



DELHAIZE GROUP

Q1 2013 results

May 8, 2013

Forward looking statements

“This presentation includes forward-looking statements within the meaning of the U.S. federal securities laws that are subject to risks and uncertainties. Forward-looking statements describe further expectations, plans, options, results or strategies. Actual outcomes and results 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 our most recent annual report or Form 20-F and other filings with the Securities and Exchange Commission. Delhaize Group disclaims any obligation to update or revise the information contained in this presentation.”

Q1 2013 highlights

- U.S.
 - Volume trends further improved both at Food Lion and Hannaford
 - Helped by favorable weather conditions, positive calendar impact
- Belgium
 - Revenue growth mostly due to inflation and expansion, also helped by weather conditions and strong Easter sales
 - Market share trends still a concern
 - Cost control and timing of expenses
- SEE
 - Store openings contribute to revenue growth but price investments impact profitability
- Better control over SG&A
- Healthy Q1 FCF generation



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Financial Update

Financial results – Q1 2013

<i>(€ in Millions)</i>	Q1		Actual Rates	Identical Rates
	2012	2013		
Revenues	5,442	5,521	1.5%	2.1%
Gross Margin	24.8%	24.7%	(10 bps)	(10 bps)
Underlying Operating Profit	190	214	13.0%	13.7%
Underlying Operating Margin	3.5%	3.9%	40 bps	40 bps
Group Share in Net Profit ⁽¹⁾	(3)	61	N/A	N/A
Free Cash Flow	87	255	193.2%	193.8%

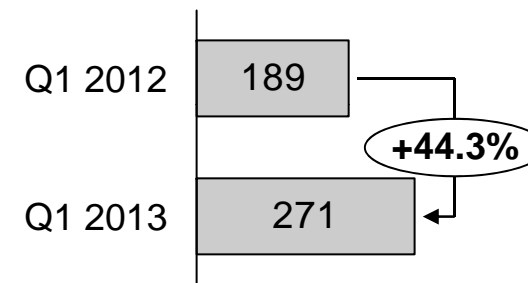
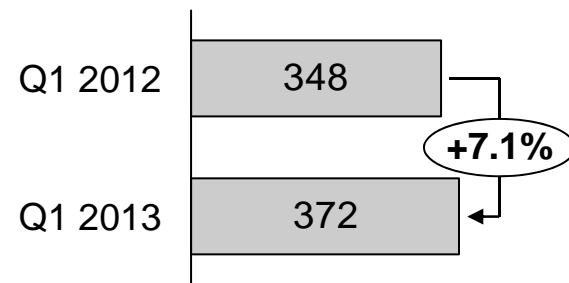
EBITDA

(€ in Millions)

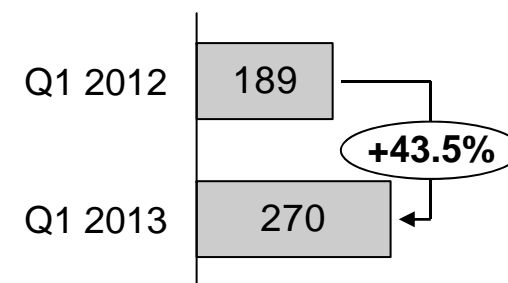
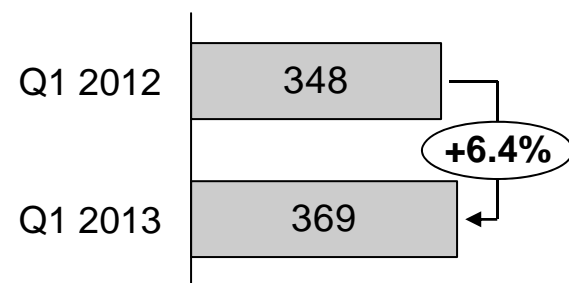
Underlying EBITDA

