Speech by Georges Jacobs, Chairman of the Board of Directors,
at the Ordinary General Meeting of Delhaize Group
May 24, 2012

Dear Shareholders,

It will certainly come as no surprise to all of you when I say that 2011 was another challenging year for the industry in general and for Delhaize Group in particular. It was a year in which we encountered a tough economic climate in most of the regions where we have operations. Unemployment remained high in the U.S. while in most parts of continental Europe governments took austerity measures to meet their budget and, as a consequence, were hurting the purchasing power of their citizens.

In such an environment it is crucial to remain focused on our clear and distinct strategy for the long term that will lead the company beyond the challenges we currently face. And although it could be tempting to go after short term success, that is not the road we decided to take when we launched our New Game Plan a little over two years ago now.

Pierre-Olivier will elaborate later on these initiatives and their importance for the group going forward, but allow me to use a little bit of my time to shine a light on the efforts we made in this respect in 2011 and the impact they had on our results.

With the New Game Plan we indicated we would go after top line growth. And although it is still work in progress, we signed off last year with revenue growth of almost 5% at identical exchange rates. An important part of this growth was the result of the acquisition of Delta Maxi group in the Balkan, but organic revenue growth still remained at a solid 2.4%. An important improvement even compared to the 0.9% in 2010.

U.S.

In the U.S. sales increased by 2.2% in local currency. Comparable store sales increased by 0.7%. Our U.S.-operations were characterized in 2011 by the brand repositioning work we did at Food Lion, the roll out of the Bottom Dollar Food store format and the further implementation of the Delhaize America structure. These initiatives absorbed a lot of resources, both from the group and its associates, but at the end of the day, delivered promising results. All banners either benefited from the initiatives taken or were able to further build on their own strengths.

Belgium

At our home base, Delhaize Belgium cycled a strong 2010 but nevertheless succeeded in safeguarding it strong market share of almost 26% with a modest 0.9% sales growth. This growth was mostly the results of the opening of new stores as comparable store sales were slightly negative.

Southeastern Europe and Asia

In 2011 our historical markets, the U.S. and Belgium, were responsible for almost 88% of total sales. In 2010 this was 91%. This is due to our deliberate strategic decision to accelerate our revenue growth notably through growth in newer markets as best evidenced in 2011 by the acquisition of Delta Maxi and its combination with Greece, Romania and Indonesia in the Southeastern Europe and

Asia segment. Of course to a large extent thanks to the consolidation of the Maxi-operations starting august 2011, sales of the Southeastern Europe and Asia segment increased by 32%. But it was not only Maxi that energized revenue evolution in this segment. In Romania and Indonesia ambitious store openings drove sales higher while in Greece a strong commercial plan in combination with a solid network expansion gave Alfa Beta wings in an extremely though economic climate. Alfa Beta has indeed achieved the impressive performance of increasing its market share despite the Greek turmoil. In 2011, revenue outside the U.S grew by 10%, significantly higher than in the U.S., representing the execution of our strategy aimed at increasing the share/weight of newer markets and new formats in our growth.

Operating profit and margin

So while we succeeded in realizing top-line growth, we faced a lower profitability in 2011. This is largely explained by the combination of investing in long term initiatives that, by definition, takes some time to bear tangible fruits as do price investments, and the reality of a challenging economic environment. We are investing in price and other sales building initiatives in all our banners to maintain or even gain value leadership in the markets we operate in. We are investing in new formats like Bottom Dollar Food that make it possible to tap additional revenues in new markets. We are investing in new geographies when we acquired Maxi operations. But these initiatives have impacted our margins, and will continue to do so in the short term, and drove our underlying operating profit down to EUR 935 million in 2011.

Outlook

Well aware of the challenges that lie ahead of us we will continue to look for more efficiencies. We are well on target to exceed our plan for EUR 500 million cost savings by the end of this year. At the end of the first quarter we had accumulated gross cost savings of EUR 425 million. The funds that are made available for this will give us the necessary resources to drive our growth ambitions. But we will have to dig deeper. We will have to give up some short term profitability to benefit from a stronger top line in the long term leading in return to a higher operating profit.

Dividend & Governance

Our confidence in the future is best underlined by the proposal of the Board of Directors to increase the dividend by 2.3%. This increase is in line with our dividend policy to pay out a regularly increasing dividend while retaining free cash flow in an amount consistent with opportunities to finance the future growth of the Company.

