

Remuneration Report

Delhaize Group wants to provide its shareholders and all other stakeholders with consistent and transparent information on executive compensation.

In this remuneration report we include information on the following topics:

- The remuneration policy applied during 2011;
- The role and involvement of various parties in executive compensation analysis and the related decision-making processes;
- Director remuneration;
- Executive Management compensation; and
- Share ownership guidelines.

Remuneration Policy applied during 2011

During the reported year, the Company applied the remuneration policy for directors and Executive Management as it can be found in Exhibit E of the Corporate Governance Charter posted on the Company's website at www.delhaizegroup.com.

Delhaize Group strongly believes in rewarding talent, experience and performance. Accordingly, Delhaize Group's remuneration policy is designed to provide incentives for delivering strong growth and high returns for shareholders so that we can attract and retain talented directors and executives.

The policy's goal is to reward individual and Company performance in a manner that aligns the interests of the Company's executives, directors and shareholders while also taking into account market practices and the differences between the Group's operating companies. Delhaize Group has consistently applied this policy in the past years.

The Remuneration Policy was amended in 2011 to reflect the decision of the shareholders' meeting of May 26, 2011 to increase the maximum compensation for service on a standing committee of the Board, and the possibility for the Chairman of the Board to receive compensation for service on a standing committee of the Board.

As of March 7, 2012 Management does not intend to substantially alter the Remuneration Policy in the coming two years with the exception of the implementation in 2012 of a new Short Term Incentive Program (Annual Bonus) that will become applicable to the Directors, Vice Presidents, Senior Vice Presidents, Executive Vice Presidents and CEO of the Company. (for more details see below)

Role and Involvement of Various Parties in Executive Compensation Analysis and Decisions

Role of the RNC

The composition and activities of the RNC are discussed on page 39.

Role of Executive Officers in Executive Compensation Decisions

The Company's Chief Executive Officer makes recommendations concerning compensation for all senior executives, and presents those recommendations to the RNC. The compensation recommendations take the results of the annual performance review for each executive into account. The Company's Executive Vice President for Human Resources assists the Chief Executive Officer in this process.

Role of Outside Compensation Consultant

During 2011, and as in years before, the Company hired an independent compensation consultant to assist the RNC in its understanding and review of market practices. This consultant worked with Company management to obtain background information and related support in formulating recommendations.

Director Remuneration

The Company's directors are remunerated for their services with a fixed annual amount, decided by the Board of Directors, and not to exceed the maximum amounts set by the Company's shareholders. The maximum amount approved by the shareholders at the Ordinary General Meeting of May 26, 2011 is (i) to the directors as compensation for their positions as directors, an amount of up to EUR 80 000 per year per

director, and (ii) to the Chairman of the Board, an amount up to EUR 160 000 per year. The above-mentioned amounts are increased by an amount of up to EUR 10 000 per year for each member of any standing committee of the Board (other than the chair of the committee), and increased by an amount of up to EUR 15 000 per year for the Chairman of any standing committee of the Board. Directors do not receive any remuneration, benefits, equity-linked consideration or other incentives from the Company other than their remuneration for their service as Director of the Company. For some non-Belgian Board members, the Company pays a portion of the cost of preparing the Belgian and U.S. tax returns for such directors. Delhaize Group has not extended credit, arranged for the extension of credit or renewed an extension of credit in the form of a personal loan to or for any member of the Board.

Individual director remuneration for the fiscal years 2011, 2010 and 2009 is presented in the table on page 49. All amounts presented are gross amounts before deduction of withholding tax.

Executive Management Compensation

The term "Executive Management" refers to the individuals who are members of the Delhaize Group Executive Committee.

Delhaize Group's Remuneration Policy is tailored to emphasize the delivery of strong annual earnings growth as well as sustained increases in shareholder value in the long term. Short-term performance is rewarded in cash while long-term performance is rewarded through a combination of cash and equity-based instruments. In the following paragraphs, we outline in detail the different components of Executive Management compensation and illustrate its evolution over time.

