



Etablissements Delhaize Frères et Cie "Le Lion" (Groupe Delhaize) SA/NV
(incorporated with limited liability in Belgium)

Public offer in Belgium and the Grand Duchy of Luxembourg of

4.250 % Fixed Rate Bonds due 2018
Issue Price: 101.867 % Yield: 3.94 %
ISIN Code: BE0002178441 Common Code: 068640776 (the **Bonds**)

for an expected minimum amount of EUR 250,000,000

Application has been made for the Bonds to be listed on Euronext Brussels and admitted to trading on the regulated market of Euronext Brussels

Issue Date: 19 October 2011

Subscription Period: from 30 September 2011 until 14 October 2011 included (subject to early closing)

Global Coordinator

BNP Paribas Fortis

Joint Bookrunners

BNP Paribas Fortis

KBC Bank

Co-Managers

Dexia Bank Belgium

ING Belgium

The date of this Prospectus is 27 September 2011

Etablissements Delhaize Frères et Cie "Le Lion" (Groupe Delhaize) SA/NV (the **Issuer** or the **Company**) intends to issue the Bonds for an expected minimum amount of EUR 250,000,000. The Bonds will bear interest at the rate of 4.250% per annum. Interest on the Bonds is payable annually in arrear on the Interest Payment Dates (as defined below) falling on, or nearest to 19 October in each year. The first payment on the Bonds will occur on 19 October 2012, and the last payment on 19 October 2018. The Bonds will mature on 19 October 2018.

Fortis Bank NV/SA (having its registered office at Montagne du Parc 3, B-1000 Brussels and acting under the commercial name of BNP Paribas Fortis) (**BNP Paribas Fortis**) and KBC Bank NV (having its registered office at Havenlaan 2, B-1080 Brussels) (**KBC Bank**) are acting as joint lead managers and joint bookrunners (the **Joint Bookrunners** and each a **Joint Bookrunner**) for the purpose of the offer of the Bonds to the public in Belgium and the Grand Duchy of Luxembourg (the **Public Offer**). ING Belgium SA/NV (having its registered office at Avenue Marnixlaan 24, B-1000 Brussels) and Dexia Bank Belgium SA/NV (having its registered office at Pachecolaan 44, B-1000 Brussels) are acting as co-managers (the **Co-Managers** and each a **Co-Manager**) and together with the Joint Bookrunners, the **Managers** and each a **Manager**) for the purpose of the Public Offer. BNP Paribas Fortis has been appointed as exclusive global coordinator (the **Global Coordinator**) for purposes of the Public Offer.

A5 – 5.4

The denomination of the Bonds shall be EUR 1,000.

The English version of this listing and offering prospectus dated 27 September 2011 (the **Prospectus**) was approved on 27 September 2011 by the Financial Services and Markets Authority (*Autoriteit voor Financiële Diensten en Markten/Autorité des services et marchés financiers*) (the **FSMA**) in its capacity as competent authority under article 23 of the Belgian Law dated 6 June 2006 concerning the public offer of investment securities and the admission of investment securities to trading on a regulated market (the **Belgian Prospectus Law**). This approval cannot be considered as a judgment as to the opportunity or the quality of the transaction, nor on the situation of the Issuer. The FSMA will notify the Prospectus to the Luxembourg *Commission de Surveillance du Secteur Financier* (the **CSSF**) together with a certificate of approval from the FSMA in relation to the Prospectus. Application has also been made to Euronext Brussels for the Bonds to be listed on Euronext Brussels. References in this Prospectus to the Bonds being **listed** (and all related references) shall mean that the Bonds have been listed on Euronext Brussels and admitted to trading on Euronext Brussels' regulated market. Euronext Brussels' regulated market is a regulated market for the purposes of Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments. The Prospectus has been translated in French and Dutch. In case of inconsistency between the different language versions of the Prospectus, the English version will prevail.

A5 – 6.1

The Prospectus is a prospectus for the purposes of Article 5.3 of Directive 2003/71/EC (the **Prospectus Directive**) and the Belgian Prospectus Law. It intends to give the information with regard to the Issuer and the Bonds, which according to the particular nature of the Issuer and the Bonds, is necessary to enable investors to make an informed assessment of the rights attaching to the Bonds and of the assets and liabilities, financial position, profit and losses and prospects of the Issuer.

The Bonds will be issued in dematerialised form under the Belgian Company Code (*Wetboek van Vennootschappen/Code des Sociétés*) (the **Belgian Company Code**) and cannot be physically delivered. The Bonds will be represented exclusively by book entries in the records of the X/N securities and cash clearing system operated by the National Bank of Belgium (the **NBB**) or any successor thereto (the **Clearing System**). Access to the Clearing System is available through those of its Clearing System participants whose membership extends to securities such as the Bonds. Clearing System participants include certain banks, stockbrokers (*beursvennootschappen/sociétés de bourse*), Euroclear Bank SA/NV (**Euroclear**) and Clearstream Banking, société anonyme, Luxembourg (**Clearstream, Luxembourg**). Accordingly, the Bonds will be eligible to clear through, and therefore accepted by, Euroclear and Clearstream, Luxembourg and investors can hold their Bonds within securities accounts in Euroclear and Clearstream, Luxembourg.

Unless otherwise stated, capitalised terms used in this Prospectus have the meanings set forth in this Prospectus. Where reference is made to the **Conditions of the Bonds** or to the **Conditions**, reference is made to the **Terms and Conditions of the Bonds**.

An investment in the Bonds involves certain risks. Prospective investors should refer to the section entitled "Risk Factors" on page 16 for an explanation of certain risks of investing in the Bonds.

RESPONSIBLE PERSON

The Issuer (the **Responsible Person**), having its registered office at 53 Rue Osseghem, B-1080 Brussels accepts responsibility for the information contained in this Prospectus and for the translation of the Prospectus in French and Dutch. To the best of the knowledge of the Issuer (having taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

A4 – 1.1
A4 – 1.2
A5 – 1.1
A5 – 1.2

PUBLIC OFFER IN BELGIUM AND THE GRAND DUCHY OF LUXEMBOURG

This Prospectus has been prepared in connection with the Public Offer (as defined above) and with the listing on Euronext Brussels and the admission to trading of the Bonds on the regulated market of Euronext Brussels. The Issuer has requested the FSMA to passport the Prospectus to the CSSF. This Prospectus has been prepared on the basis that any offer of Bonds in any Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**) other than offers in Belgium and the Grand Duchy of Luxembourg (the **Permitted Public Offer**), will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of Bonds. Accordingly any person making or intending to make an offer in that Relevant Member State of Bonds which are the subject of the offering contemplated in this Prospectus, other than the Permitted Public Offer, may only do so in circumstances in which no obligation arises for the Issuer or the Managers to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor the Managers have authorised, nor do they authorise, the making of any offer (other than Permitted Public Offer) of Bonds in circumstances in which an obligation arises for the Issuer or the Managers to publish or supplement a prospectus for such offer.

A5 – 6.1

This Prospectus is to be read in conjunction with all the documents which are incorporated herein by reference (see "Documents Incorporated by Reference").

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy the Bonds in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offer or sale of Bonds may be restricted by law in certain jurisdictions. The Issuer and the Managers do not represent that this Prospectus may be lawfully distributed, or that the Bonds may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer or the Managers which is intended to permit a public offering of the Bonds or the distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Bonds may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Prospectus or any Bonds may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus and the offering and sale of Bonds.

For a description of further restrictions on offers and sales of Bonds and distribution of this Prospectus see "Subscription and Sale" below.

No person is or has been authorised to give any information or to make any representation not contained in or not consistent with this Prospectus and any information or representation not so contained or inconsistent with this Prospectus or any other information supplied in connection with the Bonds and, if given or made, such information must not be relied upon as having been authorised by or on behalf of the Issuer or the Managers. Neither the delivery of this Prospectus nor any sale made in connection herewith shall, under any circumstances, create any implication that the information contained in this Prospectus is true subsequent to the date hereof or otherwise that there has been no change in the affairs of the Issuer since the date hereof or the date upon which this Prospectus has been most recently amended or supplemented or that there has been no adverse change, or any event likely to involve any adverse change, in the condition (financial or otherwise) of the Issuer since the date hereof or, if later, the date upon which this Prospectus has been most recently amended or supplemented or that the information contained in it or any other information supplied in connection with the Bonds is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same. The Managers and the Issuer expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Bonds.

Neither this Prospectus nor any other information supplied in connection with the offering of the Bonds (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by the Issuer or the Managers that any recipient of this Prospectus or any other information supplied in connection with the offering of the Bonds should purchase any Bonds. Each investor contemplating a purchase of the Bonds should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Issuer. Neither this Prospectus nor any other information supplied in connection with the offering of the Bonds constitutes an offer or invitation by or on behalf of the Issuer or the Managers to any person to subscribe for or to purchase any Bonds.

Save for the Issuer, no other party has independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Managers as to the accuracy or completeness of the information contained or incorporated in this Prospectus or any other information in connection with the Issuer or the offering of the Bonds. The Managers do not accept any liability, whether arising in tort or in contract or in any other event, in relation to the information contained or incorporated by reference in this Prospectus or any other information in connection with the Issuer, the offering of the Bonds or the distribution of the Bonds.

The Bonds have not been and will not be registered under the United States Securities Act of 1933, as amended (the **Securities Act**), or the securities laws of any state or other jurisdiction of the United States. The Bonds are being offered and sold solely outside the United States to non-U.S. persons in reliance on Regulation S under the Securities Act (**Regulation S**). The Bonds may not be offered, sold or delivered within the United States or to, or for the account or benefit of U.S. persons (as defined in Regulation S) unless they have been so registered or pursuant to an available exemption from the registration requirements of the Securities Act. For a further description of certain restrictions on the offering and sale of the Bonds and on the distribution of this document, see "Subscription and Sale" below.

All references in this document to **euro**, **EUR** and **€** refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended.

WARNING

The Prospectus has been prepared to provide information on the Public Offer. When potential investors make a decision to invest in the Bonds, they should base this decision on their own research of the Issuer and the conditions of the Bonds, including, but not limited to, the associated benefits and risks, as well as the conditions of the Public Offer itself. The investors must themselves assess, with their own advisors if necessary, whether the Bonds are suitable for them, considering their personal income and financial situation. In case of any doubt about the risk involved in purchasing the Bonds, investors should abstain from investing in the Bonds.

The summaries and descriptions of legal provisions, accounting principles or comparisons of such principles, legal company forms or contractual relationships reported in the Prospectus may in no circumstances be interpreted as investment, legal or tax advice for potential investors. Potential investors are urged to consult their own advisor, bookkeeper or other advisors concerning the legal, tax, economic, financial and other aspects associated with the subscription to the Bonds.

In the event of important new developments, material errors or inaccuracies that could affect the assessment of the securities, and which occur or are identified between the time of the approval of the Prospectus and the final closure of the Public Offer, or, if applicable, the time at which trading on a regulated market commences, the Issuer will have a supplement to the Prospectus published containing this information. This supplement will be published in compliance with at least the same regulations as the Prospectus, and will be published on the websites of the Issuer (within the section addressed to investors (<http://www.delhaizegroup.com/en/InvestorCenter.aspx>), BNP Paribas Fortis (www.bnpparibasfortis.be (under "save and invest")), KBC Bank NV (www.kbc.be/obligaties), ING Belgium SA/NV (www.ing.be (under "investir – obligations" / "beleggen – obligations")) and Dexia Bank Belgium SA/NV (www.dexia.be) and on the website of the FSMA (www.fsma.be). The Issuer must ensure that this supplement is published as soon as possible after the occurrence of such new significant factor.

Investors who have already agreed to purchase or subscribe to securities before the publication of the supplement to the Prospectus, have the right to withdraw their agreement during a period of two working days commencing the day after the publication of the supplement.

FURTHER INFORMATION

For more information about the Issuer, please contact:

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CONTENTS

	Page
Part I: Summary	7
Part II: Risk Factors.....	17
Part III: Documents Incorporated by Reference.....	38
Part IV: Terms and Conditions of the Bonds	41
Part V: Description of the Cross Guarantee.....	57
Part VI: Clearing	73
Part VII: Description of the Issuer.....	74
Part VIII: Management and Corporate Governance.....	100
Part IX: Major Shareholders and Related Party Transactions.....	116
Part X: Financial Information Concerning the Issuer's Assets and Liabilities, Financial Position and Profit and Losses	120
Part XI: Description of the Shares and Articles of Association	135
Part XII: Use of Proceeds	138
Part XIII: Taxation	139
Part XIV: Subscription and Sale	146
Part XV: General Information.....	154
Form of Change of Control Put Exercise Notice.....	156

PART I: SUMMARY

This summary must be read as an introduction to the listing and offering prospectus dated 27 September 2011 (the **Prospectus**) and any decision to invest in the 4.250 % fixed rate bonds due 19 October 2018 (the **Bonds**) should be based on a consideration of this Prospectus as a whole, including the documents incorporated by reference. Following the implementation of the relevant provisions of the Prospectus Directive in each Member State of the European Economic Area, no civil liability will attach to the Responsible Person (as defined on p. 3 of the Prospectus) in any such Member State in respect of this summary, including any translation hereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus. A full version of the Prospectus is available in English, French and Dutch on the website of the Issuer (within the section addressed to investors (<http://www.delhaizegroup.com/en/InvestorCenter.aspx>) or on the websites of the Managers (www.bnpparibasfortis.be (under "save and invest"), www.kbc.be/obligaties, www.ing.be (under "investir – obligations" / "beleggen – obligaties") and www.dexia.be), and the website of the FSMA (www.fsma.be). Where a claim relating to information contained in this Prospectus is brought before a court in a Member State of the European Economic Area, the plaintiff may, under the national legislation of the Member State where the claim is brought, be required to bear the costs of translating this Prospectus before the legal proceedings are initiated.

Words and expressions defined in **Conditions of the Bonds** shall have the same meanings in this summary.

