



DELHAIZE GROUP

Q1 2016 results

April 27, 2016

Forward looking statements

FORWARD-LOOKING STATEMENTS

This communication contains forward-looking statements, which do not refer to historical facts but refer to expectations based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance, or events to differ materially from those included in such statements. These statements or disclosures may discuss goals, intentions and expectations as to future trends, plans, events, results of operations or financial condition, or state other information relating to Delhaize Group, based on current beliefs of management as well as assumptions made by, and information currently available to, management. Forward-looking statements generally will be accompanied by words such as "anticipate," "believe," "plan," "could," "estimate," "expect," "forecast," "guidance," "intend," "may," "possible," "potential," "predict," "project" or other similar words, phrases or expressions. Many of these risks and uncertainties relate to factors that are beyond Delhaize Group's control. Therefore, investors and shareholders should not place undue reliance on such statements. Factors that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to: the occurrence of any change, event or development that could give rise to the termination of the merger agreement or the proposed merger with Koninklijke Ahold N.V., also known as Royal Ahold; the risk that the necessary regulatory approvals for the proposed merger with Royal Ahold may not be obtained when expected or at all or may be obtained subject to conditions that are not anticipated; failure to satisfy other closing conditions with respect to the proposed merger with Royal Ahold on the proposed terms and timeframe; the possibility that the proposed merger with Royal Ahold does not close when expected or at all; the risks that the new businesses will not be integrated successfully or promptly or that the combined company will not realize when expected or at all the expected synergies and benefits from the proposed merger with Royal Ahold; Delhaize Group's ability to successfully implement and complete its plans and strategies and to meet its targets; risks related to disruption of management time from ongoing business operations due to the proposed merger with Royal Ahold; the benefits from Delhaize Group's plans and strategies being less than anticipated; the effect of the announcement or completion of the proposed merger with Royal Ahold on the ability of Delhaize Group to retain customers and retain and hire key personnel, maintain relationships with suppliers, and on their operating results and businesses generally; litigation relating to the transaction; the effect of general economic or political conditions; Delhaize Group's ability to retain and attract employees who are integral to the success of the business; business and IT continuity, collective bargaining, distinctiveness, competitive advantage and economic conditions; information security, legislative and regulatory environment and litigation risks; and product safety, pension plan funding, strategic projects, responsible retailing, insurance and unforeseen tax liabilities. In addition, the actual outcomes and results of Delhaize Group may differ materially from those projected depending upon a variety of factors, including but not limited to changes in the general economy or the markets of Delhaize Group, in consumer spending, in inflation or currency exchange rates or in legislation or regulation; competitive factors; adverse determination with respect to claims; inability to timely develop, remodel, integrate or convert stores; and supply or quality control problems with vendors. Additional risks and uncertainties that could cause actual results to differ materially from those stated or implied by such forward-looking statements are described in Delhaize Group's most recent annual report on Form 20-F and other filings with the SEC. Neither Delhaize Group nor any of its directors, officers, employees and advisors nor any other person is therefore in a position to make any representation as to the accuracy of the forward-looking statements included in this communication. The actual performance, the success and the development over time of the business activities of Delhaize Group may differ materially from the performance, the success and the development over time expressed in or implied from the forward-looking statements contained in this communication. The foregoing list of factors is not exhaustive. Forward-looking statements speak only as of the date they are made. Delhaize Group does not assume any obligation to update any public information or forward-looking statement in this communication to reflect events or circumstances after the date of this communication, except as may be required by applicable laws.

Highlights – Q1 2016

US

- Positive comparable store sales growth (+2.6%) and real growth (+3.7%) despite deflation
- Roll-out of Easy, Fresh & Affordable in 142 Charlotte stores on schedule

Belgium

- Market share increased by 50 bps compared to Q1 15 to 24.3%
- Performance sustained by Affiliated network
- Execution and service level in company-operated stores to be further improved
- Transformation Plan savings resulting in profitability improvement

SEE

- Comparable store sales growth of 10.8% with strong growth in Greece and Romania
- Sales leverage resulting in profitability increase