On another front, we are very happy to further strengthen our board by welcoming Ms. Shari Ballard.. The Board proposes her appointment as a new and independent director within the meaning of the Belgian Company Code. If, as I hope and expect you will appoint her in a few minutes, Shari will bring the experience she has built so far during her brilliant career at Best Buy. She started her career at Best Buy as assistant store manager and after taking on different positions with increasing responsibility she became co-president of the Americas. At the start of this year she was named president of the international operations and executive vice-president of Best Buy.

I am also pleased to announce that the Board proposes the renewal of the mandate of Ms. Claire Babrowski for a term of four years, Pierre-Olivier Beckers and Didier Smits for a term of three years in line with the revised rules we adopted in 2010 with respect to the length of board mandate renewals.

Allow me in this Governance section to elaborate also on the remuneration policy of the group as applied in 2011and present the remuneration report, a full version of which can be found in the Annual Report 2011. You will be requested to approve this remuneration report as part of the resolutions that will be put to vote after the speeches and the question time.

The remuneration policy of Delhaize Group can be characterized by a desire to structure the remuneration of our people so that we can reward talent, experience and performance on a market-based manner with the ultimate goal to support our growth and to create shareholder value.

The remuneration Committee of Delhaize Group comes together several times per year in order to check and guide these objectives both for the remuneration of Directors as for Management.

The members of the board receive a fixed annual amount in line with what was approved by the general meeting.

With regards to the Management, the remuneration can be split between the fixed remuneration, the basis salary, and the variable remuneration that depends on the performance of the Group and its different operational entities.

The variable remuneration maintains a healthy balance between both short term goals and long term objectives and focuses on different financial parameters in order to guarantee a full view of our performance and make the possible payout dependent on the effective results.

On the short term this variable fee consists of an annual bonus and on the long-term there is a cash bonus in combination with stock options and Restricted Stock, this last are only applicable for the U.S.

In addition, we provide Management with market-based benefits and pensions which are completely in line with what is usual in the various countries where we operate.

I would however like to draw your attention to some decisions that were taken in 2012.
First, the CEO and the Executive Committee, taking into account the economic environment, have proposed to the Board who accepted, to reduce their bonus to 50% of the bonus to which they would have been entitled to in 2012 had the regular scales for performance achieved in 2011 been applied.

Second, in the same philosophy, the CEO and the Executive Committee in 2012 also proposed to the Board who accepted; that no increase is applied in 2012 to their base salary, not even the automatic indexation that exists in Belgium.

I would also like to note that, still in the spirit of moderation in the economic environment, on the proposal of the management the board has also decided to award in 2012 a significant lesser number of options then would be the case if we applied the normal methodology.

In order to align the interests of Management with the interests of the shareholders, the Board issued a few years ago some directives whereby senior Management must hold an percentage equivalent of their salary in shares of Delhaize Group. The Board of Directors supervises this and established that these objectives were respected in 2011.

Finally, with regards to the remuneration policy, it should be noted that the existing contractual relations between our company and the members of the Management are fully in line with market practice and the respective laws in the various countries where we operate.

Conclusion

This is the last Shareholders meeting I have the honour of chairing before passing the torch to my successor, Mats Jansson. Mats has gained impressive experience among others in the food distribution where he accomplished most of his career, having notably been CEO of the second Swedish Distributor. Among his many other experiences, let me also highlight that in a completely different sector, aviation, he also successfully headed the SAS company at a critical moment in its development. Since his appointment last year, our Board has already been able to appreciate Mats insightful contribution and it is therefore with great confidence that I see him taking the reins.

When I became chairman of Delhaize Group one of my key objectives was to strengthen our board by building a diverse and complementary set of competences and personalities and help leading the company towards excellence in corporate governance. I believe that this goal has largely been achieved. This has been made possible thanks to all my colleagues on the board who have fully assumed their board responsibilities and have actively supported our efforts. I want to sincerely thank them for their constructive collaboration during all these years.

Allow me, on my own behalf and on behalf of the Board to thank Bob Murray who, like me, has reached the age limit, and therefore sees his mandate ending at the end of this meeting. Bob Murray has been an active Director since 2001, and before that, as a Board member at Hannaford. Bob also chaired the audit committee with competence and rigor between May 2001 and May 2010. During all this years, we could benefit, amongst others, from his rich experience and successful career as an executive at Gillette. It is my pleasure to announce that the board of directors decided to grant the title of Honorary director to Bob Murray for his outstanding service on the board. May I invite you to applaud him warmly. Bob, Thank you !