RISK FACTORS

The risk factors associated with the Issuer and the Bonds are set out in the section of the Prospectus titled "Risk Factors". Here below are the most significant risk factors. This list does not include all the potential risks and consequently, prospective investors should read carefully the complete description of the risk factors contained in the section of the Prospectus called "Risk Factors" and reach their views prior to making any investment decision. ^{A5-2.1}

- ***We have substantial financial debt outstanding that could negatively impact our business.*** The Issuer has already substantial debt outstanding and may borrow additional funds to support capital expenditures and working capital needs and to finance future acquisitions.
- ***The cross guarantee mechanism in place with some of our subsidiaries entails certain limits and restrictions and calling under such guarantee may entail additional costs and formalities for the Bondholders.*** Considering the limitations and possible difficulties for Bondholders to call on the guarantee, potential investors should not take the existence of the cross guarantee into account as a material consideration in the assessment of the investment.
- ***Pursuant to the Cross Guarantee Agreement and some other agreements, under certain circumstances, we may have to pay for financial indebtedness of any of our subsidiaries.*** The Issuer may have to pay for any financial indebtedness of any of its subsidiaries party to the Cross Guarantee Agreement in case of default of such party.
- ***Our results are subject to risks relating to competition and narrow profit margins in the food retail industry.*** The food retail industry is competitive and generally characterised by narrow profit margins. Our profitability could be impacted as a result of the pricing, purchasing, financing, advertising or promotional decisions made by competitors.
- ***Our operations are subject to economic conditions that impact consumer spending.*** Our results of operations are sensitive to changes in overall economic conditions in the areas where we operate, that impact consumer spending, including discretionary spending.

- ***The significance of the contributions of our U.S. operations to our revenues and the geographic concentration of our U.S. operations on the east coast of the United States make us vulnerable to economic downturns natural disasters and other catastrophic events that impact that region.*** Our operations therefore depend significantly upon economic and other conditions in this area, in addition to those that may affect the United States or the world as a whole.
- ***Increases in interest rates and/or a downgrade of our credit ratings could negatively affect our financing costs and our ability to access capital.*** We have exposure to future interest rates based on the variable rate debt held by us and to the extent we raise debt in the capital markets to meet maturing debt obligations, to fund our capital expenditures and working capital needs and to finance future acquisitions.
- ***If we are unable to locate appropriate real estate or enter into real estate leases on commercially acceptable terms, we may be unable to open new stores.*** Our ability to open new stores is dependent on our success in identifying and entering into leases on commercially reasonable terms for properties that are suitable for our needs.
- ***As a result of selling food products, we face the risk of exposure to product liability claims and adverse publicity.*** The packaging, marketing, distribution and sale of food products purchased from others entail an inherent risk of product liability, product recall and resultant adverse publicity.
- ***We may be unsuccessful in managing the growth of our business or the integration of acquisitions we have made.*** There can be no assurance that we will be able to execute successfully our acquisition strategy, store renovations, market renewals or store openings, including the recent expansion of our Bottom Dollar Food operations and the acquisition of the Serbian retailer Delta Maxi Group, and failure to do so may have a material adverse effect on our business, financial condition and results of operations.
- ***Risks associated with our franchised and affiliated stores could adversely affect our financial performance.*** If the operators of these stores do not operate successfully, we could be forced to write-off a portion of or all of the accounts receivables associated with such franchised and affiliated stores.
- ***The Bonds may not be a suitable investment for all investors.*** Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances.
- ***There is no active trading market for the Bonds.*** Illiquidity may have a severely adverse effect on the market value of Bonds.
- ***The Bonds may be affected by the turbulences in the global credit markets.*** Potential investors should be aware of the turbulence in the global credit markets which has led to a general lack of liquidity in the secondary market for instruments similar to the Bonds.
- ***Payments in respect of the Bonds may be subject to Belgian withholding tax.*** If the Issuer is required to make any withholding or deduction for any present or future taxes, in respect of any payment in respect of the Bonds, the Issuer shall make such payment after such withholding or deduction has been made and will account to the relevant authorities for the amount so required to be withheld or deducted.
- ***The Bonds are unsecured obligations of the Issuer.*** The right of the Bondholders to receive payment on the Bonds is not guaranteed (except for the guarantee in accordance with the Cross Guarantee Agreement).

- **The Issuer may not have the ability to repay the Bonds.** The Issuer’s ability to repay the Bonds will depend on the Issuer’s financial condition at the time of the requested repayment, and may be limited by law, by the terms of its indebtedness and by the agreements that it may have entered into on or before such date, which may replace, supplement or amend its existing or future indebtedness.

BUSINESS DESCRIPTION OF THE ISSUER

The commercial name of the Issuer is Delhaize Group. The legal names of the Issuer are “Etablissements Delhaize Frères et Cie “Le Lion” (Groupe Delhaize)”, in Dutch “Gebroeders Delhaize en Cie “De Leeuw” (Delhaize Groep)” and in English “Delhaize Brothers and Co. “The Lion” (Delhaize Group)”, in abridged “Groupe Delhaize”, in Dutch “Delhaize Groep” and in English “Delhaize Group”, the company being allowed to use any of its full legal corporate names or any of its abridged legal corporate names.

The Issuer is a limited liability company (*société anonyme/naamloze vennootschap*) incorporated and domiciled in Belgium with its registered address at rue Osseghem 53, Molenbeek-Saint-Jean. Its principal executive offices are located at Square Marie Curie 40, 1070 Brussels, Belgium. Its telephone number at that location is +32 2 412 22 11. The Issuer is registered in the Belgian Crossroads Bank for Enterprises (registration number: 0402.206.045 RPM Brussels). Its Internet address is www.delhaizegroup.com. The Issuer is the parent company of a number of direct and indirect subsidiaries.

The Issuer is a food retailer headquartered in Belgium with operations in eleven countries on three continents — North America, Europe and Asia. At the end of the second quarter 2011, the Issuer’s sales network (which includes company-operated, affiliated and franchised stores) consisted of 2,842 stores (excluding Delta Maxi). For the financial year 2010, the Issuer recorded EUR 20.8 billion (USD 27.6 billion) in revenues and EUR 574 million (USD 762 million) in net profit (Group share). As of 30 June 2011, the Issuer recorded EUR 10.2 billion (USD 14.3 billion) in revenues and EUR 243 million (USD 342 million) in net profit (Group share). As of 30 June 2011, Delhaize Group employed approximately 142,800 people. Delhaize Group’s stock is listed on NYSE Euronext Brussels (DELB) and the New York Stock Exchange (DEG).

The Issuer’s primary store format consists of retail food supermarkets. The Issuer’s sales network also includes other store formats such as proximity stores and specialty stores. As of 30 June 2011, in total, approximately 95% of the Issuer’s sales network is engaged in food retailing. In addition to food retailing, the Issuer engages in food wholesaling and non-food retailing of products such as pet products and prescription drugs.

A5 – 4.6

DESCRIPTION OF THE BONDS

Issuer:	Etablissements Delhaize Frères et Cie "Le Lion" (Groupe Delhaize) SA/NV
Group	The Issuer and its subsidiaries.
Cross Guarantee:	The Bonds will fall within the scope, and benefit from, the cross guarantee agreement dated 21 May 2007 among the Issuer, Delhaize US Holding, Inc., Delhaize America and substantially all of the Delhaize America’s subsidiaries, supplemented by a Joinder Agreement dated 18 December 2009 by Delhaize US Holding, Inc., as amended, supplemented or updated from time to time and governed by the laws of the State of New York (the Cross Guarantee Agreement).

Under the Cross Guarantee Agreement, each company party to the agreement guarantees fully and unconditionally, jointly and severally Issuer existing financial indebtedness, Delhaize America existing financial indebtedness, specific financial indebtedness of two European subsidiaries of the Issuer and all future unsubordinated financial indebtedness of the parties to the agreement from the date such party joined the agreement.

Currently the following companies are party to the Cross Guarantee Agreement: (1) the Issuer, (2) Delhaize US Holding, Inc., (3) Delhaize America, LLC, (4) Food Lion, LLC, (5) Hannaford Bros. Co, (6) Kash N' Karry Food Stores, Inc., (7) FL Food Lion, Inc., (8) Risk Management Services, Inc., (9) Hannbro Company, (10) Martin's Food of South Burlington, Inc., (11) Boney Wilson & Sons, Inc., (12) J.H. Harvey & Co. LLC, (13) Hannaford Licensing Corp., and (14) Victory Distributors, Inc.

However, as a result of the difficulty that the Bondholders might have to call under the guarantee, the costs possibly arising therefrom and the limits of a guarantee granted by several guarantors based in different States in the United States, potential investors are advised not to consider the existence of the guarantee as a material consideration in their assessment of the investment decision.

Description of Bonds: Expected minimum EUR 250,000,000 4.250 % Bonds due 19 October 2018.

Subscription Period of the Bonds: From 30 September 2011 at 9.00 am until 14 October 2011 at 4.00 pm (early closing possible) Brussels time.

A5 – 5.1.3

Joint Bookrunners and Co-Managers: Application for subscription of Bonds can be made through the branches of BNP Paribas Fortis (including the branches acting under the commercial name of Fintro) (acting as Joint Bookrunner and Global Coordinator), KBC Bank NV, acting as Joint Bookrunner and ING Belgium SA/NV and Dexia Bank Belgium SA/NV, acting as Co-Managers, as well as any relevant subsidiary of the above mentioned banks in the Grand Duchy of Luxembourg (as decided by each bank and its subsidiary).

Domiciliary Agent and Paying Agent (the Agent): BNP Paribas Fortis

Listing Agent: BNP Paribas Fortis for purpose of the listing of the Bonds on Euronext Brussels and the admission to

trading of the Bonds on the regulated market of Euronext Brussels.

Public Offer Jurisdictions:	Belgium and Grand Duchy of Luxembourg	
Issue Date:	19 October 2011	A5 – 4.1.2
Issue Price:	101.867 %	
Settlement Currency:	Euro	A5 – 4.4
Aggregate Nominal Amount:	Expected minimum amount of EUR 250,000,000.	A5 – 5.1.2
	<p>The final aggregate nominal amount shall be published as soon as possible after the end (or the early closing) of the Subscription Period on the websites of the Managers and the Issuer.</p> <p>The final aggregate nominal amount shall be determined based on the criteria listed under the heading "Aggregate Nominal Amount" of Part XIV (Subscription and Sale) of the Prospectus.</p> <p>The maximum aggregate nominal amount shall be EUR 400,000,000.</p>	
Nominal Amount/Specified Denomination per Bond:	EUR 1,000 per Bond	
Minimum Subscription Amount:	The Bonds may only be traded in a minimum multiple of one Bond (corresponding to a nominal amount of EUR 1,000).	
Maturity Date:	19 October 2018	A5 – 4.8
Interest:	4.250 % Fixed Rate (or an amount of EUR 42.50 per Specified Denomination of EUR 1,000)	A5 – 4.7
	<p>Interest on the Bonds is payable annually in arrear on the Interest Payment Dates falling on, or nearest to 19 October in each year and for the first time on 19 October 2012.</p>	
Yield:	3.94 % on an annual basis calculated on the basis of the Issue Price for retail investors	A5 – 4.9
Redemption Amount at Maturity Date:	The Bonds will be redeemed at 100% of the Nominal Amount.	
Early Redemption:	The Bonds may be redeemed early following an event of default as set out in Condition 9 (<i>Events of Default</i>). Bonds will also be redeemable at the option of the Issuer prior to maturity for reasons set out in Condition 6.2. (<i>Redemption for taxation reasons</i>) and at the	

option of the Bondholders prior to maturity upon a Change of Control as set out in Condition 6.3 (*Redemption at the Option of the Bondholders*). If, as a result of this Condition 6.3 (*Redemption at the Option of the Bondholders*), Bondholders submit Change of Control Put Exercise Notices in respect of at least 85% of the aggregate principal amount of the outstanding Bonds, all (but not some only) of the Bonds may be redeemed at the option of the Issuer prior to maturity. The early redemption amount in respect of each Bond is set out in the Conditions.

Events of Default:

Events of Defaults under the Bonds include non-payment of principal for 7 days, non-payment of interest for 14 days, breach of other obligations under the Bonds (which breach is not remedied within 30 days after the date on which written notice of such failure requiring the Issuer to remedy the same shall have been received by the Issuer from holder of not less than 25% in aggregate principal amount of at the Bonds at the time outstanding), the failure by any Cross Guarantor to perform any covenant set forth in the Cross Guarantee Agreement or the Cross Guarantee Agreement failing to be in full force and effect for any reasons, cross acceleration and certain events related to insolvency or winding up of the Issuer or any Material Subsidiary.

Cross Default and Negative Pledge:

Applicable, as set out in Condition 3 (*Negative Pledge*) and Condition 9 (*Events of Default*) respectively.

Form:

Dematerialised form under the Belgian Company Code – no physical delivery A5 – 4.3

Status of the Bonds:

The Bonds will constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 3 (*Negative Pledge*)) unsecured obligations of the Issuer and will rank *pari passu* among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding. A5 – 4.5

Status of the Guarantee and limitations:

The obligations of each company party to the Cross Guarantee Agreement constitute direct, general, unconditional and unsubordinated obligations of such company that shall at all times rank at least *pari passu* with all of its other existing financial indebtedness set forth on a schedule to the Cross Guarantee Agreement and its future unsubordinated financial indebtedness, save for such obligations as may be preferred by mandatory provisions of law. The obligations of each

party under the Cross Guarantee Agreement are limited to the maximum amount that can be guaranteed without constituting a fraudulent conveyance or fraudulent transfer under applicable insolvency laws.

Meetings of Bondholders:

The Conditions of the Bonds contain provisions for calling meetings of Bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Bondholders including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority.

A5 – 4.10

Withholding Tax and Additional Amounts:

Belgium. All payments by or on behalf of the Issuer of principal and interest on the Bonds will be made without deduction of Belgian withholding tax for the Bonds held by certain eligible investors in an X account with the Clearing System. Otherwise, Belgian withholding tax will in principle be applicable to the interest on the Bonds at the current rate of 15%, possibly reduced pursuant to a tax treaty, on the gross amount of interest.

A5 – 4.14

The Issuer will pay such additional amounts as may be necessary in order that the net payment received by each Bondholder in respect of the Bonds, after withholding for any taxes imposed by tax authorities in Belgium upon payments made by or on behalf of the Issuer in respect of the Bonds, will equal the amount which would have been received in the absence of any such withholding taxes, except that no such additional amounts shall be payable in respect of any Bond in the cases described in Condition 8 (*Taxation*), which cases include, amongst other things, payments to individuals who are Belgian residents for tax purposes.