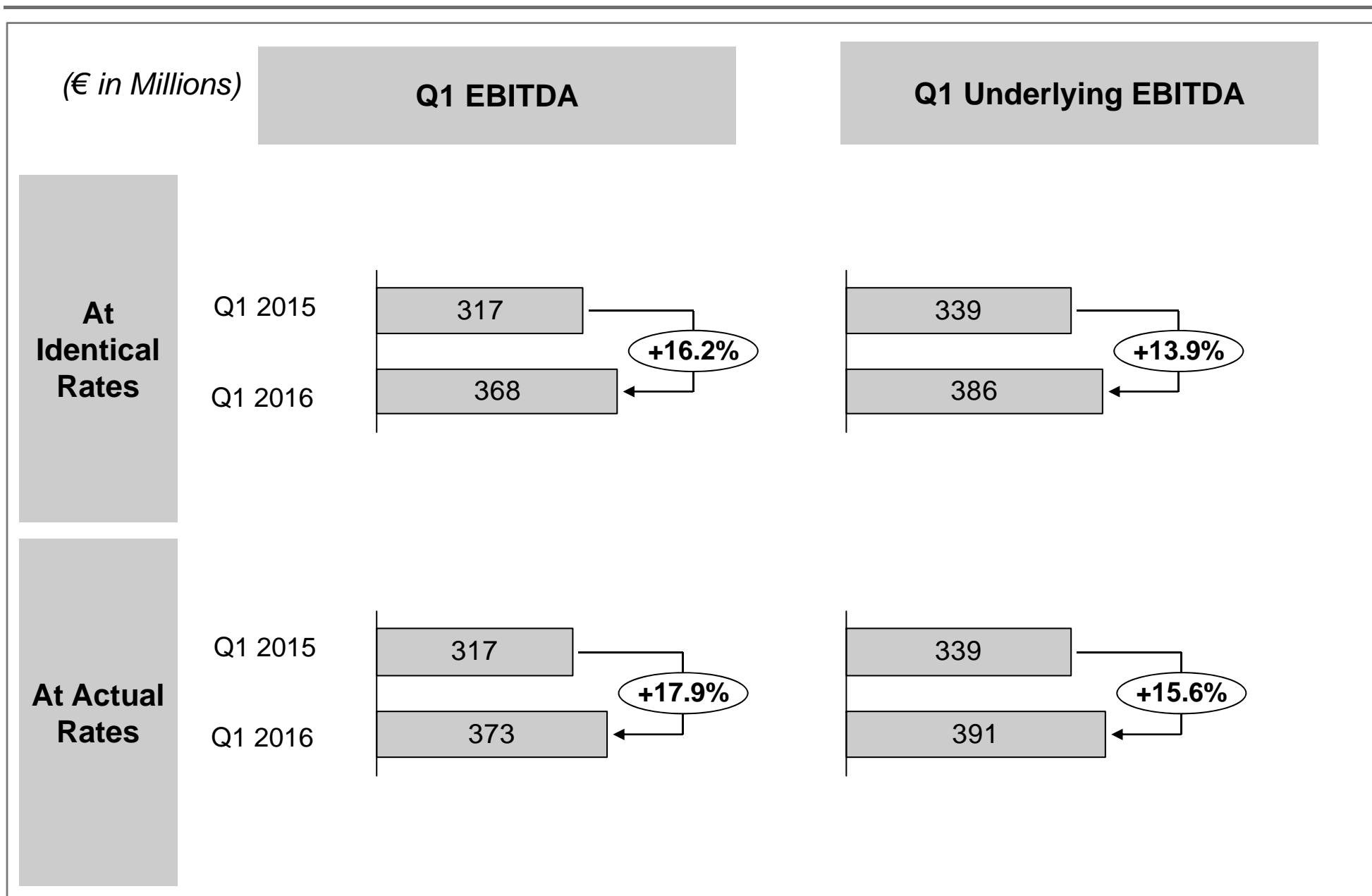
Merger

- Shareholders' approval received during EGM
- Clearance from the Belgian Competition Authorities received
- Approval from US FTC remaining major milestone
- On track to complete merger by mid-2016