EBITDA

At Identical Rates



At Actual Rates

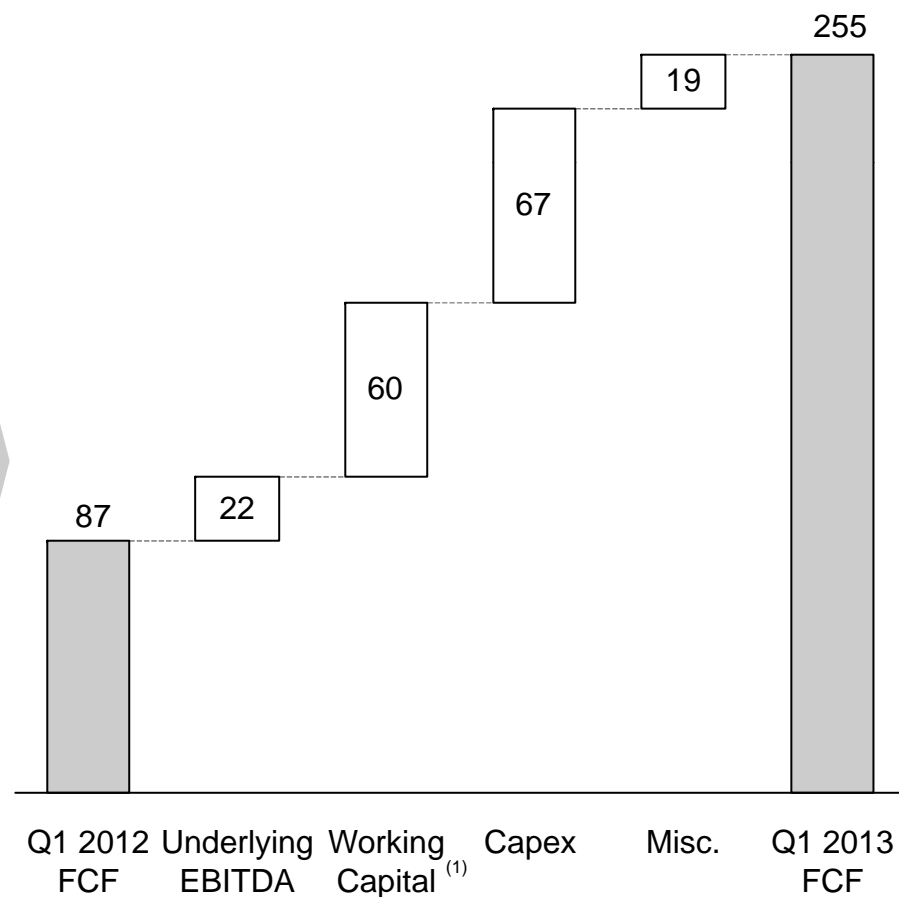


Strong Free Cash Flow generation in Q1

(€ in Millions)

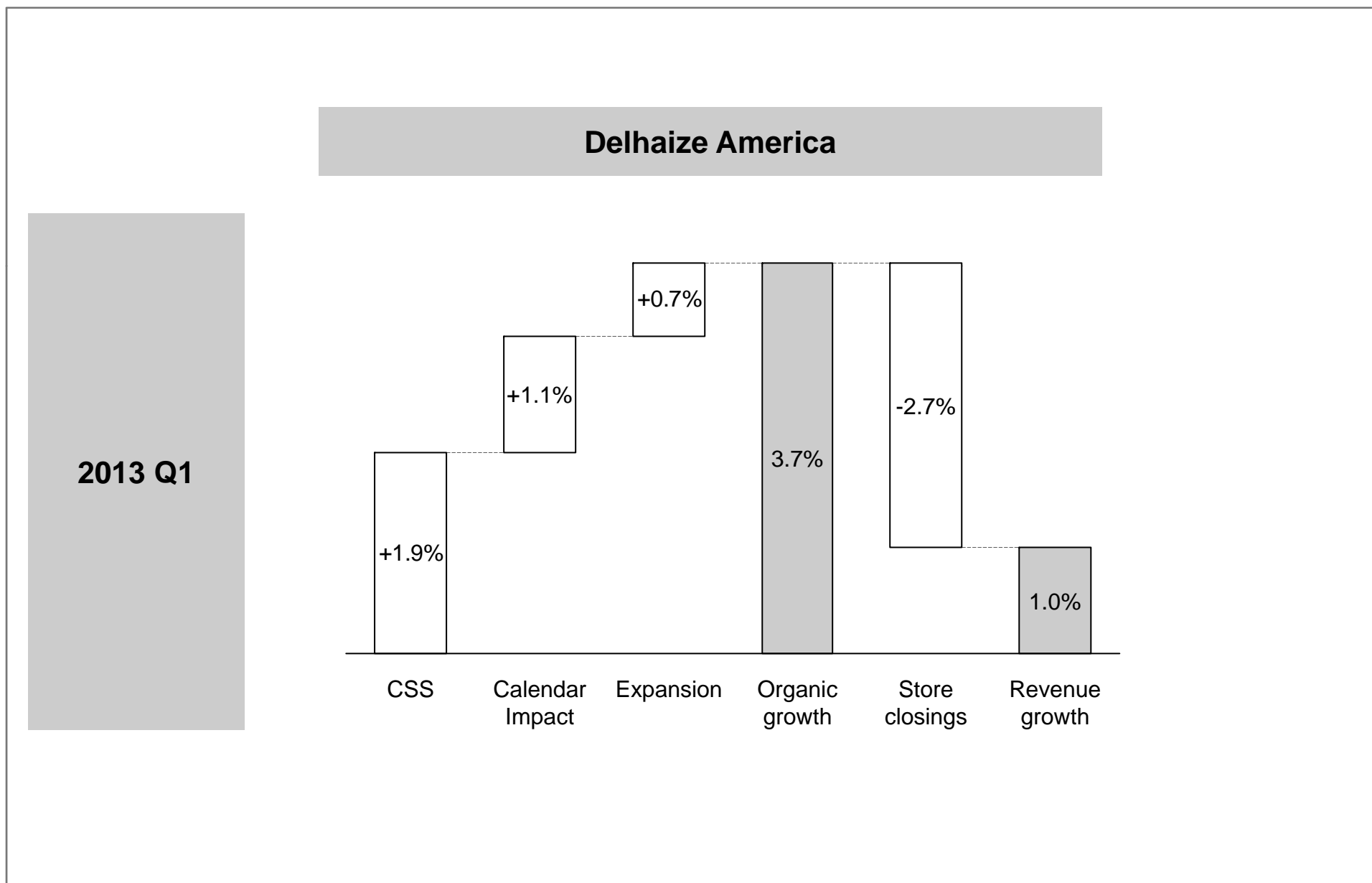
Underlying EBITDA	369
Portfolio optimization and reorganisation cash-out	(32)
Changes in core working capital	25
Payment of interest and taxes	(30)
Cash capex	(78)
Q1 2013 FCF	255