Grand Duchy of Luxembourg. Under Luxembourg tax law currently in effect, there is generally no withholding tax on interest payments or repayments of principal on the Bonds. A tax may however need to be withheld pursuant to the following provisions relating, broadly stating, to payments of interest made to individual Bondholders and to certain residual entities:

- The Luxembourg Acts dated 21 June 2005 implementing the Council Directive 2003/48/EC regarding the taxation of the savings income in the form of interest payments and ratifying the treaties entered into by Grand Duchy of Luxembourg and certain dependent and associated territories of the EU Member States; and
- The Luxembourg Act dated

23 December 2005 as amended, relating to interest paid to Luxembourg resident individuals and to residual entities that secure interest payments on behalf of individuals (10% Luxembourg withholding tax).

For additional information, Bondholders should refer to the section of this Prospectus entitled "Taxation".

A5 – 4.2

Governing Law and Jurisdiction:

The Bonds will be governed by, and construed in accordance with, Belgian law. The Courts of Brussels are to have non-exclusive jurisdiction for the benefit of the Bondholders.

Listing and admission to trading:

Application has been made to the FSMA to approve this document as a prospectus and to Euronext Brussels for the listing of the Bonds on Euronext Brussels and admission to trading on the regulated market of Euronext Brussels.

A5 – 6.1

Relevant Clearing Systems:

Clearing system operated by the National Bank of Belgium, Euroclear and Clearstream, Luxembourg

No Ownership by U.S. persons:

Regulation S, Category 2; TEFRA C applicable, as further described under the section of the prospectus entitled "Subscription and Sale"

Conditions to which the Public Offer is subject:

The Public Offer is subject to the conditions set out in the section of the Prospectus entitled "Subscription and Sale"

Allocation:

All subscriptions that have been validly introduced by the Retail Investors with the Managers (i.e. (for the avoidance of doubt) the Joint Bookrunners and the Co-Managers) prior to the early termination of the Public Offer will be taken into account when the Bonds are allotted, it being understood that in case of oversubscription, a reduction may apply, i.e. the subscriptions will be scaled back.

In case of subscriptions in excess of the Aggregate Nominal Amount that shall have been determined by the Issuer, the allocation by the Managers of Bonds to investors that subscribed in the Offer shall occur subject to (a) prior consent by the Issuer in relation to the aggregate number of Bonds to be allocated to Retail Investors (which consent shall not be unreasonably withheld or delayed), and (b) prior consultation in relation to the allocation criteria to be applied to Retail Investors and Qualified Investors.

Subject to the foregoing provisions, the intention of the Managers is to apply, insofar as possible, an allotment method whereby priority is given to

subscriptions introduced by Retail Investors with the Managers before the early termination (except for the 15% allotted to the Global Coordinator that will be dedicated in priority for the placement towards Qualified Investors) and whereby a proportional reduction is applied in case of oversubscription. The allocation structure between the Managers for the placement of the Bonds on a best effort basis will be the following: (i) the Global Coordinator (for the placement towards third party distributors and other Qualified Investors): 15% of the nominal amount of the Bonds to be issued, (ii) each of the Joint Bookrunners: 27.5% of the nominal amount of the Bonds to be issued and (iii) each of the Co-Managers: 15% of the nominal amount of the Bonds to be issued. Such allotment may vary if one of the Managers is not in a position to place its initial allotment, the balance being then proposed (without any obligation to accept) to the other Managers. The resulting amount of Bonds placed by each Manager and then the possible reduction percentages applied by each of the Managers can be different for each of the Managers, depending on the level of subscriptions received by each of them. Therefore, subscribers may have different reduction percentages applied to them depending on the Manager through which they have subscribed.

As soon as a Manager has placed its allotment and any other Bonds which it took over from other Manager(s), after the Minimum Sale Period, it shall publish a notice on its website to inform its clients that it will stop collecting subscriptions and will then send the same notice to the Issuer that will publish it on its website as soon as practicable indicating which other Manager(s) may still collect subscriptions. The Subscription Period will only be early terminated in case all the Managers have placed their allotments of Bonds.

The Managers shall in no manner whatsoever be responsible for the allotment criteria that will be applied by other financial intermediaries.

For further details, reference is made to the section of the Prospectus entitled "Subscription and Sale".

Selling Restrictions:

Restrictions apply to offers, sales or transfers of the Bonds in various jurisdictions. See "Subscription and Sale". In all jurisdictions offers, sales or transfers may only be effected to the extent lawful in the relevant jurisdiction. The distribution of the Prospectus or of its summary may be restricted by law in certain jurisdictions.

A5 – 4.13

ISIN Code/Common Code:

ISIN Code: BE0002178441

Common Code: 068640776

Use of Proceeds:

The net proceeds from the Public Offer will be applied by the Issuer for the refinancing of some financial indebtedness of members of the Group, including the indebtedness of Delta Maxi following our recent acquisition, as well as for the working capital needs, capital expenditures and general corporate purposes of the Group.

PART II: RISK FACTORS

The Issuer believes that the following factors may affect its ability to fulfil its obligations under the Bonds. Most of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.

A.4.-4
A.5.-2.1

In addition, factors which are material for the purpose of assessing the market risks associated with the Bonds are described below.

*The Issuer believes that the factors described below represent the principal risks inherent in investing in the Bonds, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with the Bonds may occur for other reasons which may not be considered significant risks by the Issuer based on information currently available to it or which it may not currently be able to anticipate. The sequence in which the risk factors are listed is not an indication of their likelihood to occur or of the extent of their commercial consequences. Prospective investors should also read the detailed information set out elsewhere in this Prospectus or incorporated by reference in this Prospectus and reach their own views prior to making any investment decision and consult with their own professional advisors if they consider it necessary. Terms defined in "Terms and Conditions of the Bonds" (the **Conditions**) below shall have the same meaning where used below.*

FACTORS THAT MAY AFFECT THE ISSUER'S ABILITY TO FULFIL ITS OBLIGATIONS UNDER THE BONDS

We have substantial financial debt outstanding that could negatively impact our business

We have substantial debt outstanding. At 30 June 2011, we had total consolidated debt outstanding of approximately EUR 2.6 billion and approximately EUR 800 million of unused commitments under our revolving credit facilities. Our level of debt could:

- make it difficult for us to satisfy our obligations, including interest payments;
- limit our ability to obtain additional financing to operate our business;
- limit our financial flexibility in planning for and reacting to industry changes;
- place us at a competitive disadvantage as compared to less leveraged companies;
- increase our vulnerability to general adverse economic and industry conditions; and
- require us to dedicate a substantial portion of our cash flow to payments on our debt, reducing the availability of our cash flow for other purposes.

We may borrow additional funds to support our capital expenditures and working capital needs and to finance future acquisitions. The incurrence of additional debt could make it more likely that we will experience some or all of the risks described above.

If we do not generate positive cash flows, we may be unable to service our debt

Our ability to pay principal and interest on the Bonds and on our other debt depends on our future operating performance. Future operating performance is subject to market conditions and business factors that often are beyond our control. Consequently, we cannot assure you that we will have sufficient cash flows to pay the principal, premium, if any, and interest on our debt. If our cash flows and capital resources are insufficient to allow us to make scheduled payments on our debt, we may have to reduce or delay capital expenditures, sell assets, seek additional capital or restructure or refinance our debt. We cannot assure you

that the terms of our debt will allow these alternative measures or that such measures would satisfy our scheduled debt service obligations. If we cannot make scheduled payments on our debt, we will be in default and, as a result:

- our debt holders could declare all outstanding principal and interest to be due and payable;
- our lenders could terminate their commitments and commence foreclosure proceedings against our assets; and
- we could be forced into bankruptcy or liquidation.

Certain of our debt agreements require us to maintain specified financial ratios and meet specific financial tests. Our failure to comply with these covenants could result in an event of default that, if not cured or waived, could result in our being required to repay these borrowings before their due date. If we were unable to make this repayment or otherwise refinance these borrowings, our lenders could foreclose on our assets. If we were unable to refinance these borrowings on favourable terms, our business could be adversely impacted.

The cross guarantee mechanism in place with some of our subsidiaries entails certain limits and restrictions and calling under such guarantee may entail potential additional costs and formalities for the Bondholders

The guarantors are subsidiaries of the Issuer. Potential investors must read the description of the Cross Guarantee Agreement set out in Part V (*Description of the Cross Guarantee*) of the Prospectus. In particular, the Bondholders will benefit from the Cross Guarantee Agreement but it must be noted that in certain circumstances a guarantor may terminate his guarantee. Also, the obligations of the guarantors under the Cross Guarantee Agreement are limited to the maximum amount that can be guaranteed without constituting a fraudulent conveyance or fraudulent transfer under the various applicable insolvency laws. Furthermore, in case of default of the Issuer, if the Bondholder decides to call upon the guarantee, he must do so directly at one or several guarantors (the guarantee binds all parties but it is possible that the Bondholder must notify several guarantors in case of default of one or several guarantors). Furthermore, the Bondholder must proceed to the appointment, at his costs and at the then applicable rate, of the financial intermediary at which he holds his Bond(s) to recover the reimbursement amount through the Agent (whereby the intermediary confirms that the Bondholder holds the Bonds based on a written confirmation of the Bondholder who must undertake to keep his Bonds up to the possible reimbursement as from the moment he calls upon the guarantee). It must be noted that the current guarantors are based in the United States, which leads to additional formalities and notification costs to be borne by the Bondholder. The Agent will only proceed to the reimbursement if he has received an amount of one or several guarantors. The Agent must deduct the movable withholding tax on the accrued interests which would be reimbursed. The Cross Guarantee Agreement is governed by New York law which may lead to additional costs as the Bondholders may need to request assistance of a lawyer with expertise in financial products and New York law. Considering the above limitations and possible difficulties for Bondholders to call on the guarantee, potential investors should not take the existence of the cross guarantee into account as a material consideration in the assessment of the investment.

No separate financial information is provided in this Prospectus for each guarantor under the Cross Guarantee Agreement

As the Cross Guarantee Agreement consists of a general guarantee structure applicable to all our Financial Indebtedness (as defined under Part V (*Description of the Cross Guarantee*) of the Prospectus), and is not set up specifically to cover the issue of these Bonds, we have not included in the Prospectus a separate set of financial information for each guarantor. Adding separate financial statements of each of the guarantors would not influence the assessment of the financial position and prospects of the Issuer.

The consolidated financial information that we provide in this Prospectus should be regarded as the most relevant and complete financial information to be provided to investors in the Bonds.

Pursuant to the Cross Guarantee Agreement and some other agreements, under certain circumstances, we may have to pay for financial indebtedness of any of our subsidiaries

Under the Cross Guarantee Agreement, if any Financial Indebtedness (as defined under Part V (*Description of the Cross Guarantee*) of the Prospectus) owed by one of our subsidiaries party to such agreement is not recoverable from such entity, the creditor may call upon the guarantee and claim against any of the guarantors, including Delhaize Group, in accordance with the terms of the Cross Guarantee Agreement. We may therefore have to pay for any Financial Indebtedness of any of our subsidiaries party to the Cross Guarantee Agreement in case of default of such party. Apart from our guarantee under the Cross Guarantee Agreement, we may also have to pay amounts owed by any of our subsidiaries in case of default by such subsidiaries, in instances where we guaranteed the undertakings of any such subsidiaries.

Our results are subject to risks relating to competition and narrow profit margins in the food retail industry

The food retail industry is competitive and generally characterised by narrow profit margins. Our competitors include international, national, regional and local supermarket chains, supercenters, independent grocery stores, specialty food stores, warehouse club stores, retail drug chains, convenience stores, membership clubs, general merchandisers, discount retailers and restaurants. Food retail chains generally compete on the basis of location, quality of products, service, price, product variety and store condition. We believe that we could face increased competition in the future from all of these competitors. To the extent we reduce prices to maintain or grow our market share in the face of competition, net income and cash generated from operations could be adversely affected. Some of our competitors have financial, distribution, purchasing and marketing resources that are greater than ours. Our profitability could be impacted as a result of the pricing, purchasing, financing, advertising or promotional decisions made by competitors.

General economic factors may adversely affect our financial performance

General economic conditions in the areas where we operate, including Greece, may adversely affect our financial performance. Higher interest rates, higher fuel and other energy costs, weakness in the housing market, inflation, deflation, higher levels of unemployment, unavailability of consumer credit, higher consumer debt levels, higher tax rates and other changes in tax laws, overall economic slowdown and other economic factors could adversely affect consumer demand for the products and services we sell, change the mix of products we sell to one with a lower average gross margin and result in slower inventory turnover and greater markdowns on inventory. Higher interest rates, higher fuel and other energy costs, transportation costs, inflation, higher costs of labour, insurance and healthcare, foreign exchange rates fluctuations, higher tax rates and other changes in tax laws, changes in other laws and regulations and other economic factors can increase our cost of sales and operating, selling, general and administrative expenses, and otherwise adversely affect our operations and operating results. These factors affect not only our operations, but also the operations of suppliers from whom we purchase goods, a factor that can result in an increase in the cost to us of the goods we sell to our customers.

Our operations are subject to economic conditions that impact consumer spending

Our results of operations are sensitive to changes in overall economic conditions in the areas where we operate, including Greece, that impact consumer spending, including discretionary spending. Consumers may reduce spending or change purchasing habits due to certain economic conditions such as decreasing employment levels, slowing business activity, increasing interest rates, increasing energy and fuel costs, increasing healthcare costs and increasing tax rates. A general reduction in the level of consumer spending or our inability to respond to shifting consumer attitudes regarding products, store location and other factors could adversely affect our growth and profitability.

Turbulence in the global credit markets and economy may adversely affect our financial condition and liquidity

Current economic conditions have been, and continue to be, volatile. Disruptions in the capital and credit markets could adversely affect our ability to draw on our bank credit facilities or enter into new bank credit facilities. Our access to funds under our bank credit facilities is dependent on the ability of the banks that are parties to the facilities to meet their funding commitments. Those banks may not be able to meet their funding commitments to us if they experience shortages of capital and liquidity or if they experience excessive volumes of borrowing requests from Delhaize Group and other borrowers within a short period of time. Also, disruptions in the capital and credit markets may impact our ability to renew those bank credit facilities or enter into new bank credit facilities as needed. In addition, our suppliers and third-party service providers could experience credit or other financial difficulties that could result in their inability or delays in their ability to supply us with necessary goods and services.