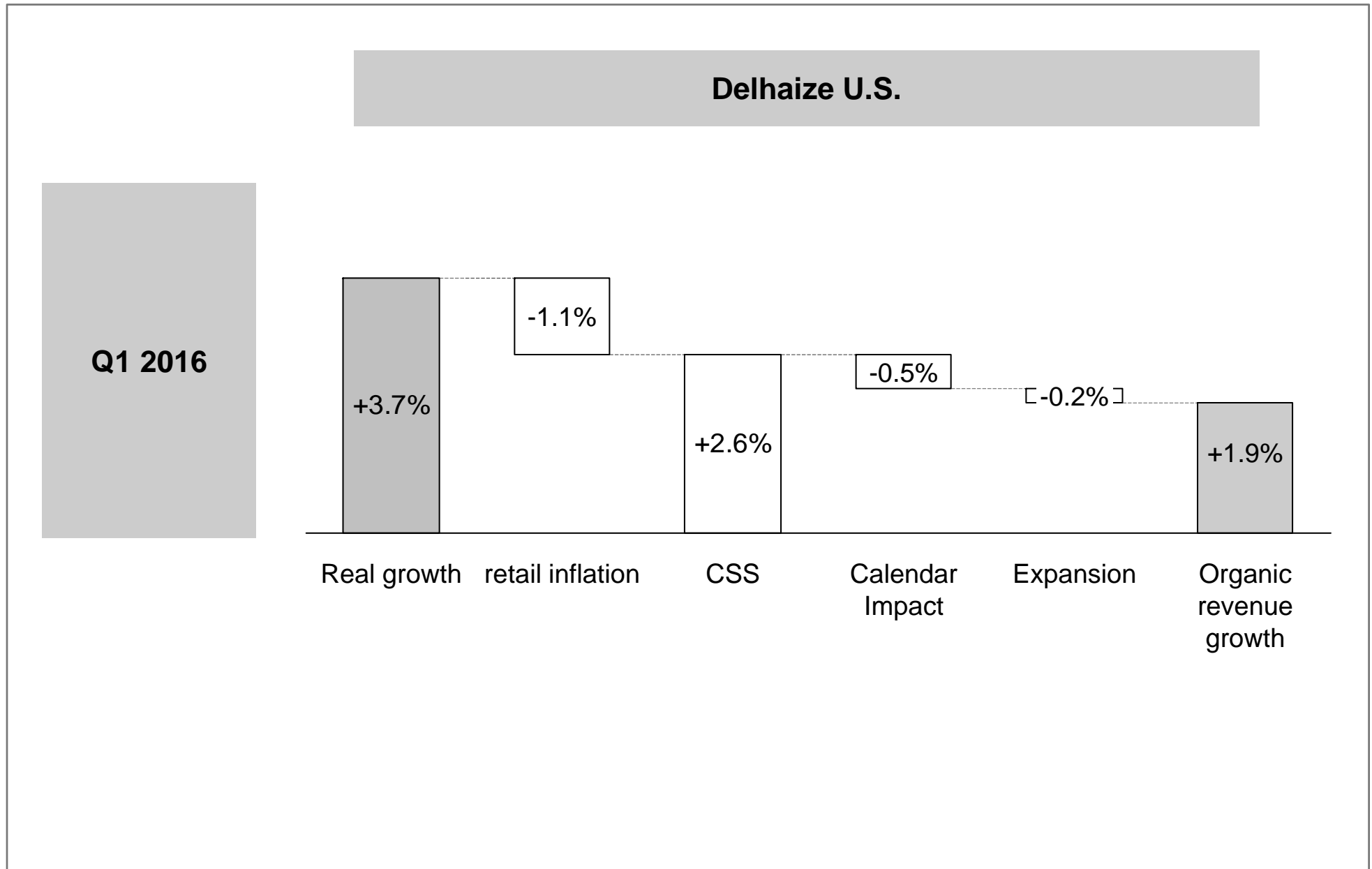
Financial results – Q1 2016

<i>(€ in Millions)</i>	Q1		% Growth	
	2015	2016	Actual Rates	Identical Rates
Revenues	5,820	6,153	5.7%	4.3%
Gross Margin	24.4%	24.5%	10 bps	8 bps
SG&A as % of revenues	21.8%	21.3%	(50 bps)	(52 bps)
Underlying Operating Profit / Margin	173 3.0%	221 3.6%	27.9% 62 bps	26.0% 62 bps
Net finance costs	96	47	(50.5%)	(51.5%)
Income tax expenses	13	36	163.0%	158.6%
Group share in Net Profit	28	109	291.0%	285.6%
Free Cash Flow	(93)	(268)	(186.2%)	(188.9%)