The executive compensation package includes the following components:

- Base salary;
- Annual bonus;
- Long-term incentives ("LTI"); and

(in EUR)	2009	2010	2011
Non-Executive Directors			
Count Jacobs de Hagen	EUR 160 000	EUR 160 000	EUR 175 000
Count Goblet d'Alviella ⁽¹⁾	EUR 85 000	EUR 85 000	EUR 45 000
Claire Babrowski	EUR 85 000	EUR 85 000	EUR 90 000
Count de Pret Roose de Calesberg ⁽²⁾	EUR 85 000	EUR 85 000	EUR 36 099
François Cornélis ⁽³⁾	EUR 80 000	EUR 80 000	EUR 32 088
Hugh Farrington	EUR 85 000	EUR 85 000	EUR 90 000
Robert J. Murray ⁽⁴⁾	EUR 95 000	EUR 89 038	EUR 80 000
Didier Smits ⁽⁵⁾	EUR 82 033	EUR 80 000	EUR 80 000
Jack Stahl ⁽⁶⁾	EUR 82 967	EUR 87 981	EUR 95 000
Baron Luc Vansteenkiste ⁽⁷⁾	EUR 80 000	EUR 82 981	EUR 90 000
Jacques de Vauleroy	EUR 80 000	EUR 80 000	EUR 85 989
Jean-Pierre Hansen ⁽⁸⁾	EUR 0	EUR 0	EUR 47 912
Mats Jansson ⁽⁹⁾	EUR 0	EUR 0	EUR 53 901
Bill McEwan ⁽¹⁰⁾	EUR 0	EUR 0	EUR 47 912
Total Non-Executive Directors	EUR 1 000 000	EUR 1 000 000	EUR 1 048 901
Executive Director			
Pierre-Olivier Beckers ⁽¹¹⁾	EUR 80 000	EUR 80 000	EUR 80 000
Total	EUR 1 080 000	EUR 1 080 000	EUR 1 128 901

(1) Prorated: Mr Goblet d'Alviella resigned from the Board of Directors effective June 30, 2011.
 (2) Prorated: Mr de Pret Roose de Calesberg resigned from the Board of Directors effective May 26, 2011.
 (3) Prorated: Mr Cornélis resigned from the Board of Directors effective May 26, 2011.
 (4) Prorated: Mr Murray resigned from the Audit Committee effective May 27, 2010 and from the R&N Committee effective May 26, 2011.
 (5) Prorated: Mr Smits resigned from the Audit Committee effective May 28, 2009.
 (6) Prorated: Mr Stahl became member of the Audit Committee effective May 28, 2009 and chairman of the Audit Committee effective May 27, 2010.
 (7) Prorated: Mr Vansteenkiste became member of the Audit Committee effective May 27, 2010.
 (8) Prorated: Mr Hansen joined the Board of Directors effective May 26, 2011.
 (9) Prorated: Mr Jansson joined the Board of Directors effective May 26, 2011.
 (10) Prorated: Mr McEwan joined the Board of Directors effective May 26, 2011.
 (11) The amounts solely relate to the remuneration of the executive director and exclude his compensation as CEO that is separately disclosed below.

- Other benefits, retirement and post-employment benefits.

When determining a compensation package, the RNC considers all of these elements.

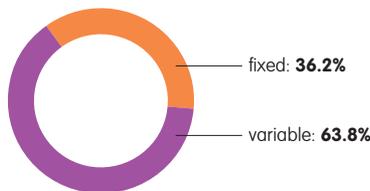
In general, these components can be categorized as either fixed or variable. The base salary and other benefits, retirement and post-employment benefits are considered fixed. The annual bonus and the different components of the long-term incentives are considered variable.



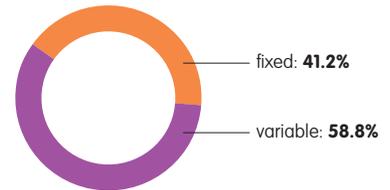
Delhaize Group believes that the current proportion of fixed versus variable pay offers its executives the right incentives to optimize both the short-term and long-term objectives of the Company and its shareholders.

The following graphs illustrate the proportion of fixed versus variable compensation for both the CEO and other members of Executive Management. These charts reflect base salary, annual bonus and performance cash components granted in 2011.

Fixed vs Variable Compensation for the CEO



Fixed vs Variable Compensation for the Other Members of Executive Management



The tables used in the following sections of this report are based on the actual payments received during the year and not on the amounts granted for the year, i.e., 2011 payments include cash received based on annual bonus earned in 2010 and performance cash grants received over the performance period 2008-2010.

The following graphs illustrate the split of the variable remuneration paid per component for the CEO and other members of Executive Management.

Variable Compensation CEO by Component (in millions of EUR)



Variable Compensation Other Members of Executive Management by Component (in millions of EUR)



Base Salary

Base salary is a key component of the compensation package, both on its own and because annual target awards and long-term incentive awards are denominated as percentages of base salary.