The significance of the contributions of our U.S. operations to our revenues and the geographic concentration of our U.S. operations on the east coast of the United States make us vulnerable to economic downturns, natural disasters and other catastrophic events that impact that region

As of 30 June 2011, 67.1% of our revenues were generated through our U.S. operations. We depend in part on Delhaize US Holding Inc., the holding company grouping our U.S. operations, for dividends and other payments to generate the funds necessary to meet our financial obligations. Substantially all of our U.S. operations are located on the east coast of the United States. Consequently, our operations depend significantly upon economic and other conditions in this area, in addition to those that may affect the United States or the world as a whole. Our results of operations may suffer based on a general economic downturn, natural disaster or other adverse condition impacting the east coast of the United States.

During April 2011, severe weather in the Southeastern U.S., including tornadoes, resulted in damage to the Food Lion distribution centre at Dunn, North Carolina and several Food Lion stores. Delhaize Group has utilised disaster recovery plans that had been put in place previously, and has been able to continue to serve the stores served by the Dunn distribution centre with assistance from other distribution centres. While Delhaize Group expects most of this damage to be covered by insurance, similar disruptions could adversely affect our operations and financial performance.

Increases in interest rates and/or a downgrade of our credit ratings could negatively affect our financing costs and our ability to access capital

We have exposure to future interest rates based on the variable rate debt held by us and to the extent we raise debt in the capital markets to meet maturing debt obligations, to fund our capital expenditures and working capital needs and to finance future acquisitions. Daily working capital requirements are typically financed with operational cash flow and through the use of various committed and uncommitted lines of credit and a commercial paper program. The interest rate on these short and medium term borrowing arrangements is generally determined either as the inter-bank offering rate at the borrowing date plus a pre-set margin or based on market quotes from banks. Although we employ risk management techniques to hedge against interest rate volatility, significant and sustained increases in market interest rates could materially increase our financing costs and negatively impact our reported results.

We rely on access to bank and capital markets as sources of liquidity for cash requirements not satisfied by cash flows from operations. A downgrade in our credit ratings from the internationally-recognised credit rating agencies, particularly to a level below investment grade, could negatively affect our ability to access the bank and capital markets, especially in a time of uncertainty in either of those markets. A ratings downgrade could also impact our ability to grow our businesses by substantially increasing the cost of, or limiting access to, capital. Our senior unsecured debt ratings from Standard & Poor's and Moody's are BBB- and Baa3 investment grades, respectively.

A rating is not a recommendation to buy, sell or hold debt, inasmuch as the rating does not comment as to market price or suitability for a particular investor. The ratings assigned to our debt address the likelihood of payment of principal and interest pursuant to their terms. A rating may be subject to revision or withdrawal at any time by the assigning rating agency. Each rating should be evaluated independently of any other rating that may be assigned to our securities.

A competitive labour market as well as changes in labour conditions may increase our costs.

Our success depends in part on our ability to attract and retain qualified personnel in all areas of our business. We compete with other businesses in our markets in attracting and retaining employees. Tight labour markets, increased overtime, collective labour agreements, increased healthcare costs, government mandated increases in the minimum wage and a higher proportion of full-time employees could result in an increase in labour costs, which could materially impact our results of operations. A shortage of qualified employees may require us to increase our wage and benefit offerings to compete effectively in the hiring and retention of qualified employees or to retain more expensive temporary employees. In addition, while we believe that relations with our employees are good, we cannot provide assurance that we will not become the target of campaigns to unionise our associates. Also, we always face the risk that legislative bodies will approve laws that liberalise the procedures for union organisation. If more of our workforce were to become unionised, it could affect our operating expenses. Increased labour costs could increase our costs, resulting in a decrease in our profits or an increase in our losses. There can be no assurance that we will be able to fully absorb any increased labour costs through our efforts to increase efficiencies in other areas of our operations.

Because of the number of properties that we own and lease, we have a potential risk of environmental liability

We are subject to laws, regulations and ordinances that govern activities and operations that may have adverse environmental effects and impose liabilities for the costs of cleaning, and certain damages arising from sites of past spills, disposals or other releases of hazardous materials. Under applicable environmental laws, we may be responsible for the remediation of environmental conditions and may be subject to associated liabilities relating to our stores, warehouses and offices, as well as the land on which they are situated, regardless of whether we lease, sublease or own the stores, warehouses, offices or land in question and regardless of whether such environmental conditions were created by us or by a prior owner or tenant. The costs of investigation, remediation or removal of environmental conditions may be substantial. Certain environmental laws also impose liability in connection with the handling of or exposure to asbestos-containing materials, pursuant to which third parties may seek recovery from owners, tenants or sub-tenants of real properties for personal injuries associated with asbestos-containing materials. There can be no assurance that environmental conditions relating to prior, existing or future store sites will not harm us through, for example, business interruption, cost of remediation or harm to reputation.

If we are unable to locate appropriate real estate or enter into real estate leases on commercially acceptable terms, we may be unable to open new stores

Our ability to open new stores is dependent on our success in identifying and entering into leases on commercially reasonable terms for properties that are suitable for our needs. If we fail to identify and enter into leases on a timely basis for any reason, including our inability due to competition from other companies seeking similar sites, our growth may be impaired because we may be unable to open new stores as anticipated. Similarly, our business may be harmed if we are unable to renew the leases on our existing stores on commercially acceptable terms.

Unfavourable exchange rate fluctuations may negatively impact our financial performance

Our operations are conducted primarily in the U.S., Belgium, Southeastern Europe and to a lesser extent in Southeast Asia. The results of operations and the financial position of each of our entities outside the euro zone are accounted for in the relevant local currency and then translated into euro at the applicable foreign

currency exchange rate for inclusion in the Group's consolidated financial statements. Exchange rate fluctuations between these foreign currencies and the euro may have a material adverse effect on our consolidated financial statements. These risks are monitored on a regular basis at a centralised level.

Because a substantial portion of our assets, liabilities and operating results are denominated in U.S. dollars, we are particularly exposed to currency risk arising from fluctuations in the value of the U.S. dollar against the euro. We do not hedge the U.S. dollar translation exposure. The translation risk resulting from the substantial portion of U.S. operations is managed by striving to achieve a natural currency offset between assets and liabilities and revenues and expenditures denominated in U.S. dollars.

Remaining intra-Group cross-currency transaction risks which are not naturally offset concern primarily dividend payments by the U.S. subsidiary and cross-currency lending, which in accordance with IFRS survive the consolidation process. When appropriate, we enter into agreements to hedge against the variation in the U.S. dollars in relation to dividend payments between the declaration by the U.S. operating companies and payment dates. Intra-Group cross-currency loans not naturally offset are generally fully hedged through the use of foreign exchange forward contracts or currency swaps. After cross-currency swaps, 85% of net financial debt at 31 December 2010 is denominated in U.S. dollar while for 2010, 71% of profits from operations are generated in U.S. dollars. Significant residual positions in currencies other than the functional currency of the operating companies are generally also fully hedged in order to eliminate any remaining currency exposure. If the average U.S. dollar exchange rate had been 1 cent higher/lower and all other variables were held constant, our net profit of 2010 would have increased/decreased by EUR 3 million. This is mainly attributable to our exposure to exchange rates on our revenues in U.S. dollars.

Various aspects of our business are subject to federal, regional, state and local laws and regulations in the U.S., Belgium and other countries, in addition to environmental regulations. Our compliance with these laws and regulations may require additional expenses or capital expenditures and could adversely affect our ability to conduct our business as planned

In addition to environmental regulations, we are subject to federal, regional, state and local laws and regulations in the U.S., Belgium and other countries relating to, among other things, zoning, land use, workplace safety, public health, community right-to-know, store size, alcoholic beverage sales and pharmaceutical sales. A number of jurisdictions regulate the licensing of supermarkets, including retail alcoholic beverage license grants. In addition, under certain regulations, we are prohibited from selling alcoholic beverages in certain of our stores. Employers are also subject to laws governing their relationship with employees, including minimum wage requirements, overtime, working conditions, collective bargaining, disabled access and work permit requirements. Compliance with, or changes in, these laws could reduce the revenue and profitability of our supermarkets and could otherwise adversely affect our business, financial condition or results of operations. A number of laws exist which impose obligations or restrictions on owners with respect to access by disabled persons. Our compliance with these laws may result in modifications to our properties, or prevent us from performing certain further renovations.

As a result of selling food products, we face the risk of exposure to product liability claims and adverse publicity

The packaging, marketing, distribution and sale of food products purchased from others entail an inherent risk of product liability, product recall and resultant adverse publicity. Such products may contain contaminants that may be inadvertently redistributed by us. These contaminants may, in certain cases, result in illness, injury or death if processing at the foodservice or consumer level does not eliminate the contaminants. Even an inadvertent shipment of adulterated products is a violation of law and may lead to an increased risk of exposure to product liability claims. There can be no assurance that such claims will not be asserted against us or that we will not be obligated to perform such a recall in the future. If a product liability claim is successful, our insurance may not be adequate to cover all liabilities we may incur, and we may not be able to continue to maintain such insurance, or obtain comparable insurance at a reasonable cost, if at all. If we do not have adequate insurance or contractual indemnification available, product liability claims

relating to defective products could have a material adverse effect on our ability to successfully market our products and on our business, financial condition and results of operations. In addition, even if a product liability claim is not successful or is not fully pursued, the negative publicity surrounding any assertion that our products caused illness or injury could have a material adverse effect on our reputation with existing and potential customers and on our business and financial condition and results of operations.

Strikes, work stoppages and slowdowns could negatively affect our financial performance

A number of employees of our companies, mostly in Europe, are members of unions. It is possible that relations with the unionised portion of our workforce will deteriorate or that our workforce would initiate a strike, work stoppage or slowdown in the future. In such an event, our business, financial condition and results of operations could be negatively affected, and we cannot provide assurance that we would be able to adequately meet the needs of our customers utilising our remaining workforce. In addition, similar actions by our non-unionised workforce are possible.

We may not be able to successfully complete renovation, conversion and brand repositioning plans

A key to our business strategy has been, and will continue to be, the renovation and/or conversion of our existing stores, as well as the renovation of our infrastructure. Although it is expected that cash flows generated from operations, supplemented by the unused borrowing capacity under our credit facilities and the availability of capital lease financing, will be sufficient to fund our capital renovation programs and conversion initiatives, sufficient funds may not be available. Our inability to successfully renovate and/or convert our existing stores and other infrastructure could adversely affect our business, results of operations and ability to compete successfully.

On 4 May 2011, we announced the launch of our Food Lion brand repositioning initiative which included, among other things, the re-launch of approximately 200 stores in the Raleigh (North Carolina) and Chattanooga (Tennessee) markets to highlight the Food Lion price, assortment and shopping experience. As part of the re-launch we made operational enhancements to the Raleigh and Chattanooga stores, such as staffing and process improvements, product handling and replenishment improvements in the produce department, increased SKU counts, improved price positioning and an easy and convenient shopping experience. While we expect these initiatives to result in increased revenues, there can be no assurance that they will be successful and that we will achieve the expected results.

We may be unsuccessful in managing the growth of our business or the integration of acquisitions we have made

As part of our long-term strategy, we continue to reinforce our presence in the geographic locations where we currently operate and in adjacent regions, by pursuing acquisition opportunities in the retail grocery store industry and engaging in store renovations and market renewals and opening new stores, including the recent expansion of our Bottom Dollar Food operations into the greater Philadelphia area and the acquisition of the Serbian retailer Delta Maxi. However, as the food retail industry consolidates, we face the risk that certain of our competitors may have more resources to make acquisitions, or expand operations, or that they otherwise may make acquisitions that we would have been interested in making. In addition, we face risks commonly encountered with growth through acquisition and conversion or expansion. These risks include, but are not limited to, as applicable, incurring significantly higher than anticipated financing related risks and operating expenses, failing to assimilate the operations and personnel of acquired businesses, failing to install and integrate all necessary systems and controls, the loss of customers, entering markets where we have no or limited experience, the disruption of our ongoing business and the dissipation of our management resources. Realisation of the anticipated benefits of an acquisition, store renovation, market renewal or store opening may take several years or may not occur at all. Our growth strategy may place a significant strain on our management, operational, financial and other resources. In particular, the success of our acquisition strategy will depend on many factors, including our ability to:

- identify suitable acquisition opportunities;
- successfully complete acquisitions at valuations that will provide anticipated returns on invested capital;
- quickly and effectively integrate acquired operations to realise operating synergies;
- obtain necessary financing on satisfactory terms; and
- make payments on the indebtedness that we might incur as a result of these acquisitions.

There can be no assurance that we will be able to execute successfully our acquisition strategy, store renovations, market renewals or store openings, including the recent expansion of our Bottom Dollar Food operations into the greater Philadelphia, Pennsylvania area, and the acquisition of the Serbian retailer Delta Maxi Group, and failure to do so may have a material adverse effect on our business, financial condition and results of operations.

Concerning the acquisition of the Delta Maxi Group, in July 2011, we completed the acquisition of this retail company operating approximately 450 stores in five countries in Southeastern Europe at the end of 2010, for an amount of EUR 932.5 million (enterprise value) including net debt and other customary adjustments of EUR 318 million. The results of Delta Maxi will be consolidated in Delhaize Group's results from 1 August 2011 and will be reported as part of the Southeastern Europe and Asia operating segment. While we expect this acquisition to be value creating, there can be no assurance that all expected synergies will be realised and that the operational integration of Delta Maxi will be successful.

Unexpected outcomes with respect to jurisdictional audits of income tax filings could result in an adverse effect on our financial performance

We are regularly audited in the various jurisdictions in which we do business, which we consider to be part of our ongoing business activity. While the ultimate outcome of these audits is not certain, we have considered the merits of our filing positions in our overall evaluation of potential tax liabilities and believe we have adequate liabilities recorded in our consolidated financial statements for potential exposures. Unexpected outcomes as a result of these audits could adversely affect our financial condition and results of operations.