EBITDA

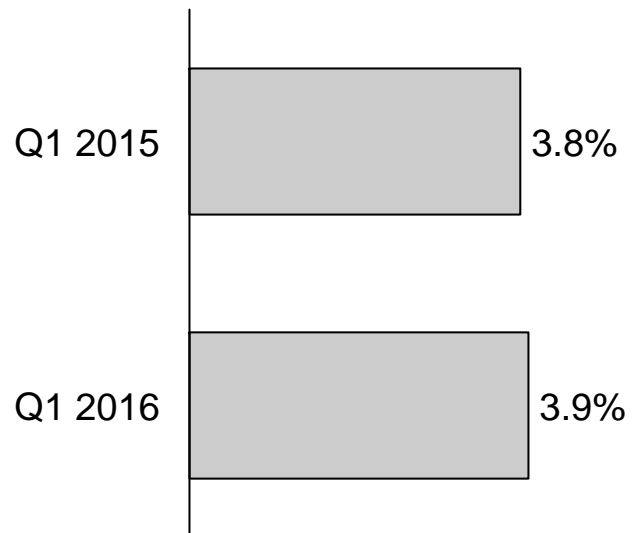


Delhaize America – comparable store sales growth and revenue growth



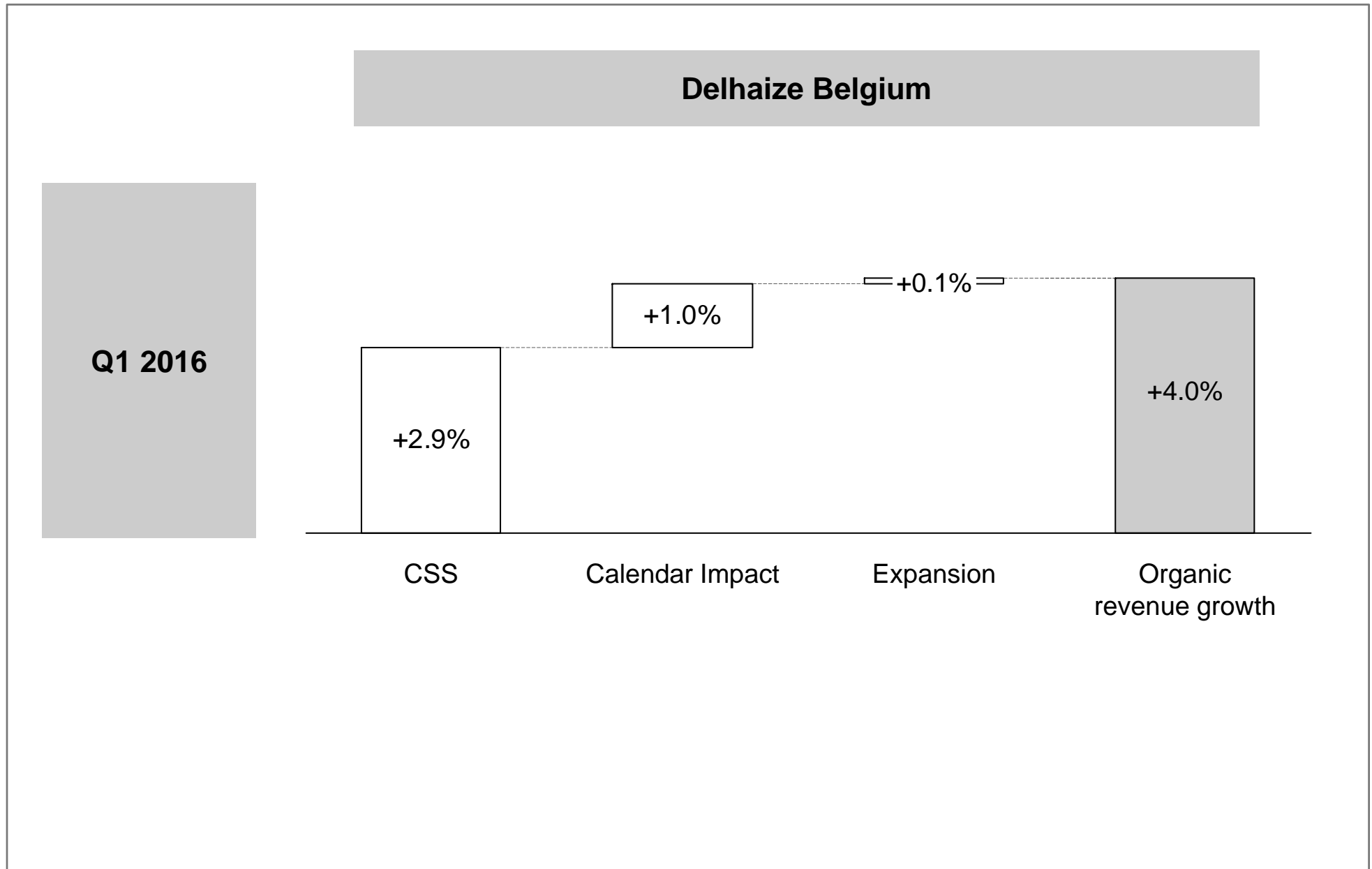
Delhaize U.S. – underlying operating margin