Base salaries are established and adjusted as a result of an annual review

process. This review process considers market practices. The following table summarizes base salary paid to the CEO and the other members of Executive Management for the period 2009-2011.

Base Salary (in millions of EUR)



Base Salary*	CEO		Other Members of Executive Management	
	(in millions EUR)	Payout	Number of persons	Payout
2011	0.97	6	2.54	
2010	0.95	7	2.73	
2009	0.94	7	3.09	

* Amounts are gross amounts before deduction of withholding taxes and social security levy. They do not include the compensation of the CEO as director of the company.

For 2012, the CEO and the members of the Executive Management have recommended to the Board of Directors, who agreed, to maintain their base salary unchanged, thereby also excluding automatic indexation (Belgium) or, where applicable, cost of life adjustment.

Annual Bonus

The annual bonus rewards short-term performance of the Executive Management. The annual bonus is a cash award for achieving performance goals related to the individual and the Company. The annual bonus is a variable part of executive compensation.

Annual Bonus (in millions of EUR)

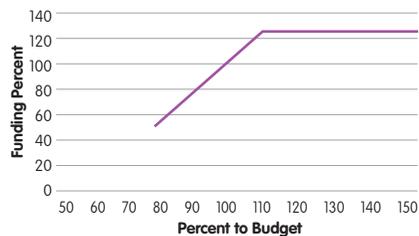


Performance during 2010

The annual bonus paid in a year is a reflection of performance during the previous year against Board approved targets. The target bonus for the current year is expressed as a percentage of the annual base salary of the individual for that year. The annual bonus paid in 2011 was based on the performance against Board approved targets for Profit from Operations ("PFO") for 2010.

Delhaize Group uses a scale to correlate actual performance with target performance to determine the bonus payment. For the 2010 payment, 80% of the target performance level needed to be reached in order to receive a bonus payment equal to 50% of the target bonus payment. The bonus payment levels increase as performance exceeds 80% of the target performance level. If performance reaches or exceeds 110% of the target performance level, the bonus payment will equal 125% of the target bonus payment, which represents the maximum payment level. If the actual performance does not reach 80% of the target performance level, the payment of a bonus is entirely at the discretion of the Board of Directors upon recommendation of the RNC. The following graph illustrates how this scale works.

Bonus Payout (in %)



The annual bonus for the CEO depends on the results at the consolidated Group level. For the other members of Executive Management the annual bonus payment is correlated to their respective responsibilities. These can be at the consolidated Group level or at a level that is a mix of operating companies, regions and the consolidated Group level.

The table below shows an overview of the Annual Bonus amounts paid during 2011, 2010 and 2009 (based on the performance of the year before).

Annual Bonus*	CEO		Other Members of Executive Management	
	(in millions EUR)	Payout	Number of persons	Payout
2011	0.66	6	1.29	
2010	0.68	7	1.63	
2009	0.59	7	1.39	

* Amounts are gross before deduction of withholding taxes and social security levy.

Performance during 2011

In 2012, the CEO and the members of the Executive Management will receive payment of their annual bonus related to their performance during 2011. Taking into account the current environment Executive Management has voluntarily recommended to the Board of Directors, who agreed, to adjust the Annual Bonus related to their performance 2011 at 50% of target, substantially below what they would have been entitled to if the regular scale had been applied.

As a consequence, the CEO will be paid EUR 0.39 million and the other members of the Executive Management in the aggregate will be paid EUR 0.75 million (these amounts are gross before deduction of withholding taxes and social security levy).

Performance during 2012 and following years

As from performance 2012 the Annual Bonus for the management having the level of Director, Vice President, Senior Vice President, Executive Vice President and CEO will be funded based on two elements:

- 50% of the funding will be based on the Company performance: Profit from Operations and other relevant metrics.
- 50% of the funding will be based on the Individual Performance: this performance will be directly linked to the achievement of 4-5 individual targets that will be identified through an individual target setting process.

The new system supports the strategy through the focus on growth and efficiency through enhancing a performance management culture.

Long-Term Incentives

The long-term incentive plan is designed to retain the Executive Management team and reward long-term success of the Group. Delhaize Group's long-term incentive plan consists of three components:

- Stock options and warrants;
- Restricted stock unit awards (mostly applicable in the U.S.); and
- Performance cash grants.

These components typically constituted approximately 25%, 25% and 50% of the total value of long-term incentives, respectively.