Risks associated with the suppliers from whom our products are sourced could adversely affect our financial performance

Significant disruptions in operations of our vendors and suppliers could materially impact our operations by disrupting store-level product selection or costs, resulting in reduced sales. The products we sell are sourced from a wide variety of domestic and international suppliers. Our ability to find qualified suppliers who meet our standards and to access products in a timely and efficient manner is a significant challenge. Political and economic instability in the countries in which suppliers are located, the financial instability of suppliers, suppliers' failure to meet our standards, labour problems experienced by our suppliers, the availability of raw materials to suppliers, competition for products from other retailers, the impact of adverse weather conditions, product quality issues, currency exchange rates, transport availability and cost, inflation, deflation, and other factors relating to the suppliers and the countries in which they are located are beyond our control. In addition, tariffs and other impositions on imported goods, trade sanctions imposed on certain countries, the limitation on the importation of certain types of goods or of goods containing certain materials from other countries and other factors relating to foreign trade are beyond our control. These factors and other factors affecting our suppliers and access to products may result in decreased product selection and increased out-of-stock conditions, as well as higher product costs, which could adversely affect our operations and financial performance.

Risks associated with our franchised and affiliated stores could adversely affect our financial performance

At the end of 2010, approximately 24% of the stores in our sales network were franchised or affiliated. Our franchised and affiliated stores accounted for approximately 9.4% of our sales. The operators of our affiliated and franchised stores operate and oversee the daily operations of their stores and are independent third parties. Although we attempt to properly select, train and support the operators of our affiliated and franchised stores, the ultimate success and quality of any affiliated or franchised store rests with its operator. If the operators of our affiliated and franchised stores do not successfully operate in a manner consistent with our standards, our image and reputation could be harmed, which could adversely affect our business and operating results. In addition, we have large accounts receivables associated with our franchised and affiliated stores. If the operators of these stores do not operate successfully, we could be forced to write-off a portion of or all of the accounts receivables associated with such franchised and affiliated stores.

Natural disasters and geopolitical events costs could adversely affect our financial performance

The occurrence of one or more natural disasters, such as hurricanes, earthquakes, tsunamis or pandemics, or other severe weather, whether as a result of climate change or otherwise, or geopolitical events, such as civil unrest in a country in which we operate or in which our suppliers are located, and attacks disrupting transportation systems, could adversely affect our operations and financial performance. Such events could result in physical damage to one or more of our properties, the temporary closure of one or more stores or distribution centres (as occurred with our Dunn distribution centre as described above), the temporary lack of an adequate work force in a market, the temporary decrease in customers in an affected area, the temporary or long-term disruption in the supply of products from some local and overseas suppliers, the temporary disruption in the transport of goods from overseas, delay in the delivery of goods to our distribution centres or stores within a country in which we are operating and the temporary reduction in the availability of products in our stores. These factors could otherwise disrupt and adversely affect our operations and financial performance.

In our control systems there are inherent limitations, and misstatements due to error or fraud may occur and not be detected, which may harm our business and financial performance and result in difficulty meeting our reporting obligations

Effective internal control over financial reporting is necessary for us to provide reasonable assurance with respect to our financial reports and to effectively prevent fraud. If we cannot provide reasonable assurance with respect to our financial reports and effectively prevent fraud, our business and operating results could be harmed. Internal control over financial reporting may not prevent or detect misstatements because of its inherent limitations, including the possibility of human error, the circumvention or overriding of controls, or fraud. Therefore, even effective internal controls can provide only reasonable assurance with respect to the preparation and fair presentation of financial statements. In addition, projections of any evaluation of the effectiveness of internal control over financial reporting to future periods are subject to the risks that the control may become inadequate because of changes in conditions or that the degree of compliance with policies or procedures may deteriorate. If we fail to maintain the adequacy of our internal controls, including any failure to implement required new or improved controls, or if we experience difficulties in its implementation of internal controls, our business and operating results could be harmed and we could fail to meet our reporting obligations.

Our operations are dependent on information technology, or IT, systems, the failure or breach of security of any of which may harm our reputation and adversely affect our financial performance

Many of the functions of our operations are dependent on IT systems developed and maintained by internal experts or third parties. The failure of any of these IT systems may cause disruptions in our operations, adversely affecting our sales and profitability. We have disaster recovery plans in place to reduce the negative impact of such IT systems failures on our operations, but there is no assurance that these disaster recovery plans will be completely effective in doing so. If third parties or our associates are able to penetrate our network security or otherwise misappropriate our customers' personal information or credit or debit card information, or if we give third parties or our associates improper access to our customers' personal information or credit card information, we could be subject to liability. This liability could include claims for unauthorised purchases with credit card information, identity theft or other similar fraud-related claims. This liability could also include claims for other misuses of personal information, including for unauthorised marketing purposes. Other liability could include claims alleging misrepresentation of our privacy and data security practices. Any such liability for misappropriation of this information could decrease our profitability. Our security measures are designed to protect against security breaches, but our failure to prevent such security breaches could subject us to liability, damage our reputation and diminish the value of our brand-names.

Our Hannaford and Sweetbay banners experienced an unauthorised intrusion, which we refer to as the Computer Intrusion, into portions of their computer system that process information related to customer credit and debit card transactions, which resulted in the potential theft of customer credit and debit card data. Also affected was credit card data from cards used at certain independently-owned retail locations in the Northeast of the U.S. that carry products delivered by Hannaford. The Computer Intrusion was discovered during February 2008, and we believe the exposure window for the Hannaford and Sweetbay credit and debit card data was approximately 7 December 2007 through early March 2008. There is no evidence that any customer personal information, such as names or addresses, was obtained by any unauthorised person. Various legal actions have been taken, and various claims have been otherwise asserted, against Hannaford and affiliates relating to the Computer Intrusion. While we intend to defend the legal actions and claims vigorously, we cannot predict the outcome of such legal actions and claims.

A change in supplier terms could adversely affect our financial performance

We receive allowances, credits and income from suppliers primarily for volume incentives, new product introductions, in-store promotions and co-operative advertising. Certain of these funds are based on our volume of net sales or purchases, growth rate of net sales or purchases and marketing programs. If we do not grow our net sales over prior periods or if we are not in compliance with the terms of these programs, there could be a material negative effect on the amount of incentives offered or paid to us by our suppliers. Additionally, suppliers routinely change the requirements for, and the amount of, funds available. No assurance can be given that we will continue to receive such incentives or that we will be able to collect outstanding amounts relating to these incentives in a timely manner, or at all. A reduction in, the discontinuance of, or a significant delay in receiving such incentives, as well as the inability to collect such incentives, could have a material adverse effect on our business, results of operation, and financial condition.

We are subject to antitrust and similar legislation in the jurisdictions in which we operate

We are subject to a variety of antitrust and similar legislation in the jurisdictions in which we operate. In a number of markets, we have market positions which may make future significant acquisitions more difficult and may limit our ability to expand by acquisition or merger, in the event we wish to do so.

In addition, we are subject to legislation in many of the jurisdictions in which we operate relating to unfair competitive practices and similar behaviour. We have been subject to and may in the future be subject to allegations of, or further regulatory investigations or proceedings into, such practices. Such allegations or investigations or proceedings (irrespective of merit), may require us to devote significant management

resources to defending ourselves against such allegations. In the event that such allegations are proven, we may be subject to significant fines, damages awards and other expenses and our reputation may be harmed.

On 24 April 2007, representatives of the *Conseil de la Concurrence/Raad voor de mededinging* (the **Belgian Competition Council**), visited our offices in Zellik, Belgium, and requested that we provide to them specified documents. This request was a part of what appears to be a local investigation affecting several companies in Belgium in the retail sector. We understand that the investigation relates to prices of perfume, beauty products and other household goods. We have cooperated with the Belgian Competition Council in connection with their requests for documentation and information and, as of the date of this filing, no statement of objections has been lodged against our company in relation to this matter. The maximum fine for violations of the related competition laws in Belgium is capped at 10% of our company's annual sales in Belgium. If the Belgian Competition Council formally charges us with a violation of Belgian competition laws, our reputation may be harmed, and if a violation of such laws is proven we could be fined and incur other expenses, and there may be a material adverse effect on our financial condition and results of operations.

On 11 January 2010, the Auditor of the Belgian Competition Council issued a report resulting from its investigation of a potential violation of Belgian competition laws by a supplier and several retailers active on the market of chocolate candies, chocolate spread and pocket candies. On 7 April 2011, the Belgian Competition Council considered, however, that the Auditor violated the parties' rights of defence and rejected the case.

Unexpected outcomes in our legal proceedings could materially impact our financial performance

From time to time, we are party to legal proceedings including matters involving personnel and employment issues, personal injury, intellectual property, competition/antitrust matters, landlord-tenant matters, tax matters and other proceedings arising in the ordinary course of business. We have estimated our exposure to the claims and litigation arising in the normal course of business and believe we have made adequate provisions for such exposure. Unexpected outcomes in these matters could have an adverse effect on our financial condition and results of operations.

We may experience adverse results arising from claims against our self-insurance programs

Our U.S. operations are self-insured for workers' compensation, general liability, automotive accident, pharmacy claims and healthcare (including medical, pharmacy, dental and short-term disability). We use self-insured retention programs for workers' compensation, general liability, automotive accident, pharmacy claims, and healthcare (including medical, pharmacy, dental and short-term disability). We also use captive insurance arrangements for some of our self-insurance programs to provide flexibility and optimise costs.

Self-insurance liabilities are estimated based on actuarial valuations of claims filed and an estimate of claims incurred but not reported. We believe that the actuarial estimates are reasonable. These estimates are subject to a high degree of variability and uncertainty caused by such factors as future interest and inflation rates, future economic conditions, litigation and claims settlement trends, legislative and regulatory changes, changes in benefit levels and the frequency and severity of incurred but not reported claims, making it possible that the final resolution of some of these claims may require us to make significant expenditures in excess of existing reserves. Self-insurance reserves of EUR 121 million are included as liabilities on the balance sheet as of 31 December 2010.

Increasing costs associated with our defined benefit pension plans may adversely affect our results of operations, financial position or liquidity

Most of our operating companies have pension plans, the structures and benefits of which vary with conditions and practices in the countries concerned. Pension benefits may be provided through defined contribution plans or defined benefit plans.

A defined contribution plan is a post-employment benefit plan under which we and / or the associate pays fixed contributions usually to a separate entity. Under such a plan, there are no legal or constructive obligations to pay further contributions, regardless of the performance of the funds held to satisfy future benefit payments. The actual retirement benefits are determined by the value of the contributions paid and the subsequent performance of investments made with these funds.

A defined benefit plan is a post-employment benefit plan which normally defines an amount of benefit that an employee will receive upon retirement, usually dependent on one or more factors such as age, years of services, compensation and / or guaranteed returns on contributions made.

We have defined benefit plans at several of our entities and a total of approximately 20% of our associates were covered by defined benefit plans at the end of 2010. Assumptions related to future costs, return on investments, interest rates and other actuarial assumptions have a significant impact on our funding requirements related to these plans. These estimates and assumptions may change based on actual return on plan assets, changes in interest rates and any changes in governmental regulations. Therefore, our funding requirements may change and additional contributions could be required in the future. If, as of a balance sheet date, the fair value of any plan assets of a defined benefit plan is lower than the defined benefit obligations (determined based on actuarial assumptions), we bear a theoretical “underfunding risk” at that moment in time. At the end of 2010, we recognised a net liability of EUR 79 million.

We may not achieve all cost savings anticipated through our U.S. support services restructuring, which may reduce, delay or otherwise hinder our ability to implement our “New Game Plan” that we announced in December 2009 involving our operating companies’ fine-tuning their pricing strategies to achieve local value leadership and accelerated growth

Effective 1 February 2010, the support functions for Food Lion, Bloom, Harveys, Bottom Dollar Food, Hannaford and Sweetbay began to be integrated within the U.S. segment of Delhaize Group, while maintaining the unique go-to-market strategies of each of these banners. In this new structure, the banner organisations can benefit from by common U.S. support services for supply chain, IT, finance, human resources, organisational change management, legal and government relations, communications, strategy and research, and corporate development. The goal of these common support services is to create greater efficiencies and scale, and the elimination of redundancies, as well as to become more flexible in the integration of acquisitions, and ultimately better serve our banners and customers. This restructuring is also expected to simplify our legal, accounting and tax compliance requirements. We anticipate that cost savings achieved through our U.S. support services restructuring will help fund our New Game Plan that was announced in December 2009. A significant component of our New Game Plan involves, among other things, our operating companies’ fine-tuning their pricing strategies to achieve local value leadership. Our New Game Plan is intended to accelerate our growth. However, we cannot provide assurance that we will achieve all cost savings anticipated through our U.S. support services restructuring, or through other related initiatives, which may reduce, delay or otherwise hinder our ability to implement our New Game Plan.

FACTORS WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE MARKET RISKS ASSOCIATED WITH THE BONDS

The Bonds may not be a suitable investment for all investors

Each potential investor in the Bonds must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Bonds, the merits and risks of investing in the Bonds and the information contained or incorporated by reference in this Prospectus or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Bonds and the impact the Bonds will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Bonds, including where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Bonds and be familiar with the behaviour of any relevant financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

There is no active trading market for the Bonds

The Bonds are new securities which may not be widely traded and for which there is currently no active trading market. The Issuer has filed an application to have the Bonds listed on Euronext Brussels and admitted to trading on the regulated market of Euronext Brussels. If the Bonds are admitted to trading after their issuance, they may trade at a discount to their initial offering price, depending upon prevailing interest rates, the market for similar securities, general economic conditions and the financial condition of the Issuer. There is no assurance that an active trading market will develop. Accordingly, there is no assurance as to the development or liquidity of any trading market for the Bonds. Therefore, investors may not be able to sell their Bonds easily or at all, or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. Illiquidity may have a severely adverse effect on the market value of Bonds. In the event that put options are exercised in accordance with Condition 6.3, liquidity will be reduced for the remaining Bonds. Furthermore, it cannot be guaranteed that the admission to listing and trading once approved will be maintained.

The Bonds are exposed to market interest rate risk

Investment in the Bonds involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds. The longer the maturity of bonds, the more exposed bonds are to fluctuations in market interest rates.