Free Cash Flow evolution

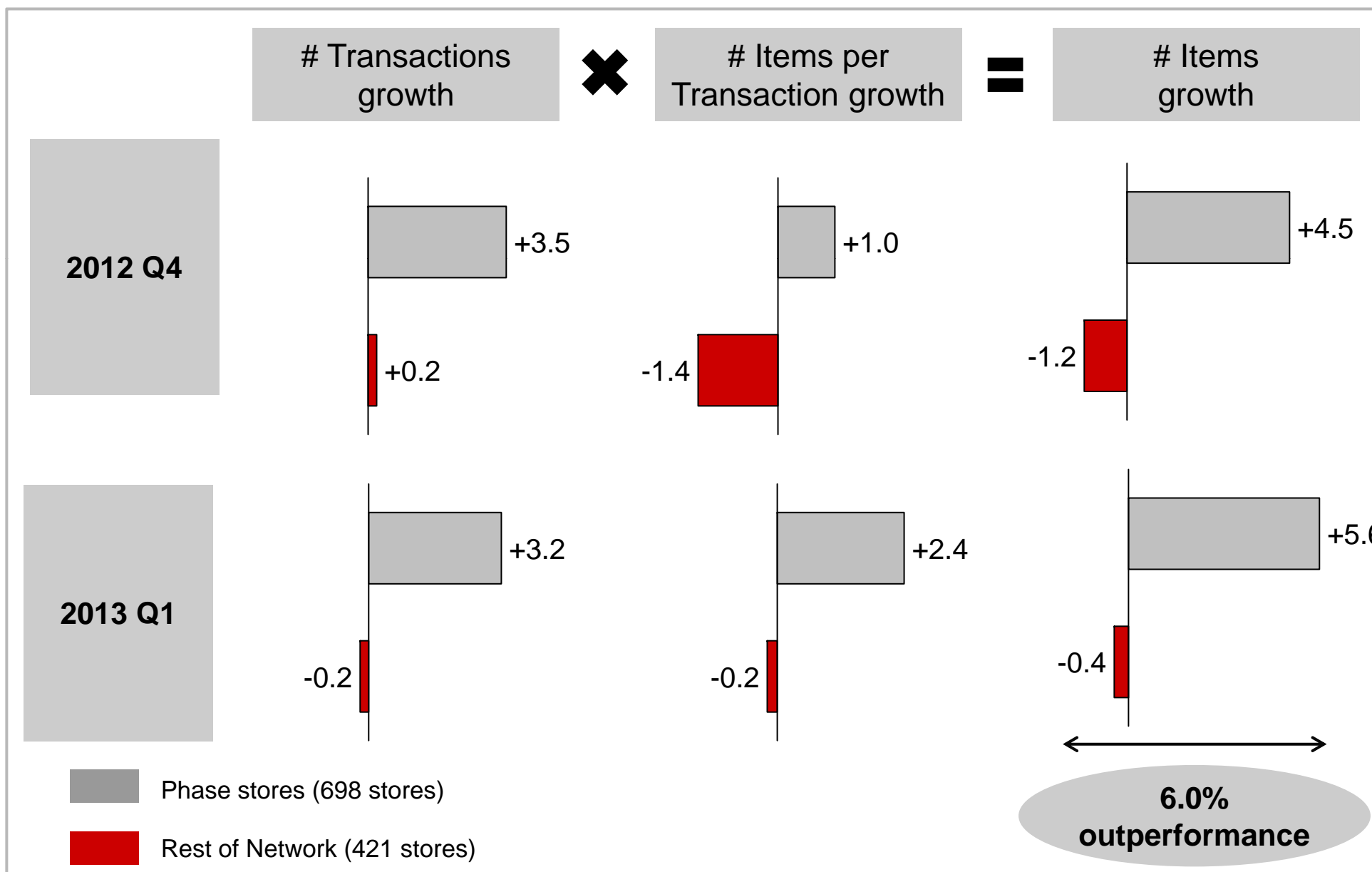


⁽¹⁾ Mainly driven by higher Accounts Payable

