are carried out for these persons through the company. The same holds true for the period during which people gain knowledge of sensitive information that has not yet been made public.

As provided by the Royal Decree of 05/03/06 on market abuse, lists of insiders have been drawn up and are maintained by a manager. Directors must report share transactions to this manager, who then makes them public.

6. Information for shareholders:

All information of use to the shareholders is published on our website at [www.colruyt.be/financial info](http://www.colruyt.be/financial%20info). Any interested person may register with the company to receive automatic notifications whenever the website is modified or if new financial information is published on it.

a) Share ownership structure of Etn. Fr. Colruyt NV

Pursuant to the law of 2 May 2007 (disclosure of significant interests in publicly quoted companies) we received a revised notification of interest on 31/08/2007.

The company has no knowledge of any other agreements between shareholders.

Details of the notification of 31/08/2007.

Structure of the shareholdings in Etn. Fr. Colruyt NV according to the latest transparency notification of 31/08/2007.

I. Colruyt family and relatives

	Number	%
1. Colruyt family Shares	2,033,670	6.11
2. NV H.I.M. Shares	8,088,643	24.32
3. NV D.I.M. Shares	5,258,500	15.81
4. NV D.I.M TWEE Shares	17,000	0.05
5. NV H.I.M DRIE Shares	124,952	0.38
 TOTAL COLRUYT FAMILY AND RELATIVES ACTING IN CONCERT Shares	 15,522,765	 46.67

II. Colruyt Group

1.	Etn. Fr. Colruyt NV (treasury shares purchased) Shares	676,673	2.04
2.	NV Vlevico (subsidiary) Shares	223,428	0.67

TOTAL ASSOCIATES

(Etn. Fr. Colruyt NV + subsidiaries) Shares	900,101	2.71
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III. Sofina Group

1.	S.A. SOFINA Shares	2,000,000	6.01
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TOTAL SOFINA Group Shares	2,000,000	6.01
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Total persons acting in concert:
(Colruyt family + Colruyt Group + Sofina Group)

Shares	18,422,866	55.39
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Denominator:

Shares 33,257,748 (position at 31/08/2007)

b) Notification of an agreement to act in concert pursuant to Article 74 of the Law of 1 April 2007

Pursuant to the law of 1st April 2007 on public takeover offers, we have received the following letter from "Halse Investeringsmaatschappij" NV (Halse Investment Company or HIM):

Dear Sirs,

In compliance with article 74 § 7 of the Law of 1 April 2007 on public takeover bids (the "Law"), we hereby inform you that a number of parties acting in concert held more than 30% of the voting shares issued by Etablissements Fr. Colruyt NV (the "Company") on 1 September 2007.

This notification has been sent to you on behalf of all parties acting in concert.

The parties to this agreement to act in concert and their respective interests are as follows:

- Distributie investeringsmaatschappij NV, DIM for short	: 5,258,500
- Halse investeringsmaatschappij NV, HIM for short	: 8,088,643
- Halse investeringsmaatschappij Twee NV, HIM Twee for short:	17,000
- HIM drie NV	: 124,952
- Sofina NV	: 2,000,000
- Etablissements Fr Colruyt NV	: 676,673
- Vlevico NV (subsidiary of Fr Etn Colruyt)	: 223,428
- Anima NV	: 23,395
- Herbeco NV	: 13,100
- Farik NV	: 7,000
- Stiftung Pro Creatura, corporation under Swiss law	: 30,341
- Natural persons (directly or indirectly holding less than 3% of the voting shares in the company)	: 1,959,834

Etablissements Fr. Colruyt NV and Vlevico NV are deemed to be acting in concert by application of article 2 of the Law.

The total number of shares affected by the concerted action thus amounts to 18,422,866 or 55.39% of the shares in the company issued at 1 September 2007 (33,257,748).

All information contained herein reflects the situation as per 1 September 2007.

(The complete letter can be found on our website at www.colruyt.be/financialinfo)

11) We ask you to grant the directors discharge for the exercise of their mandate during the past reporting period.

12) We ask you to grant the auditor discharge for the exercise of his mandate during the past reporting period.

13) The Board of Directors has not issued any securities falling within the authorised capital in the course of the reporting period.

Halle, 22 June 2008

NV Herbeco, permanently
represented by Piet Colruyt
Director

Jef Colruyt
Director