The market value of the Bonds may be affected by the creditworthiness of the Issuer and a number of additional factors

The value of the Bonds may be affected by the creditworthiness of the Issuer and a number of additional factors, such as market interest and yield rates and the time remaining to the maturity date and more generally all economic, financial and political events in any country, including factors affecting capital

markets generally and the stock exchanges on which the Bonds are traded. Furthermore, the Bonds do not have a credit rating, and the Issuer currently does not intend to request a credit rating for the Bonds at a later date. This may impact the trading price of the Bonds. The price at which a Bondholder will be able to sell the Bonds prior to maturity may be at a discount, which could be substantial, from the issue price or the purchase price paid by such purchaser.

The Bonds may be redeemed prior to maturity

In the event: (A) of the occurrence of an Event of Default (as defined in Condition 9 (*Events of Default*)); or (B) that the Issuer would be obliged (as set out in Condition 8 (*Taxation*)) to increase the amounts payable in respect of any Bonds as a result of any change in, or amendment to, the laws, treaties or regulations of Belgium or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws, treaties or regulations, which change or amendment becomes effective on or after the Issue Date, the Bonds may be redeemed prior to maturity in accordance with the Conditions.

The Bonds may be redeemed prior to maturity in the event of a change of control

Each Bondholder will have the right to require the Issuer to repurchase all or any part of such holder's Bonds at the Put Redemption Amount upon the occurrence of an Early Redemption Event, as such terms are defined herein, and in accordance with the Conditions of the Bonds (the **Change of Control Put**). In the event that the Change of Control Put right is exercised by holders of at least 85% of the aggregate principal amount of the Bonds, the Issuer may, at its option, redeem all (but not less than all) of the Bonds then outstanding pursuant to Condition 6.3. (*Redemption at the Option of Bondholders*). However, Bondholders should be aware that, in the event that (i) holders of 85% or more of the aggregate principal amount of the Bonds exercise their option under Condition 6.3. (*Redemption at the Option of Bondholders*), but the Issuer does not elect to redeem the remaining outstanding Bonds, or (ii) holders of a significant proportion, but less than 85% of the aggregate principal amount of the Bonds exercise their option under Condition 6.3. (*Redemption at the Option of Bondholders*), Bonds in respect of which the Change of Control Put is not exercised may be illiquid and difficult to trade.

Potential investors should be aware that the Change of Control Put can only be exercised upon the occurrence of an Early Redemption Event as defined in the Conditions, which may not cover all situations where a change of control may occur or where successive changes of control occur in relation to the Issuer. Bondholders deciding to exercise the Change of Control shall have to do this through the bank or other financial intermediary through which the Bondholder holds the Bonds (the **Financial Intermediary**) and are advised to check when such Financial Intermediary would require to receive instructions and Change of Control Put Exercise Notices from Bondholders in order to meet the deadlines for such exercise to be effective. The fees and/or costs, if any, of the relevant Financial Intermediary shall be borne by the relevant Bondholders.

The Bonds may be affected by the turbulence in the global credit markets

Potential investors should be aware of the turbulence in the global credit markets which has led to a general lack of liquidity in the secondary market for instruments similar to the Bonds. The Issuer cannot predict when these circumstances will change and if and when they do there can be no assurance that conditions of general market illiquidity for the Bonds and instruments similar to the Bonds will not return in the future.

Modification to the Conditions of the Bonds can be imposed on all Bondholders upon approval by defined majorities of Bondholders

The Conditions of the Bonds contain provisions for calling meetings of Bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Bondholders

including Bondholders who did not attend and vote at the relevant meeting and Bondholders who voted in a manner contrary to the majority.

The Bonds may be exposed to exchange rate risks and exchange controls

The Issuer will pay principal and interest on the Bonds in Euro. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the **Investor's Currency**) other than the Euro. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Euro or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Euro would decrease (1) the Investor's Currency-equivalent yield on the Bonds, (2) the Investor's Currency equivalent value of the principal payable on the Bonds, and (3) the Investor's Currency equivalent market value of the Bonds.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Certain payments in respect of the Bonds may be impacted by the EU Savings Directive

Under the EC Council Directive 2003/48/EC on the taxation of savings income (the **EU Savings Directive**), member states of the European Union (the **EU Member States** and each a **EU Member State**) are required to provide to the tax authorities of another EU Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other EU Member State or to certain limited types of entities established in other EU Member States. However, for a transitional period, the Grand Duchy of Luxembourg and Austria are instead required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland). Until 31 December 2009, Belgium also operated a transitional withholding tax system as provided above. By two Royal Decrees dated 27 September 2009 and published in the Belgian Official Gazette (*Belgisch Staatsblad/Moniteur Belge*) on 1 October 2009, the Belgian State elected to abandon the transitional withholding system and to provide information in accordance with the EU Savings Directive effective as of 1 January 2010.

On 15 September 2008 the European Commission issued a report to the Council of the European Union on the operation of the EU Savings Directive, which included the Commission's advice on the need for changes to the EU Savings Directive. On 13 November 2008 the European Commission published a more detailed proposal for amendments to the EU Savings Directive, which included a number of suggested changes. The European Parliament expressed its opinion on the proposal on 24 April 2009 and the Council adopted unanimous conclusions on 9 June 2009 relating to the proposal.

If any of those proposed changes are made in relation to the EU Savings Directive, they may amend or broaden the scope of the requirements described above.

If a payment were to be made or collected through a paying agent established in any state which applies the withholding tax system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuer nor the Agent nor any other person would be obliged to pay additional amounts to the Bondholders or to otherwise compensate Bondholders for the reductions in the amounts that they will receive as a result of the imposition of such withholding tax.

Payments made in respect of the Bonds may be subject to Belgian withholding tax

If the Issuer, the NBB, the Agent or any other person is required by law to make any withholding or deduction for, or on account of, any present or future taxes, duties or charges of whatever nature in respect of any payment in respect of the Bonds, the Issuer, the NBB, the Agent or that other person shall make such payment after such withholding or deduction has been made and will account to the relevant authorities for the amount so required to be withheld or deducted.

The Issuer will pay such additional amounts as may be necessary in order that the net payment received by each Bondholder in respect of the Bonds, after withholding for any taxes imposed by tax authorities in Belgium upon payments made by or on behalf of the Issuer in respect of the Bonds, will equal the amount which would have been received in the absence of any such withholding taxes, except that no such additional amounts shall be payable in respect of any Bond under the circumstances defined in Condition 8 (*Taxation*).

Potential purchasers and sellers of the Bonds may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Bonds are transferred or other jurisdictions

Potential purchasers and sellers of the Bonds should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Bonds are transferred or other jurisdictions. Potential investors are advised not to rely upon the tax summary contained in this Prospectus but to seek the advice of a tax professional regarding their individual tax liabilities with respect to the acquisition, sale and redemption of the Bonds. Only these advisors are in a position to duly consider the specific situation of the potential investor. This investment consideration has to be read in connection with the taxation sections of this Prospectus.

Changes in governing law could modify certain Conditions

The Conditions are based on the laws of Belgium in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to the laws of Belgium, the official application, interpretation or the administrative practice after the date of this Prospectus.

Relationship with the Issuer

All notices and payments to be delivered to the Bondholders will be distributed by the Issuer to such Bondholders in accordance with the Conditions. In the event that a Bondholder does not receive such notices or payments, its rights may be prejudiced. However, such Bondholders may not have a direct claim against the Issuer.

The transfer of the Bonds, any payments made in respect of the Bonds and all communications with the Issuer will occur through the Clearing System

The Bonds will be issued in dematerialised form under the Belgian Company Code and cannot be physically delivered. The Bonds will be represented exclusively by book entries in the records of the Clearing System. Access to the Clearing System is available through its Clearing System participants whose membership extends to securities such as the Bonds. Clearing System participants include certain banks, stockbrokers (*beursvennootschappen/sociétés de bourse*), and Euroclear and Clearstream, Luxembourg. Transfers of interests in the Bonds will be effected between the Clearing System participants in accordance with the rules and operating procedures of the Clearing System. Transfers between investors will be effected in accordance with the respective rules and operating procedures of the Clearing System participants through which they hold their Bonds. The Issuer and the Agent will have no responsibility for the proper performance by the Clearing System or the Clearing System participants of their obligations under their respective rules and operating procedures.

A Bondholder must rely on the procedures of the Clearing System to receive payments under the Bonds. The Issuer will have no responsibility or liability for the records relating to, or payments made in respect of, the Bonds within the Clearing System.

The Domiciliary Agent is not required to segregate amounts received by it in respect of Bonds cleared through the Clearing System

The Conditions of the Bonds and the Agency Agreement provide that the Agent will debit the relevant account of the Issuer and use such funds to make payment to the Bondholders. The Agency Agreement provides that the Agent will, simultaneously with the receipt by it of the relevant amounts, pay to the Bondholders, directly or through the NBB, any amounts due in respect of the relevant Bonds. However, the Agent is not required to segregate any such amounts received by it in respect of the Bonds, and in the event that the Agent were subject to insolvency proceedings at any time when it held any such amounts, Bondholders would not have any further claim against the Issuer in respect of such amounts, and would be required to claim such amounts from the Agent in accordance with applicable Belgian insolvency laws.

The Agent is not required to segregate amounts received by it in respect of Bonds cleared through the Clearing System

The Conditions of the Bonds and the Agency Agreement (as defined below) provide that the Agent (as defined below) will debit the relevant account of the Issuer and use such funds to make payment to the Bondholders. The Agency Agreement provides that the Agent will, simultaneously with the receipt by it of the relevant amounts, pay to the Bondholders, directly or through the NBB, any amounts due in respect of the relevant Bonds. However, the Agent is not required to segregate any such amounts received by it in respect of the Bonds, and in the event that the Agent were subject to insolvency proceedings at any time when it held any such amounts, Bondholders would not have any further claim against the Issuer in respect of such amounts, and would be required to claim such amounts from the Agent in accordance with applicable Belgian insolvency laws.

The Issuer, the Agent and the Managers may engage in transactions adversely affecting the interests of the Bondholders

The Agent and the Managers might have conflicts of interests which could have an adverse effect on the interests of the Bondholders. Potential investors should be aware that the Issuer is involved in a general business relationship or/and in specific transactions with the Agent, the Calculation Agent or/and each of the Managers and that they might have conflicts of interests which could have an adverse effect to the interests of the Bondholders. Potential investors should also be aware that the Agent, the Calculation Agent and each of the Managers may hold from time to time debt securities, shares or/and other financial instruments of the Issuer.

Within the framework of normal business relationship with its banks, the Issuer entered into loans and other facilities (the **Funding Transactions**) with each of the Managers (via bilateral transactions or/and syndicated loans together with other banks). It has to be noted that these Funding Transactions may include different or/and additional terms (and other covenants) compared to the terms of the proposed Bonds.

In particular (but without providing an exhaustive overview herein), the attention of the potential purchaser of Bonds is drawn to the fact that the Conditions of the Bonds do not include an event of default clause specifically protecting the Bondholders against a potential sale of all or substantially all of the assets of the Issuer or one of its material subsidiaries, or/and any change to the general nature of the business of the Issuer from that carried out on the Issue Date and having (or being capable of having) a material adverse effect on the Issuer to perform or comply with its obligations under the Bonds.

Legal investment considerations may restrict certain investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) Bonds are legal investments for it, (ii) Bonds can be used as collateral for various types of borrowing, and (iii) other restrictions apply to its purchase or pledge of any Bonds. The investors should consult their legal advisers to determine the appropriate treatment of Bonds under any applicable risk-based capital or similar rules.

The Calculation Agent does not assume any fiduciary duties or other obligations to the Bondholders and, in particular, is not obliged to make determinations which protect their interests

Fortis Bank NV/SA will act as the Issuer's Calculation Agent. In its capacity as Calculation Agent, it will act in accordance with the Conditions of the Bonds in good faith and endeavour at all times to make its determinations in a commercially reasonable manner. However, Bondholders should be aware that the Calculation Agent does not assume any fiduciary or other obligations to the Bondholders and, in particular, is not obliged to make determinations which protect or further the interests of the Bondholders.

The Calculation Agent may rely on any information that is reasonably believed by it to be genuine and to have been originated by the proper parties. The Calculation Agent shall not be liable for the consequences to any person (including Bondholders) of any errors or omissions in (i) the calculation by the Calculation Agent of any amount due in respect of the Bonds or (ii) any determination made by the Calculation Agent in relation to the Bonds or interests, in each case in the absence of bad faith or wilful default. Without prejudice to the generality of the foregoing, the Calculation Agent shall not be liable for the consequences to any person (including Bondholders) of any such errors or omissions arising as a result of (i) any information provided to the Calculation Agent proving to have been incorrect or incomplete or (ii) any relevant information not being provided to the Calculation Agent on a timely basis.

Financial condition of the Issuer

In the future, the Issuer could decide to increase its indebtedness, which could make it difficult to meet its obligations in the context of the Bonds or could cause the value of the Bonds to decrease. The general conditions of the Bonds do not limit the amount of unsecured debts that the Issuer can incur. If the Issuer incurs additional debts, this could have important consequences for the Bondholders, as it could become more difficult for the Issuer to meet its obligations with respect to the Bonds which could lead to a loss in the commercial value of the Bonds.

The Bonds are unsecured obligations of the Issuer

The right of the Bondholders to receive payment on the Bonds is not guaranteed (except for the guarantee in accordance with the Cross Guarantee Agreement). The Bonds will be general, unsecured, unprivileged Bonds.

The Issuer may not have the ability to repay the Bonds

The Issuer may not be able to repay the Bonds at their maturity. The Issuer may also be required to repay all or part of the Bonds in the event of a default. If the Bondholders were to ask the Issuer to repay their Bonds following an event of default, the Issuer cannot be certain that it will be able to pay the required amount in full. The Issuer's ability to repay the Bonds will depend on the Issuer's financial condition (including its cash position resulting from its ability to receive income and dividends from its subsidiaries (see above)) at the time of the requested repayment, and may be limited by law, by the terms of its indebtedness and by the agreements that it may have entered into on or before such date, which may replace, supplement or amend its existing or future indebtedness. The Issuer's failure to repay the Bonds may result in an event of default under the terms of other outstanding indebtedness.