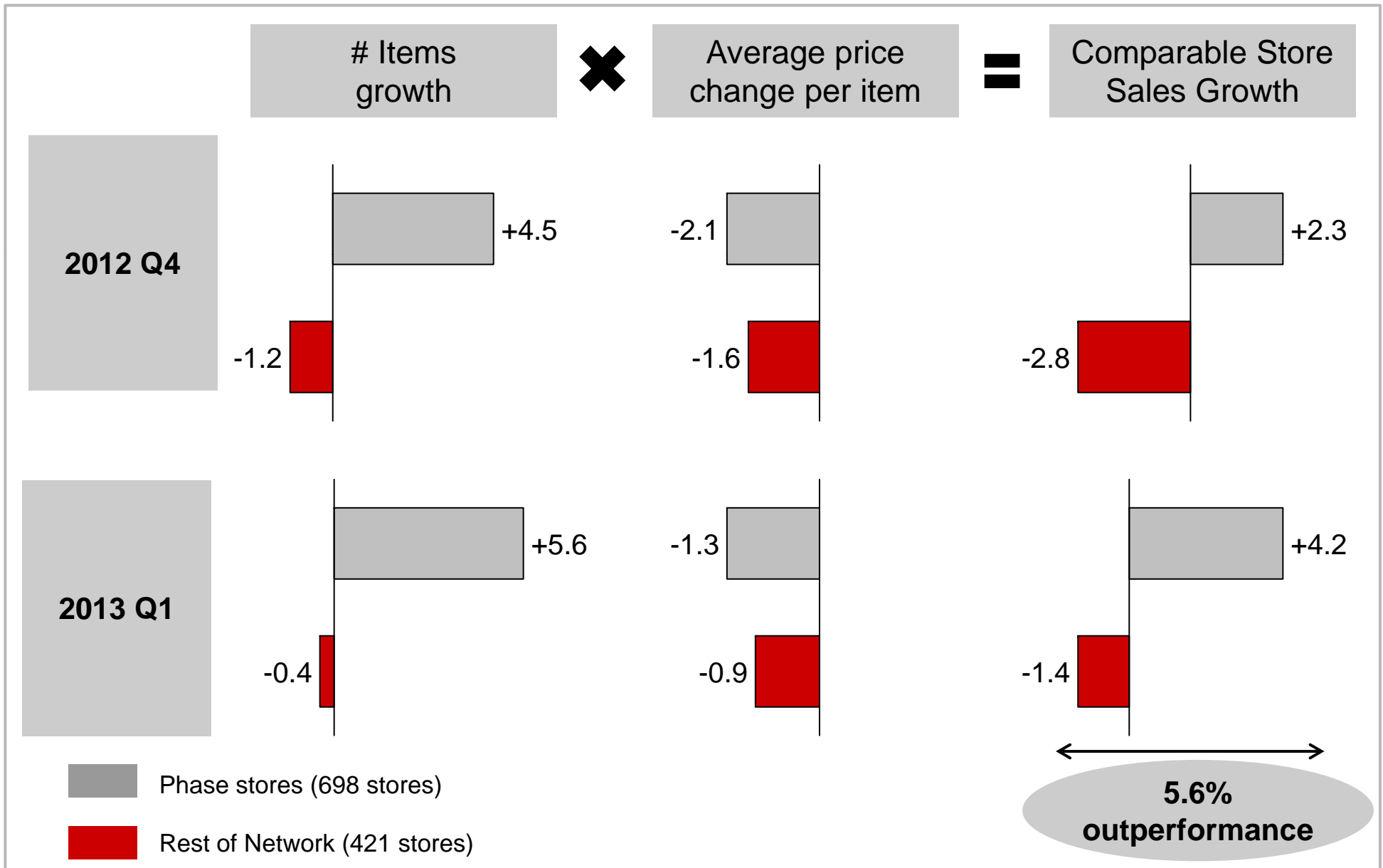
Delhaize U.S. organic revenue growth and comparable store sales growth



