

Report of the Board of Directors of NV Etn. Fr. Colruyt to the extraordinary general meeting of 12 October 2010 on the division by five of the Colruyt shares and the VVPR strips.

The past few weeks, the price of the Colruyt share on Euronext Brussels regularly fluctuated between 195.00 EUR and 198.00 EUR. The threshold of 200.00 EUR may be exceeded presently.

The Board of Directors is of the opinion that such a price makes the accessibility of the Colruyt share difficult for private investors such as the general public and the Colruyt employees.

To encourage investments in the Colruyt share, it seems to be appropriate to divide the share as well as the VVPR strips by five.

This operation will increase the liquidity as well as the accessibility of the share without however impairing the position of the existing shareholders.

The Board proposes the following stipulations to the Extraordinary Meeting of the shareholders:

- An old Colruyt share with coupons 13 and next attached entitles the holder to FIVE new split shares with coupons 1 and next attached. An old Colruyt VVPR strip with coupons 13 and next attached entitles the holder to FIVE new VVPR strips with coupon 1 and next attached.
- The operation would take place as from 15 October 2010.
- As from 15 October 2010 only the new split shares and the new split VVPR strips will be listed on the regulated market Euronext Brussels under a new ISIN code.
- As from 15 October 2010 only new split shares and VVPR strips will be marketable. The old shares and VVPR strips only remain valid after 15 October 2010 in view of their exchange and of payment of non-cashed dividends of the past financial years.
- The new split shares and VVPR strips exist in the form of dematerialised shares and strips on a stock account and of shares and VVPR strips recorded by name in the shareholder register of the company, at the discretion of the shareholder concerned.
- On 12 October 2010, the number of shares in the NV Etn. Fr. Colruyt amounts to 33 515 869. On the same date, the number of VVPR strips amounts to 1 622 684. Pursuant to the split, on 15 October 2010 the total number of shares will amount to 167 579 345 and the total number of VVPR strips to 8 113 420.

Consequently, the Board proposes to change two articles in the articles of association, namely:

Art. 5 "Share capital"

The share capital is set at TWO HUNDRED AND NINE MILLION TWO THOUSAND EIGHT HUNDRED AND NINETY EURO FIFTY-EIGHT CENT (209.002.890,58 Euro) represented by ONE HUNDRED SIXTY-SEVEN MILLION FIVE HUNDRED SEVENTY-NINE THOUSAND THREE HUNDRED AND FORTY-FIVE (167.579.345) shares without face value.

and art. 20 "Deposition of securities"

- Proposal to replace the first and second paragraph of this article by the following:

In order to be admitted to the meeting, every owner of shares must produce proof of his capacity as a shareholder before the session is opened.

In order to be able exercise this right, owners of bearer shares must convert these bearer shares to either registered or dematerialised shares, as the shareholder chooses, before the date of the meeting, in conformity with article 474 of the Companies Code,

- Proposal to insert the words 'the number and' between the words 'proving' and 'the unavailability' in the third paragraph of this article, so the paragraph would read as follows:

Owners of dematerialised shares will have to hand over a certificate drawn up by a certified account holder or the settlement institution in conformity with article 474 of the Companies Act, proving the number and the unavailability of the dematerialised shares until the date of the General Meeting, and this at the latest three working days before the date set for the General Meeting in the place indicated in the summons.

Halle, 7 September 2010

The directors