The Bonds do not have a credit rating, and the Issuer has no future plans to request a credit rating for the Bonds, which may make the price of the Bonds difficult to determine

The Bonds do not have a credit rating at the time of the Public Offer, and the Issuer currently has no future plans to request a credit rating for the Bonds. There is no guarantee that the price of the Bonds and the other Conditions at the time of the Public Offer, or at a later date, will cover the credit risk related to the Bonds and the Issuer.

Credit ratings assigned to the Issuer may not reflect all risks

Standard & Poor's and Moody's have assigned ratings to the Issuer. The ratings may not reflect the potential impact of all risks related to the value of the Bonds. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the assigning rating agency at any time.

Belgian insolvency laws may adversely affect a recovery by the holders of amounts payable under our debt securities

The Issuer is incorporated, and has its registered office, in Belgium and, consequently, may be subject to insolvency laws and proceedings in Belgium.

There are two types of insolvency procedures under Belgian law:

- the judicial reorganisation procedure (*réorganisation judiciaire/gerechtelijke reorganisatie*) which was introduced by the Belgian Act on Continuity of 31 January 2009; and
- the bankruptcy (*faillite/faillissement*) procedure.

Belgian Act on Continuity

(i) Amicable settlement

Any company can enter into an amicable settlement with some or all of its creditors to address its difficult financial situation or to reorganise its enterprise. The amicable settlement does not affect the rights of third parties. The Belgian Act on Continuity provides a safe haven against the risk of the amicable settlement and the related transactions being set aside. In order to benefit from this safe haven, the company has to file a copy of the amicable settlement with the court registry.

(ii) Judicial reorganisation

The aim of a judicial reorganisation is to maintain, under court's supervision, the continuity of all or part of a stressed enterprise or of its activities.

(iii) Moratorium

The judicial reorganisation involves a moratorium granted to the debtor for a period of up to six months. During this moratorium period, no enforcement can take place against the debtor's assets and no bankruptcy proceedings can be opened in respect of the debtor. Creditors will however be able to effect set-off, enforce security over financial collateral and enforce pledges on receivables.

(iv) Judicial reorganisation by way of amicable settlement

During the moratorium period, the debtor can negotiate an amicable settlement with two or more of its creditors. This negotiation takes place under court's supervision. Once agreed, the amicable settlement will be presented to the court and the moratorium will end. The amicable settlement as

presented to the court benefits from the same safe haven as the amicable settlement reached outside of the judicial reorganisation (as set out above).

(v) Judicial reorganisation by way of a collective agreement

The debtor can also prepare a reorganisation plan involving a description of the restructuring it intends on implementing and a description of the creditors' rights following that restructuring. Certain secured creditors can see their payments deferred and enforcement rights suspended in the reorganisation plan for a period of up to 24 months on the condition that they are being paid interest. The reorganisation plan must be approved by more than half of the creditors representing more than half of the principal amount of the claims involved. If the plan is approved, the court will sanction the reorganisation plan and the moratorium will end. The debtor will be held to implement and comply with the reorganisation plan and if it fails to do so, the creditors may require the court to revoke its approval of the reorganisation plan.

(vi) Judicial reorganisation by way of a transfer of enterprise under court supervision

The court can order the transfer of all or part of the activity of the debtor either with the debtor's consent or without such consent at the request of any interested party in the event the debtor is bankrupt or if an attempted reorganisation of the debtor has failed. The court will appoint a representative who will manage the sale and transfer. Once an offer has been selected, the court will hear the various stakeholders, including the creditors, and will approve, where appropriate subject to conditions, or reject the sale. The employment contracts will transfer with the enterprise but the purchaser can decide how many employees are transferred and can renegotiate the terms of the employment contracts. Following the completion of the sale of the enterprise, the creditors will be entitled to exercise their rights on the sale proceeds and the judicial reorganisation will be closed. The remaining part of the enterprise can then be submitted to other insolvency, reorganisation or winding-up proceedings.

Bankruptcy

A company which, on a sustained basis, has ceased to make payments and whose credit is impaired, will be deemed to be in a state of bankruptcy. Within one month after the cessation of payments, the company must file for bankruptcy. Bankruptcy procedures may also be initiated on the request of unpaid creditors or on the initiative of the public prosecutor.

Once the court decides that the requirements for bankruptcy are met, the court will establish a date before which claims for all unpaid debts must be filed by creditors. A bankruptcy trustee will be appointed to assume the operation of the business and to organise a sale of the debtor's assets, the distribution of the proceeds thereof to creditors and the liquidation of the debtor.

Payments or other transactions (as listed below) made by a company during a certain period of time prior to that company being declared bankrupt (the **suspect period**) (*période suspecte/verdachte periode*) can be voided for the benefit of the creditors. The court will determine the date of commencement and the duration of the suspect period. This period starts on the date of sustained cessation of payment of debts by the debtor. The court can only determine the date of sustained cessation of payment of debts be a date earlier than the bankruptcy judgment if it has been requested to do so by a creditor proceeding for a bankruptcy judgment or if proceedings are initiated to that effect by the bankruptcy trustee or by any other interested party. This date can in principle not be earlier than six months before the date of the bankruptcy judgment. The ruling determining the date of commencement of the suspect period or the bankruptcy judgment itself can be opposed by third parties, such as other creditors, within 15 days following the publication of that ruling in the Belgian Official Gazette.

The rules on transactions which can or must be voided for the benefit of the bankrupt estate in the event of bankruptcy include the following:

- Any transaction entered into by a Belgian company during the suspect period is ineffective if the value given to such creditors significantly exceeded the value the company received in consideration.
- Security interests granted during the suspect period must be declared ineffective if they intend to secure a debt which existed prior to the date on which the security interested was granted.
- Any payments (in whatever form, i.e. money or in kind or by way of set-off) made during the suspect period of any debt which was not yet due as well as all payments made during the suspect period other than with money or monetary instruments (checks, promissory notes, etc.) must be declared ineffective.

Following a judgment commencing a bankruptcy proceeding, enforcement rights of individual creditors are suspended. Creditors secured by in rem rights, such as share pledges, will regain their ability to enforce their rights under the security after the bankruptcy trustee has verified the creditors' claims.

PART III: DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus shall be read and construed in conjunction with the audited consolidated annual financial statements of the Issuer for the financial years ended 31 December 2010 and 2009 together in each case with the audit report thereon, as well as the Half-Year Report 2011, and with the press releases listed hereunder, which have been previously published or are published simultaneously with this Prospectus and which have been filed with the FSMA. Such documents shall be incorporated in, and form part of this Prospectus, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Prospectus.

Copies of documents incorporated by reference in this Prospectus may be obtained (without charge) from the registered offices of the Issuer and the website of the Issuer (www.delhaizegroup.com).

The table below sets out the relevant page references for (i) the audited consolidated annual financial statements for the financial years ended 2010 and 2009 as set out in the Issuer's Annual Report and (ii) the unaudited financials by 30 June 2011 as set out in the Half-Year Report 2011.

The Issuer confirms that it has obtained the approval from its auditors to incorporate by reference in this Prospectus the auditor's reports for the financial years ended 31 December 2010 and 31 December 2009.

Any information not listed in the cross reference list but included in the documents incorporated by reference is given for information purpose only.

Consolidated audited annual financial statements of the Issuer for the financial year ended 31 December 2010 and 31 December 2009

Delhaize Group SA Annual Report 2010

Corporate governance statement	Pages 50 – 66
Consolidated balance sheet	Pages 74 – 75
Consolidated income statement	Page 76
Consolidated statement of comprehensive income	Page 77
Consolidated statement of changes in equity	Pages 78-79
Consolidated statement of cash flows	Page 80
Notes to the consolidated financial statements	Pages 81 - 142
Report of the statutory auditor	Page 147

Delhaize Group SA Annual Report 2009

Corporate governance statement	Pages 52 – 67
Consolidated balance sheet	Pages 74 – 75
Consolidated income statement	Page 76

Consolidated statement of comprehensive income	Page 77
Consolidated statement of changes in equity	Pages 78 - 79
Consolidated statement of cash flows	Page 80
Notes to the consolidated financial statements	Pages 81 – 142
Report of the statutory auditor	Page 147

Half-Year Report 2011 of the Issuer

Condensed consolidated income statement	Page 9
Condensed consolidated statement of comprehensive income	Page 10
Condensed consolidated balance sheet	Page 11
Condensed consolidated statement of changes of cash flows	Page 12
Condensed consolidated statement of changes in shareholders' equity	Page 13
Selected explanatory notes	Pages 14 – 17
Interim management report	Pages 1 – 7
Report of the statutory auditor	Page 20

The half-year financials are unaudited but have been the subject of a limited review by the auditors.

Other documents incorporated by reference

Press release of 12 September 2011: Delhaize Group creates Delhaize Europe Organisation and appoints Executives to lead European and Belgian Operations.

Press release of 19 August 2011: Disclosure of acquisition of treasury shares

Press release of 5 August 2011: Second Quarter and First Half 2011

Press release of 27 July 2011: Delhaize Group completes Delta Maxi acquisition and becomes a leading retailer in Southeastern Europe

Press release of 18 July 2011: Disclosure of major shareholding

Press release of 13 July 2011: Disclosure of acquisition of treasury shares

Press release of 6 July 2011: Disclosure of major shareholding

Press release of 30 June 2011: Capital structure disclosure made according to the requirements of Belgian Law

Press release of 6 June 2011: Disclosure of major shareholding

Press release of 31 May 2011: Disclosure of major shareholding

Press release of 26 May 2011: Delhaize Group shareholders approve 2010 dividend and elect new members to the Board of Directors

Press release of 4 May 2011: First Quarter 2011

Press release of 25 March 2011: Delhaize Group announces the closing of the exchange offer of its USD 827 million 5.70% senior notes due 2040

Press release of 25 March 2011: Disclosure of major shareholding

Press release of 22 March 2011: Disclosure of acquisition of treasury shares

Press release of 3 March 2011: Delhaize Group becomes a leading retailer in Southeastern Europe through acquisition of Serbian Delta Maxi Group

PART IV: TERMS AND CONDITIONS OF THE BONDS

The following is the text of the Conditions of the Bonds save for the paragraphs in italics that shall be read as complementary information.

The issue of the 4.250 % fixed rate Bonds due 19 October 2018 for an expected amount of minimum EUR 250,000,000 (the **Bonds**, which expression shall, in these Conditions unless otherwise indicated, include any Further Bonds) was (save in respect of any Further Bonds) authorised by a resolution of the Board of Directors of Etablissement Delhaize Frères et Cie 'Le Lion' (Groupe Delhaize) S.A. (the **Issuer**) passed on 3 August 2011 and on 9 September 2011. The Bonds are issued subject to and with the benefit of a domiciliary agency agreement dated 27 September 2011 entered into between the Issuer and Fortis Bank SA/NV acting as domiciliary and paying agent (the **Agent**, which expression shall include any successor as Agent under the Agency Agreement) (such agreement as amended and/or supplemented and/or restated from time to time, the **Agency Agreement**) and will fall within the scope of, and benefit from, the Cross Guarantee Agreement (as defined below). The statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement, the Listing Agreement (as defined below), the Clearing Agreement (as defined below) and the Cross Guarantee Agreement (as amended or supplemented from time to time). Copies of the Agency Agreement, the Listing Agreement, the Clearing Agreement and the Cross Guarantee Agreement are available for inspection during normal business hours at the specified office of the Agent. The specified office of the Agent is at Warandeborg 3 Montagne du Parc, 1000 Brussels. The Bondholders are bound by and deemed to have notice of all the provisions of the Agency Agreement applicable to them.

References herein to **Conditions** are, unless the context otherwise requires, to the numbered paragraphs below.

1. FORM, DENOMINATION AND TITLE

The Bonds are issued in dematerialised form in accordance with Article 468 of the Belgian Code of Companies (*Wetboek van Vennootschappen / Code des Sociétés*) and cannot be physically delivered. The Bonds will be exclusively represented by book entry in the records of the clearing system operated by the National Bank of Belgium (the **NBB**) or any successor thereto (the **Clearing System**). The Bonds can be held by their holders through participants in the Clearing System, including Euroclear and Clearstream, Luxembourg and through other financial intermediaries which in turn hold the Bonds through Euroclear and Clearstream, Luxembourg, or other participants in the Clearing System. The Bonds are accepted for clearance through the Clearing System, and are accordingly subject to the applicable Belgian clearing regulations, including the Belgian law of 6 August 1993 on transactions in certain securities, its implementing Belgian Royal Decrees of 26 May 1994 and 14 June 1994 and the rules of the Clearing System and its annexes, as issued or modified by the NBB from time to time (the laws, decrees and rules mentioned in this Condition being referred to herein as the **Clearing System Regulations**). Title to the Bonds will pass by account transfer. The Bonds may not be exchanged for bonds in bearer form.

If at any time the Bonds are transferred to another clearing system, not operated or not exclusively operated by the NBB, these provisions shall apply mutatis mutandis to such successor clearing system and successor clearing system operator or any additional clearing system and additional clearing system operator (any such clearing system, an **Alternative Clearing System**).

The Bonds are in principal amounts of EUR 1,000 each (the **Specified Denomination**).

2. STATUS OF THE BONDS

- 2.1 The Bonds constitute direct, unconditional, unsubordinated and (subject to Condition 3) unsecured obligations of the Issuer and rank and will at all times rank *pari passu* and rateably, without any preference among themselves, and equally with all other existing and future unsecured and unsubordinated obligations of the Issuer, present and future, save for such obligations that may be preferred by provisions of law that are mandatory and of general application.
- 2.2 The Bonds will fall within the scope, and benefit from, the Cross Guarantee Agreement. Under the Cross Guarantee Agreement, each company party to the agreement guarantees fully and unconditionally, jointly and severally the indebtedness of the Issuer pursuant to the Bonds.