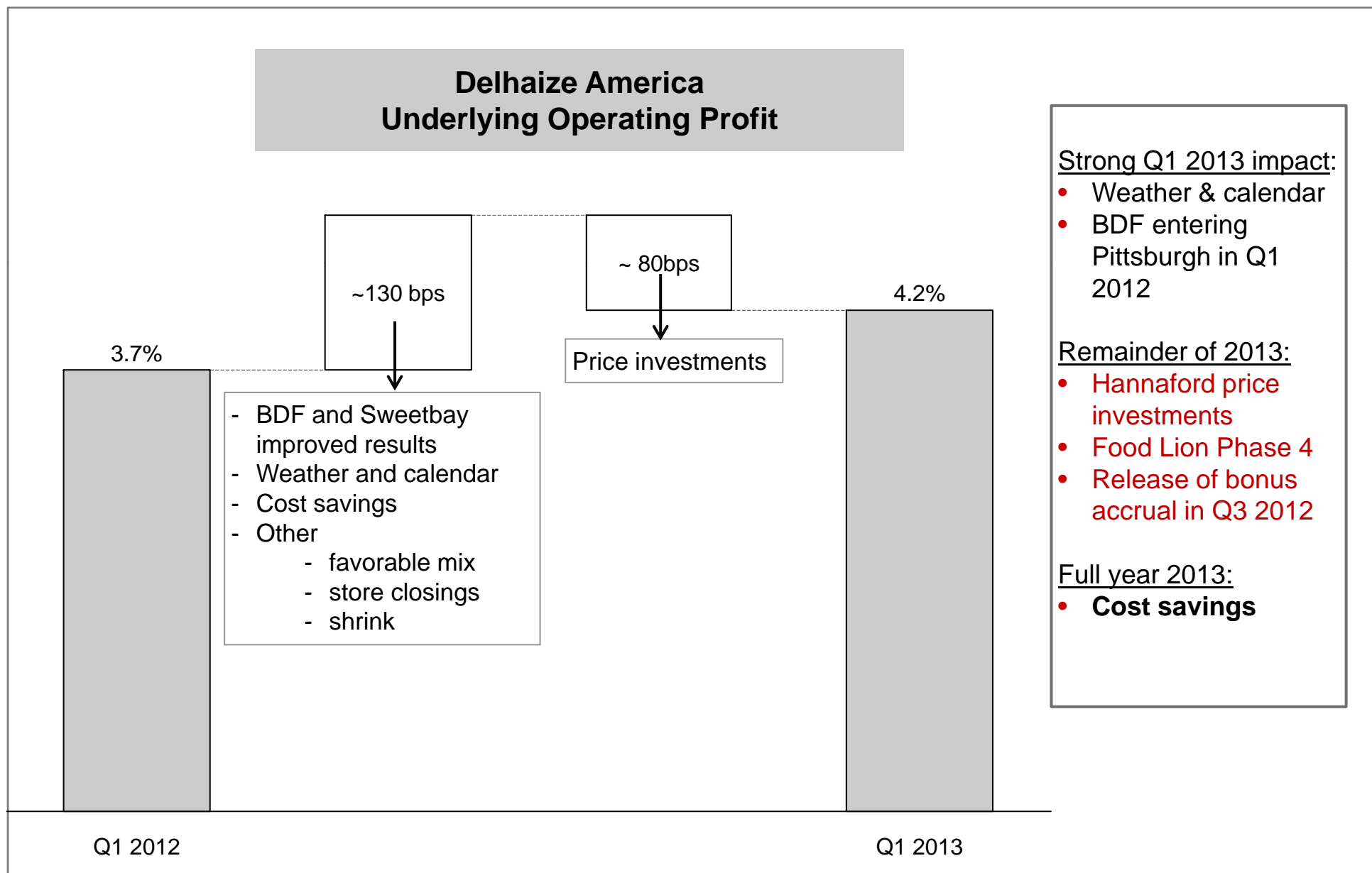
Transactions continue to drive volume growth in Food Lion Phase stores...