The current circumstances and the environment require more than ever a relentless determination to manage the business through rough waters on a daily basis while firmly keeping the focus on the strategy to ensure the company's long-term success. In this respect I want to thank the management for its total commitment which is the best guarantee for the future of the group. I would especially like to thank our CEO, Pierre-Olivier, with whom I worked in full transparency and trust. I appreciate his tireless energy, his enthusiasm and the way in which he personally embodies the values of the company, whatever the circumstances.

I enjoyed our work together. I know that with his team he will ensure the success of the group.

Next to Pierre-Olivier and the management I also want to thank our 160,000 employees who each day, with pride and dedication serve millions of customers around the world who, ultimately, are our reason to be.

"Last but certainly not least" it is you, ladies and gentlemen the shareholders that I would like to thank for the trust you have in the Board of Directors and the management. It is therefore not without emotion but with much gratitude and confidence in the future that I leave this beautiful company. The challenges are clear, and the path towards growth we chose is not the easy one, but I am convinced that it is the right one and even more important, I am convinced that Delhaize Group has the right team to guide the company on this path.

Speech by Pierre-Olivier Beckers, President and Chief Executive Officer, at the Ordinary General Meeting of Delhaize Group
May 24, 2012

Thank you Georges

Dear Shareholders,

Our chairman is indeed leaving us at the end of this meeting. I am sure to be the interpreter of you all: shareholders, Board members and management by offering him our very sincere thanks for the chairmanship of the board that he has carried out with outstanding intelligence, energy, effective leadership and availability.

The relevance of his strategic thinking, his sharpness to swiftly identify the essence of the most complex files, his sound judgment on people and his strong personality all allowed the Board to work with a high level of efficiency. Under his presidency we have continued to develop governance to a level of excellence and management could always count on a collaboration of quality with the Board even in the more challenging debates.

On a more personal note I want to emphasize how much Georges was a constructive challenger and a trustful thought partner for me. So I am happy to confirm in turn, that I was delighted by our collaboration over the seven years of his chairmanship.

Georges, given who you are, I don't wish you a quiet retirement but rather a busy one in which you will continue to thrive in the many projects that I suspect you will pursue with your legendary energy, continuing to tap into the inexhaustible resources of your address book that even your newly purchased iPad will have some difficulty to contain.

It is my pleasure to announce that the Board of directors has decided to grant Count Jacobs de Hagen the title of honorary chairman of the board of Delhaize Group. May I ask you to warmly applaud our chairman?

Let me add my sincere thanks to those already expressed by George to Bob Murray with whom I have had the pleasure to interact with at the board, benefitting from his active contribution, advises and thoughts since 2001.

Shari , on behalf of the management want to welcome you at Delhaize Group. We are really excited to see you joining the board, complementing the board expertise with your impressive executive experience in retail.

To Mats Jansson I wish to reiterate how pleased I am and how much I look forward to relying on his experience and working with him and the Board to anticipate developments in the ever more rapidly evolving environment and make the best decisions that will enable the company to seize the right opportunities that will come along.

And the opportunities are plenty.

The current economic and competitive environment is clearly not an easy factor, but our New Game Plan makes sure that we stick to what we are committed to and that in the end we will have created an even stronger company.

Allow me to share with you my optimism and the status of some of the initiatives we took within the framework of the New Game Plan to deliver superior top line growth.

Over the last few years a lot of attention and energy was given to the U.S. As you now know very well we created Delhaize America to leverage our scale and optimize the efficiency of our support activities through shared services for all our banners. In 2011 we launched the first phase of our brand repositioning work at Food Lion in 200 stores. A year after the launch we can see that revenue growth at the repositioned stores is continuing to accelerate. Comparable store sales growth in the first quarter of this year was 2.9% and outperformed the rest of the Food Lion network by 5%. Real growth was 1.8% and outperformance compared to the rest of the network was 8%. In the first quarter of this year we recorded the strongest quarterly increase in the two most important metrics, number of transactions were up 4.0% and number of items sold 2.5%. This indicates that we are gaining customers and that customers are spending more in our stores.

Convinced by these results in the first markets we have launched a few weeks ago a second phase in approximately 250 additional stores. The early results of the second phase of the re-launching seem to be as positive as in Phase One, giving us the energy to launch Phase Three as scheduled with another 260 stores by the end of the summer.