Stock Options / Warrants

In 2011, 173 583 stock options were granted to the Executive Management of Delhaize Group. The exercise price per share for the stock options granted in 2011 amounted to EUR 54.11 for options on ordinary shares traded on Euronext Brussels and USD 78.42 for options related to the Company's American Depositary Shares traded on the New York Stock Exchange.

The options granted in June 2011 under the U.S. Delhaize Group 2002 Stock Incentive Plan for executives of the Group's U.S. operating companies vest in equal annual installments of one third over a three-year period following the grant date. Options granted in June 2011 under the 2007 Stock Option Plan for other executives vest at the end of a three-and-a-half-year period following the grant date ("cliff vesting").

Pursuant to Article 520ter of the Belgian Companies Code, the Board of Directors has proposed to the Ordinary General Meeting of Shareholders in May 2011 to authorize Delhaize Group to continue grants of options with a vesting in equal installments of one third over a three-year period following the grant date and this in order to maintain a competitive recruitment and retention framework in the U.S. The Ordinary General Meeting of Shareholders held on May 26, 2011 authorized Delhaize Group to continue these grants with the above mentioned vesting schedule.

The Board of Directors will propose to the Ordinary General Meeting of Shareholders in May 2012 to renew the U.S. Delhaize Group 2002 stock incentive plan and to authorize Delhaize Group to continue grants of options with a vesting in equal installments of one third over a three-year period following the grant date under the new Delhaize Group 2012 U.S. stock incentive plan.

For more details on the share-based incentive plans see Note 21.3 in the financial statements.

The value of the stock option grant determines the number of options awarded. The value is determined each year at the time of the grant using the Black-Scholes formula. The value of the stock option may vary from year to year. As a result, the total number of options granted can also be different from year to year.

The following table shows the number of stock options granted to the CEO and the different members of the Executive Management team during the period 2009-2011.

	Number of Stock Options awarded		
	2009	2010	2011
Pierre-Olivier Beekers	35 000	31 850	32 000
Rick Anicetti	27 188	0	0
Renaud Cogels	16 566	0	0
Stéfan Descheemaeker	32 306*	17 591	20 487
Michel Eeckhout	16 451	14 827	23 176
Ron Hodge	19 655	20 567	45 381**
Nicolas Hollanders	9 633	8 765	14 238
Kostas Macheras	NA	12 741	20 306
Michael Waller	18 996	0	17 995
Total	175 795	106 341	173 583

* Including special signing grant as foreseen in his employment conditions in 2009.

** Including special grant upon appointment as CEO of Delhaize America.

During 2011, the members of Executive Management exercised 12 757 stock options and 6 600 stock options lapsed. The following table shows the number of stock options exercised for the CEO and other members of the Executive Management as well as when these options were initially granted.

Stock Options		
	Exercised in 2011	Year(s) granted
Pierre-Olivier Beekers	10 041	2004, 2005
Stéfan Descheemaeker	0	
Michel Eeckhout	2 716	2004
Ron Hodge	0	
Nicolas Hollanders	0	
Kostas Macheras	0	
Michael Waller	0	
Total	12 757	

Restricted Stock Unit Awards

The restricted stock unit awards granted in 2011 under the Delhaize America Restricted Stock Unit Plan represent a commitment of the Company to deliver shares of the Company's stock to the award recipient, at no cost to the recipient (one restricted stock unit equals one ordinary share). The shares are delivered over a five-year period starting at the end of the second year after the award. These shares can be sold by the award recipient at any time following the delivery of the shares consistent with the guidelines and restrictions contained in the Company's trading policies.

Pursuant to the Belgian law on reinforcement of corporate governance the Board of Directors has proposed to the Ordinary General Meeting of Shareholders in May 2011 to authorize Delhaize America to continue grants of Restricted Stock Unit Awards that are delivered over a five-year period starting at the end of the second year and this in order to maintain a competitive recruitment and retention framework within the US market. The Ordinary General Meeting of Shareholders held on May 26, 2011 authorized Delhaize America to continue these grants with the above mentioned vesting schedule.

The Board of Directors will propose to the Ordinary General Meeting of Shareholders in May 2012 to renew the U.S. Delhaize Group 2002 stock incentive plan and to authorize Delhaize America to continue grants of restricted stock units with a vesting in equal installments of one fourth over a five-year period started at the end of the second year following the grant date under the new Delhaize America 2012 restricted stock unit plan.