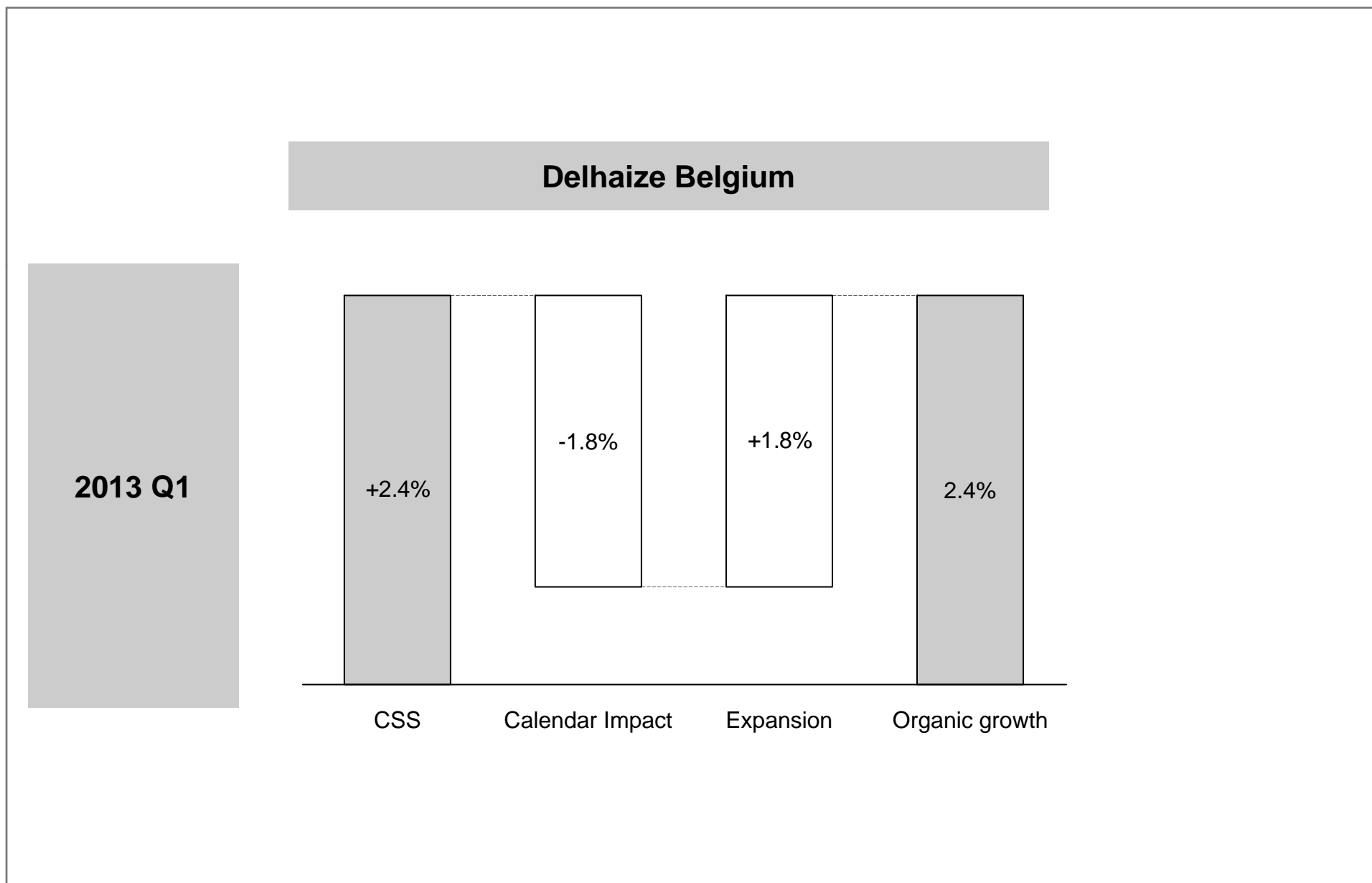
...translating into strong CSS growth despite negative retail inflation