Our investments in prices at Food Lion are made even more necessary in the current economic context. There is no question that price cuts and the other initiatives aimed at reinforcing globally the Food Lion brand, in the short term bear on the operational margin. However, the satisfaction of our customers must remain our first objective as it is through customers' loyalty and hence through sustainable revenue growth that we will be able to gradually increase our profit from operation.

Still in the U.S., our Bottom Dollar Food discount store format is really gaining traction in the two markets we have chosen and revenues are better than expectations both in Philadelphia and in Pittsburgh. We will continue to further refine the operating model and dense up our presence in these two markets before going to other markets. After several years of testing, launching the growth of this new brand in new markets was the right decision for the long term growth and health of our Group even if it has a short term negative impact on our results. Indeed, if we exclude Bottom Dollar Food, our U.S. underlying margin stands at 4.3% for the first quarter of 2012, a limited 50 bps erosion versus last year.

At Delhaize Belgium a new strategic plan was launched following the successful Excel Plan. Building on the success of this plan the new Target 2015 plan focuses on finding the right balance between our historical strengths of being experts in food, variety, service and further improving our price competitiveness. To achieve this we will step up, already this year, the number of remodelings in Belgium, fine-tuning our assortment, staying relevant to our customers with our very large private brands assortment, or publishing a new magazine focusing on food and on what our stores offer to best meet customer demand. Since the start of this year, three new waves of price decreases have been announced and we will continue to do so in the remainder of the year. All of this has to happen in the context of a challenged competitiveness of the Belgian economy, the impact of the 4.6% automatic indexation of salaries being one costly example for our short term results.

Price investments are not only made at Food Lion and in Belgium. We make similar efforts at the other operational banners, at Hannaford and in the Southeastern Europe and Asia segment. In Greece for instance we launched a campaign setting prices back at the level of 2008, indicating that we absorbed 4 years of inflation. A move welcomed by Greek customers as indicated by our continued good revenue growth at Alfa Beta and strong market share gains in a very difficult economic environment. Our market share has now passed the 20% mark and has doubled over the last 7 years.

We are also pleased with the progress we are making at Maxi and in particular in Serbia. With 362 stores at the end of the first quarter, Serbia represents over 75% of Maxi revenues and has recorded positive comparable store sales growth each month since September 2011, reversing the slower start of the first weeks after closing the acquisition. In the first quarter of this year, volume growth was positive and comparable store sales growth was 3.8% in Serbia.

In all, the Southeastern Europe and Asia segment realized a strong revenue growth of more than 62%. Next to the strong performance of Alfa Beta and Maxi, we continued our accelerating growth path in Romania where our Mega Image banner opened 15 new stores in the first three months of this year, making it one of the fasted expanding food retailers in the region.

As all of you know, our Q1 results and our forecast for the year, expecting underlying profit from Operations to be 15% to 20% below last year were not well received by the financial markets.

Our New Game Plan is the right choice. And we are executing it: reinforcement of our banners, entering new markets, developing new formats and realizing thorough costs savings to fund a significant part of the plan. But the economic situation and the resulting competitive environment make things more complicated in the short term. We have started to cross the river and we know we will be stronger, and for the long term, on the other side. But right now we are in the midst of the river and our position is uncomfortable. The executive committee and myself are fully measuring the situation and are more focused and determined than ever to do what needs to be done. In order to safeguard the important priorities of the New Game plan, we have identified additional cost saving opportunities that, by the end of this year, will allow us to exceed our EUR 500 million cost savings target. We are also going to increase our free cash flow generation by revising our investment plans for the remainder of the year and improving our working capital.

In addition we are more than ever committed to allocating our resources to the projects that will produce the best returns for the group. This is exactly what we have done early this year when we decided to close 126 stores in the United States. Some time ago we identified less profitable stores where we had lower market shares and after several years of efforts we determined that our resources would be better allocated in more promising areas and regions. This was certainly not a short term decision as a consequence of our current weaker results as some commentators erroneously stated.

Conclusion

Executing the New Game Plan will require courage and determination. And even more so in the current economic environment. Courage, determination and cool headedness will be asked from all of us in everything we do: the board in setting the path, management in making disciplined choices and associates in raising the bar of efficiency and execution.

I want to take this opportunity to thank you, our shareholders, for your continued support to the board and management.

I am convinced that we will make it to the other side of the river thanks to the engagement and dedication of our 160,000 associates that I want to thank for bringing our shared vision and values to live and for the shared determination to succeed. Thank you all for your attention.