The value of the restricted stock unit grant determines the number of units awarded. The value is determined each year on the date of the award based on the stock price on the grant date. The value of the restricted stock unit award may vary from year to year. As a result, the total number of restricted stock units granted can also be different from period to period.

The following table shows the number of restricted stock units granted to the Chief Executive Officer and the different members of the Executive Management team during the period 2009-2011.

Number of Restricted Stock Units awarded			
	2009	2010	2011
Pierre-Olivier Beckers	12 234	10 064	12 000
Rick Anicetti	7 564	0	0
Renaud Cogels	0	0	0
Stéfan Descheemaeker	7 024*	1 630	2 355
Michel Eeckhout	0	0	0
Ron Hodge	5 468	5 102	5 198
Nicolas Hollanders	1 584	1 288	1 637
Kostas Macheras	NA	0	0
Michael Waller	5 285	4 593	3 685
Total	39 159	22 677	24 875

* Including special signing grant as foreseen in his employment conditions.

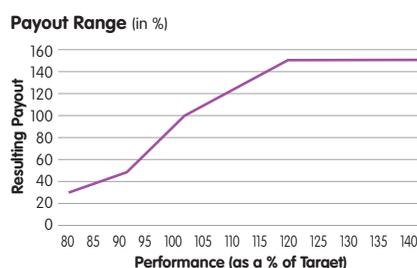
Performance Cash Grant

The long-term incentive plan includes a component which can result in a cash payment in the period following a three-year performance period. The value of the performance cash award granted each year, referred to as the "target award," is based on the face value of the award at the time of the grant, i.e., at the beginning of each three-year period. For example, the payment done in 2011 is based on achievements against targets set in 2008. The amount of the cash payment at the end of the three-year performance period depends on performance by the Company against Board-approved financial targets for return on invested capital ("ROIC") and compounded annual revenue growth. These metrics are key performance indicators which the Company considers to be closely correlated to building long-term

shareholder value. The relative weight for these metrics has changed in 2011 and has become 50% for ROIC (instead of 70% in 2010) and 50% for revenue growth (instead of 30% in 2010).

The Company sets these targets each year based upon its growth expectations for the ensuing three-year performance period. Participants receive the "target award" in cash if the performance targets are achieved. Cash payments are reduced for performance below the targets and are increased if performance exceeds the targets. The Board of Directors determines the performance target goals every year. These performance target goals include minimum threshold performance goals below which no cash payment will occur, and the maximum award levels if the performance targets are exceeded.

Participants may receive up to 150% of the target cash award if actual performance reaches or exceeds 120% of the performance targets for both ROIC and revenue growth. At the end of each three-year period, actual ROIC and revenue growth are measured against the performance targets for both metrics and the actual payout is calculated. The cash payment occurs in the year following the end of the three-year period. For example, the amounts paid in 2011 relate to the achievement of the goals determined for the period 2008-2010. This principle is illustrated in the following graph.



The following table shows the amounts paid in the years 2009-2011 for the performance over the respective periods 2006-2008, 2007-2009 and 2008-2010.

Performance Cash Grant*	CEO		Other Members of Executive Management	
	(in millions EUR)	Payout	Number of persons	Payout
2011		0.40	6	0.60
2010		0.70	7	1.10
2009		1.00	7	2.20

* Amounts are gross before deduction of withholding taxes and social security levy.

Performance Cash Grant (in millions of EUR)



Other Benefits, Retirement and Post-employment Benefits

Other benefits include the use of company-provided transportation, employee and dependent life insurance, welfare benefits and an allowance for financial planning for U.S. members of the Executive. Delhaize Group believes these benefits are appropriate for Executive Management's responsibilities and believes these are consistent with the Group's philosophy and culture and market practices.

The members of Executive Management benefit from corporate pension plans, which vary regionally. U.S. members of the Executive Management participate in defined benefit and defined contribution plans in their respective operating companies. The European plan is contributory and based on the individual's career length with the Company. In 2010, the members of the Executive Management in Belgium were offered the option to switch to a defined contribution plan or to continue in the existing defined benefit plan. The amounts paid by the Company are included in the summary table on page 53.

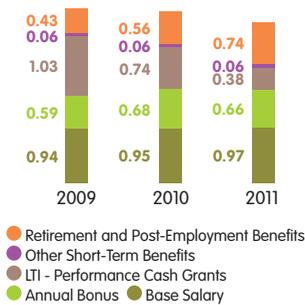
Summary of Total Compensation Paid

The following table summarizes the components described in the paragraphs above and that represent a cash payment during the year.