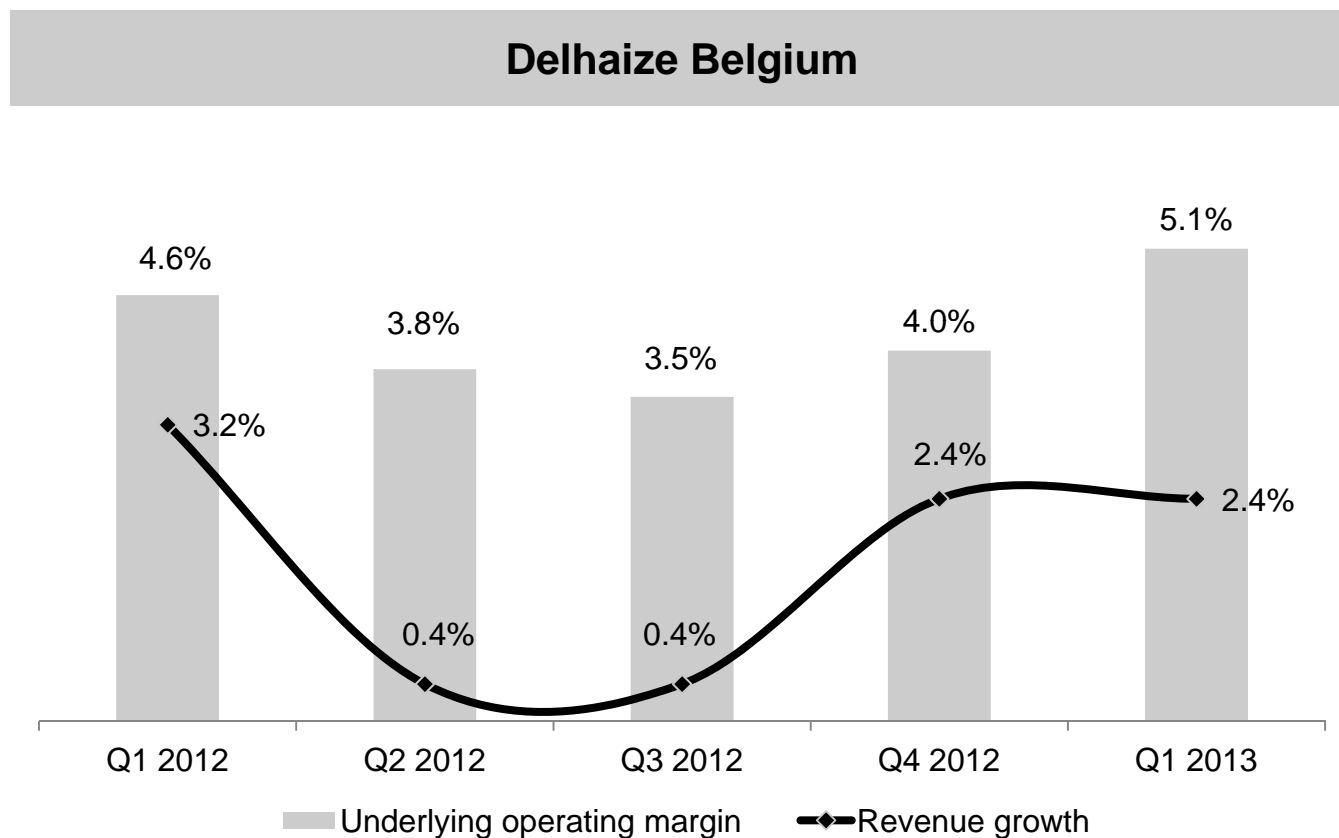
Delhaize U.S. Q1 profitability supported by favorable elements