Delhaize U.S. Underlying Operating Margin



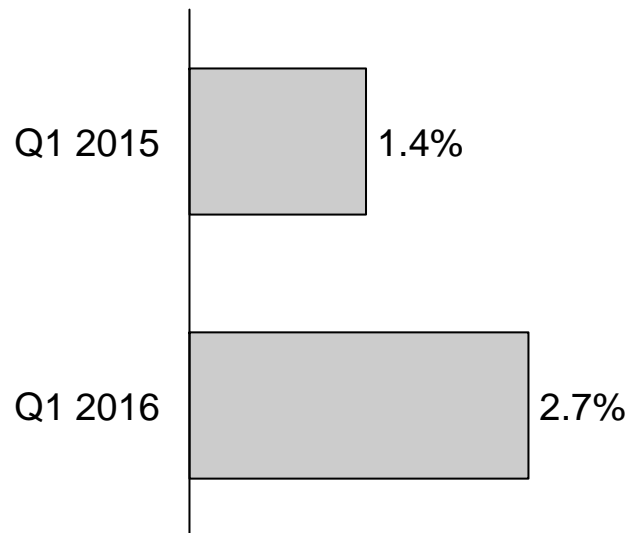
- Q1 margin impacted by:
 - (+) Good sales momentum at both banners
 - (+) Lower shrink in fresh especially at Food Lion
 - (+) Lower cost of products in some categories
 - (-) Increased labor expenses
 - (-) Hannaford price investments (started in Q4 15)

Delhaize Belgium – comparable store sales growth and revenue growth



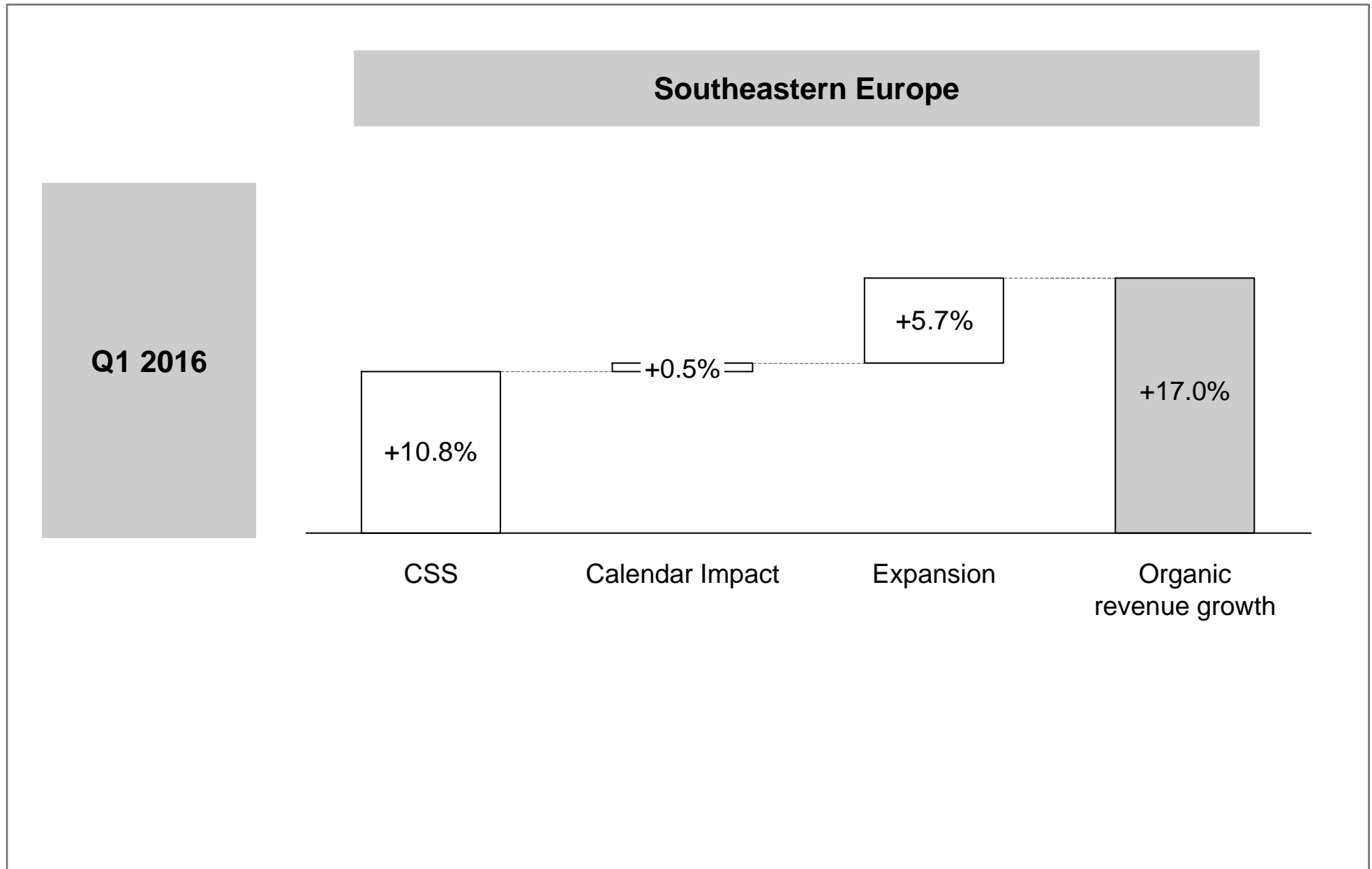
Delhaize Belgium – underlying operating margin