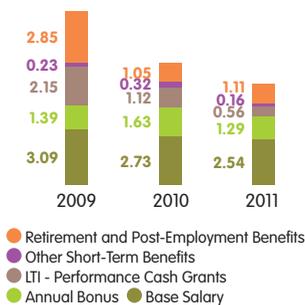
(in millions of EUR) ⁽¹⁾	CEO			Other Members of Executive Management ⁽²⁾		
	2009	2010	2011	2009	2010	2011
Base Salary	0.94	0.95	0.97	3.09	2.73	2.54
Annual Bonus ⁽³⁾	0.59	0.68	0.66	1.39	1.63	1.29
LTI - Performance Cash Grants ⁽⁴⁾	1.03	0.74	0.38	2.15	1.12	0.56
Other Short-Term Benefits	0.06	0.06	0.06	0.23	0.32	0.16
Retirement and Post-Employment Benefits	0.43	0.56	0.74	2.85	1.05	1.11
Total	3.05	2.99	2.81	9.71	6.85	5.66

(1) Amounts are gross before deduction of withholding taxes and social security levy. - (2) Included 6 members in 2011 and 7 members in 2010 and 2009. - (3) Based on the performance of Year-1. - (4) Based on the performance of the preceding 3 years.

Total CEO Compensation Components
(in millions of EUR)



Total Compensation Components for Other Members of Executive Management
(in millions of EUR)



Share Ownership Guidelines

Delhaize Group believes that Executive Management should be encouraged to maintain a minimum level of share ownership in order to align the interests of the shareholders and Executive Management. In 2008, the Board of Directors adopted share ownership guidelines based on the recommendation of the RNC.

Under these guidelines and during their active employment, the Chief Executive Officer and the other members of Executive Management are expected to acquire and maintain ownership of Delhaize Group stock equal to a multiple of

the annual base salary. These multiples are set as follows:

Multiple of Annual Base Salary	
Chief Executive Officer	300%
Executive Management USD payroll	200%
Executive Management EUR payroll	100%

The difference between U.S.-based and European-based management is due to the different market practices in these regions and the differences between the instruments available for Executive Management remuneration. In the U.S., equity-based compensation is more widely encouraged than in Europe.

Executive Management is expected to achieve the share ownership levels by the end of 2012. New members of Executive Management will be allowed a period of five years to achieve the recommended share ownership levels.

The RNC will monitor the compliance with these Guidelines at least once a year. The Board of Directors is currently satisfied with the progress that has been made so far.

Main Contractual Terms of Hiring and Termination of Executive Management

The Company's Executive Management, in accordance with employment-related agreements and applicable law, is compensated in line with the Company's Remuneration Policy and is assigned duties and responsibilities in line with current market practice for its position and with the Company's Terms of Reference of Executive Management.

Executive Management is required to abide by the Company's policies and procedures, including the Company's

Guide for Ethical Business Conduct, and is subject to confidentiality and non-compete obligations to the extent authorized by applicable law. Executive Management is also subject to other clauses which are typically included in employment agreements for executives.

The employment agreements of the Chief Executive Officer and Michel Eeckhout, Nicolas Hollanders and Stéfan Descheemaeker, who all have a Belgian employment contract, do not provide for a severance payment in case of termination. Should the employment be terminated, the parties will negotiate in good faith to determine the terms and conditions applicable to such termination. In case of disagreement, the case will be settled by the Courts applying Belgian law.

The employment agreement of Kostas Macheras, who has a Greek employment contract, provides for a severance payment of twice the annual base salary and annual incentive bonus in certain cases of termination of the agreement, for example in the event of retirement. Such payment is not due in case of dismissal of Kostas Macheras for serious misconduct or serious fault. The above-mentioned Greek employment contract relates to the activities of Kostas Macheras as CEO of the relevant Greek subsidiary and has been referred to in this report for the sake of completeness.

The U.S. employment agreements of Ron Hodge and Michael Waller provide the payment of two to three times the annual base salary and annual incentive bonus of the Executive Manager and the continuation of the Company health and welfare benefits for a comparable period in the event of the termination of their employment by the Company without cause or by an Executive Manager for good reason. The termination would also result in accelerated vesting of all or substantially all of the long-term incentive awards.

The contracts with the members of Executive Management do not provide for a claw-back right for the Company in cases where the variable remuneration paid was calculated on the basis of erroneous financial data.