Delhaize Belgium organic revenue growth and comparable store sales growth



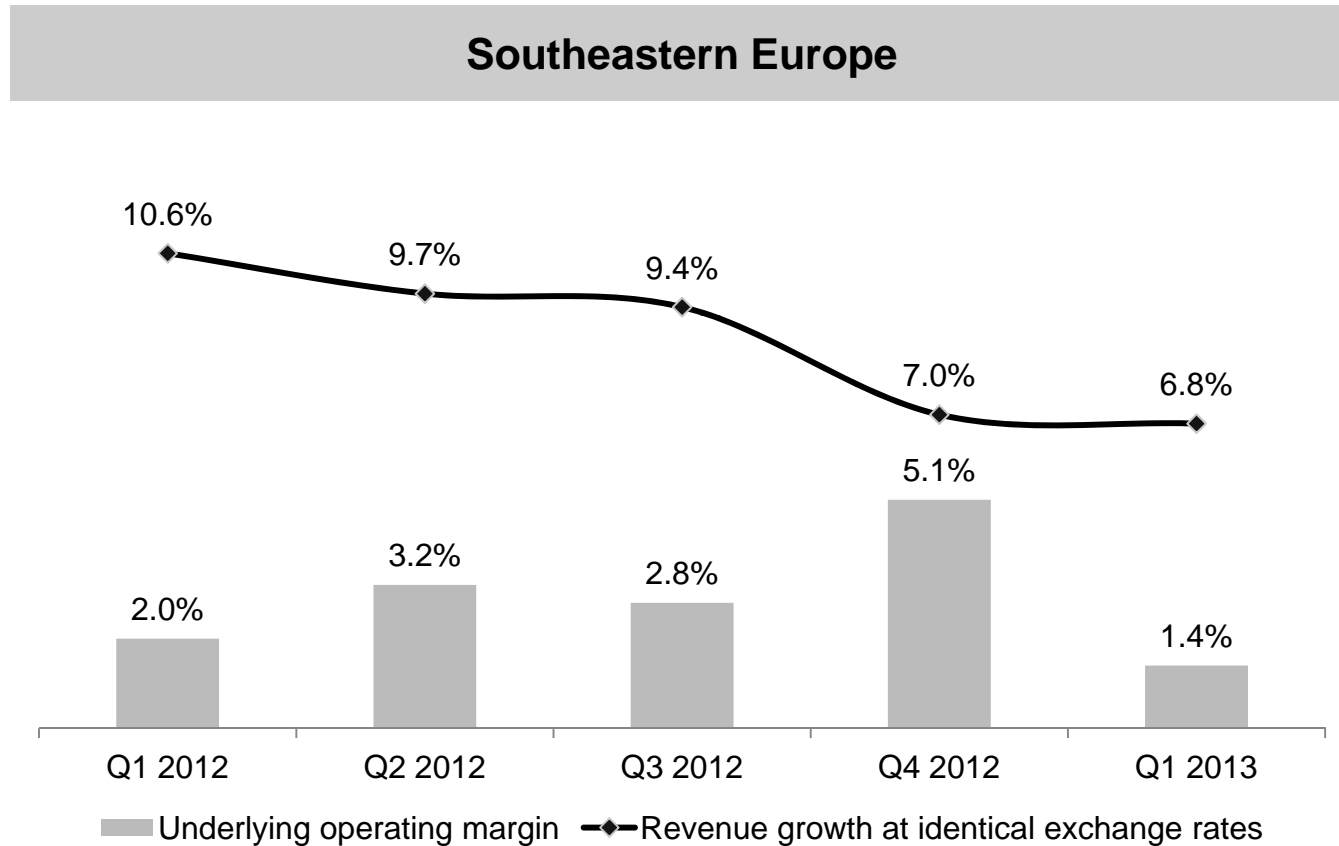
Delhaize Belgium revenues and profitability



2013 Belgium underlying operating margin will be impacted by:

- Targeted price investments
- Timing of SG&A expenses

SEE revenues and profitability



- Revenues continue to grow due to store openings but impacted by lower consumer spending
- Price investments in Greece driving volume growth and market share growth
- High inflation in other SEE countries driving negative real growth



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Operational Update

Our priorities are clear

Revenue

- Food Lion repositioning
- Targeted price investments
- Accelerate organic growth in selected markets
- Strengthening our brands

Free Cash Flow

- Ruthless discipline in our capital allocation
- Further working capital improvements
- Average of approximately €500 million FCF per annum

Costs

- Continued focus on enhancing efficiency and reducing complexity

Priorities per segment specified

U.S.

- Accelerate the transformation of Food Lion: focus on implementation of Phases roll-out
- Strengthen Hannaford: targeted price investments
- Optimize Bottom Dollar Food: accelerate path to profitability

Belgium

- Reinforce historical strengths of Quality, Health, Assortment
- Differentiate on store experience
- Further increase competitiveness on price and promotions
- Growth of Affiliate network

Southeastern Europe

- Maxi: raise profitability and growth profile
- Focus on market share consolidation in Greece
- Accelerate growth in Romania and Indonesia

2013 Guidance

- Underlying operating profit of €775 million⁽¹⁾ compared to €804 million in 2012
- Flat SG&A as percentage of revenues
- Reduction in net finance costs to approximately €210 million
- Target capex of approximately €650 million
 - 200 store openings
- Average of approximately €500 million FCF per annum over 2013-2015

⁽¹⁾ At identical exchange rates (€1 = \$1.2848)