Delhaize Belgium Underlying Operating Margin



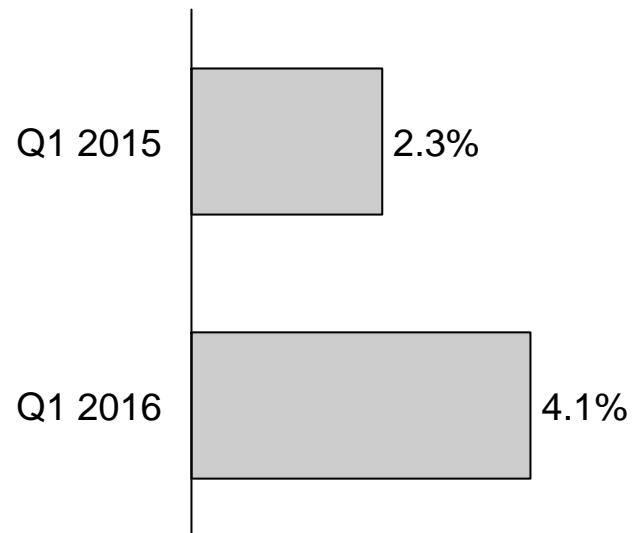
- Q1 margin impacted by:
 - (+) Higher revenues
 - (+) Transformation Plan savings
 - (-) Higher shrink in supermarkets
 - (-) Transformation Plan implementation

Southeastern Europe – comparable store sales growth and revenue growth



Southeastern Europe – underlying operating margin

Southeastern Europe Underlying Operating Margin



- Q1 margin impacted by:
 - (+) Strong revenues across the segment
 - (+) Good cost control overall
 - (+) Higher gross margin

2016 strategic priorities and outlook

Group

- Complete the merger with Ahold by mid 2016 as scheduled
- Continued capital discipline as per our plan to spend €825 million

US

- Focus on maintaining CSS momentum despite the lack of inflation
- Remodel 142 Food Lion stores (Easy, Fresh & Affordable)
- Open ~15 Hannaford to Go sites, bringing the total to ~35 by end 2016

Belgium

- Implement the New Store Organisation in all our supermarkets (completed by October)
- Improve operational standards in the stores
- Further improve market share

SEE

- Maintain CSS momentum despite a shrinking Greek market
- Continue expansion in Romania and Greece
- Continue remodelling and selective expansion at Maxi in Serbia