3. NEGATIVE PLEDGE

- 3.1 So long as any Bond remains outstanding, the Issuer:
- (a) will not create or permit to subsist any mortgage, charge, pledge, lien or other form of encumbrance or security interest (**Security**) upon the whole or any part of its undertaking, assets or revenues present or future to secure any Relevant Debt or any guarantee of or indemnity in respect of any Relevant Debt (save under the Cross Guarantee Agreement);
 - (b) will procure that no Material Subsidiary (determined at the time of incurrence) creates or permits to subsist any Security upon the whole or any part of its undertaking, assets or revenues present or future to secure any Relevant Debt issued by the Issuer or any guarantee of or indemnity in respect of any such Relevant Debt (save under the Cross Guarantee Agreement or as set forth under 3.1. (c) below); and
 - (c) will procure that no Material Subsidiary (determined at the time of incurrence) gives any guarantee of, or indemnity in respect of any of the Relevant Debt of the Issuer; unless, at the same time or prior thereto, the Issuer's obligations under the Bonds are secured equally and rateably therewith or benefit from a guarantee or indemnity in substantially identical terms thereto, as the case may be, or have the benefit of such other security, guarantee, indemnity or other arrangement as shall be approved by a general meeting of the Bondholders.
- 3.2 For the purpose of this Condition 3:
- (a) **Material Subsidiary** means a Subsidiary
 - (i) whose (a) revenues, or (b) total assets (in each case determined on a non-consolidated basis and determined on a basis consistent with the preparation of the consolidated financial statements of the Issuer) represent (or, in the case of a Subsidiary acquired after the end of the financial period to which the then latest audited consolidated financial statements of the Issuer relate, are equal to) no less than ten (10)% of the consolidated revenues or total assets (as the case may be) of the Issuer, all as calculated respectively by reference to the then latest audited financial statements of such Subsidiary and the then latest audited consolidated financial statements of the Issuer provided that:
 - (A) in the case of a Subsidiary acquired after the end of the financial period to which the then latest audited consolidated financial statements of the Issuer relate, the reference to the then latest audited consolidated financial statements of the Issuer for the purposes of the calculation above shall, until consolidated financial statements of the Issuer for the financial period in which the acquisition is made have been prepared and audited as aforesaid,

be deemed to be a reference to such first mentioned financial statements as if such Subsidiary had been shown in such accounts by references to its then latest audited financial statements, adjusted as deemed appropriate by the auditors of the relevant Subsidiary from time to time (the **Auditors**); and

(B) in the case of a Subsidiary in respect of which no audited financial statements are prepared, its revenues and total assets shall be determined on the basis of pro forma financial statements of the relevant Subsidiary prepared for this purpose by the Auditors on the basis of accounting principles consistent with those adopted by the Issuer; or

(ii) to which is transferred the whole or substantially the whole of the business, undertaking or assets of a Subsidiary which prior to transfer is a Material Subsidiary, provided that the transferor Subsidiary shall upon such transfer forthwith cease to be Material Subsidiary pursuant to this sub-paragraph (ii) on the date on which the consolidated financial statements of the Issuer for the financial period current at the date of such transfer have been prepared and audited as aforesaid but so that such transferor Subsidiary or such transferee Subsidiary may be a Material Subsidiary on or at any time after the date on which such consolidated financial statements have been prepared and audited as aforesaid by virtue of the provisions of sub-paragraph (i) above or before, on or at any time after such date by virtue of the provisions of this sub-paragraph (ii).

(iii) A report by the Auditors that, in their opinion, a Subsidiary is or is not or was not at any particular time or throughout any specified period a Material Subsidiary shall, in the absence of manifest error, be conclusive and binding on all parties.

(b) **Relevant Debt** means any present or future indebtedness in the form of, or represented by, bonds, notes, debentures or other securities which are for the time being, or are capable of being, quoted, listed or ordinarily dealt in on any stock exchange, over the counter or other securities market.

(c) **Subsidiary** means, at any particular time, a company which is then directly or indirectly controlled, or more than 50% of the issued share capital (or equivalent) of which is then beneficially owned by the Issuer and/or one or more of its representative Subsidiaries. For a company to be “**controlled**” by another means that the other (whether directly or indirectly and whether by ownership of share capital, the possession of voting power, contract or otherwise) has the power to appoint and/or remove all or the majority of the members of the board of directors or other governing body of that company.

3.3 The prohibition contained in this Condition 3 does not apply to Security either:

(a) existing in connection with Relevant Debt which is assumed by the Issuer at the time of the assumption,

(b) existing over undertakings, assets or revenues which are acquired by the Issuer at the time of acquisition, or

(c) existing prior to an entity (whether or not a Subsidiary) becoming a Material Subsidiary.

3.4 For the avoidance of doubt, nothing in this Condition 3 is intended to prevent a Material Subsidiary from giving any guarantee or indemnity in respect of any obligations of any person other than in respect of Relevant Debt of the Issuer (as provided in 3.1.(c) above), nor in particular is anything in

this Condition 3 intended to prevent any Material Subsidiary from giving together with the Issuer any guarantee or indemnity in respect of any Relevant Debt of any third person.

4. DEFINITIONS

In these Conditions, unless otherwise provided:

Alternative Clearing System has the meaning provided in Condition 1.

Auditors has the meaning provided in Condition 3.

Board of Directors means the board of directors of the Issuer or any committee thereof duly authorised to act on behalf of the board of directors.

Bondholder means, in respect of any Bond, the person entitled thereto in accordance with the Clearing System Regulations.

business day means, in relation to any place, a day (other than a Saturday or Sunday) on which commercial banks and foreign exchange markets are open for business in that place.

Calculation Agent has the meaning provided in Condition 6.3.

a **Change of Control** shall occur:

- (a) if an offer is made by any person, to all (or as nearly as may be practicable all) Shareholders (or all (or as nearly as may be practicable all) such Shareholders other than the offeror and/or any parties acting in concert (as defined Article 3, paragraph 1, 5° of the Belgian law of 1 April 2007 on public takeover bids or any modification or re-enactment thereof) with the offeror), to acquire all or a majority of the issued ordinary share capital of the Issuer and (the period of such offer being closed, the definitive results of such offer having been announced and such offer having become unconditional in all respects) the offeror has acquired or, following the publication of the results of such offer by the offeror, is entitled to acquire as a result of such offer, post completion thereof, Ordinary Shares or other voting rights of the Issuer so that it, as the case may be, together with any party acting in concert (as defined Article 3, paragraph 1, 5° of the Belgian law of 1 April 2007 on public takeover bids or any modification or re-enactment thereof) holds more than 50% of the Ordinary Shares or other voting rights of the Issuer, whereby the date on which the Change of Control shall be deemed to have occurred shall be the date of the publication by the offeror of the results of the relevant offer (and for the sake of clarity prior to any reopening of the offer in accordance with Article 42 of the Royal Decree of 27 April 2007 on Takeover Bids); and/or
- (b) on the first day on which a majority of the members of the Issuer's Board of Directors are not Continuing Directors.

Change of Control Notice has the meaning provided in Condition 6.3.

Change of Control Period shall commence on the date of the Change of Control, and shall end 60 days after the date of the Change of Control (which period shall be extended following consummation of a Change of Control for so long as any Rating Agency has publicly announced within the period ending 60 days after the Change of Control that it is considering a possible Rating Downgrade, provided that the Change of Control Period shall not extend more than 60 days after the public announcement of such consideration.

Change of Control Put Exercise Period means the period commencing on the date of an Early Redemption Event and ending 60 calendar days following the Early Redemption Event, or, if later, 60 calendar days following the date on which a Change of Control Notice is given to Bondholders as required by Condition 6.3.

Change of Control Put Date has the meaning provided in Condition 6.3.

Change of Control Put Exercise Notice has the meaning provided in Condition 6.3.

Clearing Agreement shall mean the clearing services agreement (*Convention de Services de Clearing relatifs à l'émission d'obligations dématérialisées*) to be dated on or about the Issue Date between the Issuer, the Agent and the NBB;

Clearing System has the meaning provided in Condition 1.

Clearing System Regulations has the meaning provided in Condition 1.

Clearstream, Luxembourg means Clearstream Banking, *société anonyme*.

Consolidated Capitalisation means, with respect to any Person, the total assets of such person and its Subsidiaries determined on a consolidated basis, less the following: (i) current liabilities, including liabilities for indebtedness maturing more than 12 months from the date of the original creation thereof but maturing within 12 months from the date of determination and (ii) deferred income taxes. Consolidated Capitalisation shall be determined in accordance with generally accepted accounting principles and practices applicable to the type of business in which such person and its Subsidiaries are engaged and which are approved by independent accountants regularly retained by such person, and may be determined as of a date not more than 60 days prior to the happening of the event for which such determination is being made.

Continuing Directors means, as of any date of determination, any member of the Board of Directors who (1) was a member of such Board of Directors on the Issue Date; or (2) was proposed for election, elected or appointed to such Board of Directors with the approval of a majority of the Continuing Directors who were members of such Board of Directors at the time of such nomination, election or appointment;

Cross Guarantee Agreement means cross guarantee agreement dated 21 May 2007 among the Issuer, Delhaize America and substantially all of the Delhaize America's subsidiaries, supplemented by a Joinder Agreement dated 18 December 2009 by Delhaize US Holding, Inc., as amended or updated from time to time and governed by the laws of the State of New York.

Cross Guarantor means each of the guarantors that is a party to the Cross Guarantee Agreement.

Disposition has the meaning provided in Condition 10.2.

Early Redemption Event has the meaning provided in Condition 6.3.

EUR, euro or € means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended.

Euroclear means Euroclear Bank S.A./N.V.

Event of Default has the meaning provided in Condition 9.

Extraordinary Resolution has the meaning provided in the Agency Agreement.

Further Bonds means any further Bonds issued pursuant to Condition 14 and consolidated and forming a single series with the then outstanding Bonds.

Interest Payment Date has the meaning provided in Condition 5.1.

Interest Period has the meaning provided in Condition 5.1.

Issue Date means 19 October 2011.

Listing Agreement means the listing agreement to be dated on or about the Issue Date between the Issuer and Fortis Bank NV/SA.

Major Subsidiary has the meaning provided in Condition 10.2.

Material Subsidiary has the meaning provided in Condition 3.2.

Maturity Date means 19 October 2018.

NBB has the meaning assigned to it in Condition 1.

Ordinary Shares means fully paid ordinary shares in the capital of the Issuer currently with no-par value.

a “**person**” includes any individual, company, corporation, firm, partnership, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity).

Put Redemption Amount has the meaning provided in Condition 6.3.

Rating Agency means Standard & Poor's Rating Services, a Division of The McGraw-Hill Companies, Inc., or Moody's Investor Service Inc. and their respective successors and assigns.

Rating Downgrade means a downgrade of any rating of the Issuer by a Rating Agency, following a downgrade of any rating of the Issuer decided by the other Rating Agency (it being understood that a Rating Downgrade will occur only at the time where the second Rating Agency shall have announced the downgrade).

Relevant Date means, in respect of any Bond, whichever is the later of:

- (a) the date on which payment in respect of it first becomes due; and
- (b) if any amount of the money payable is improperly withheld or refused the date on which payment in full of the amount outstanding is made or (if earlier) the date on which notice is duly given by the Issuer to the Bondholders in accordance with Condition 13 that such payment will be made, provided that such payment is in fact made as provided in these Conditions.

Relevant Debt has the meaning provided in Condition 3.2.

Security has the meaning provided in Condition 3.1.

Shareholders means the holders of Ordinary Shares.

Specified Denomination has the meaning provided in Condition 1.

Subsidiary has the meaning provided in Condition 3.2.

TARGET Business Day means a day (other than a Saturday or Sunday) on which the TARGET System is operating for the settlement of payments in euro.

TARGET System means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) system, or any successor thereto.

Taxes has the meaning provided in Condition 8.

References to any act or statute or any provision of any act or statute shall be deemed also to refer to any statutory modification or re-enactment thereof or any statutory instrument, order or regulation made thereunder or under such modification or re-enactment.

5. INTEREST

5.1 Interest Rate and Interest Payment Dates

Each Bond bears interest from (and including) the Issue Date at the rate of 4.250 % per annum calculated by reference to its principal amount and such interest amount is payable annually in arrear on 19 October in each year (each an **Interest Payment Date**), commencing with the Interest Payment Date falling on 19 October 2012.

When interest is required to be calculated in respect of any period which is shorter than an Interest Period, it shall be calculated on the basis of (i) the actual number of days in the relevant period from (and including) the first day of such period to (but excluding) the date on which it falls due divided by (ii) the actual number of days from (and including) the immediately preceding Interest Payment Date (or, if none, the Issue Date) to (but excluding) the next following Interest Payment Date.

Interest Period means the period beginning on (and including) the Issue Date and ending on (but excluding) the first Interest Payment Date and each successive period beginning on (and including) an Interest Payment Date and ending on (but excluding) the next succeeding Interest Payment Date.

5.2 Accrual of Interest

Each Bond will cease to bear interest from and including its due date for redemption or repayment thereof unless payment of principal is improperly withheld or refused or unless default is otherwise made in respect of payment, in which event interest will continue to accrue at the rate specified in Condition 5.1. (both before and after judgment) until the day on which all sums due in respect of such Bond up to that day are received by or on behalf of the relevant holder.

6. REDEMPTION AND PURCHASE

6.1 Final Redemption

Unless previously purchased and cancelled or redeemed as herein provided, the Bonds will be redeemed at their principal amount on the Maturity Date. The Bonds may only be redeemed at the option of the Issuer prior to the Maturity Date in accordance with Conditions 6.2. and 6.3.

6.2 Redemption for taxation reasons

The Bonds may be redeemed at the option of the Issuer in whole, but not in part, at any time, on giving not less than 30 nor more than 60 days' notice to the Bondholders in accordance with

Condition 13 (which notice shall be irrevocable), at their principal amount, (together with interest accrued to the date fixed for redemption), if

- (a) the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8 as a result of (i) any change in, or amendment to, the laws or regulations of Belgium or any political subdivision or any authority thereof or therein having power to tax, or (ii) any change in the application or official interpretation of such laws or regulations, which change, amendment application or interpretation becomes effective on or after the Issue Date, and
- (b) such obligation cannot be avoided by the Issuer taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Bonds then due. Prior to the publication of any notice of redemption pursuant to this paragraph, the Issuer shall deliver to the Agent a certificate signed by two directors of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

6.3 Redemption at the Option of Bondholders

- (a) Upon a Change of Control

In the event that

- (i) a Change of Control occurs at the time the Issuer is not rated; or
- (ii) a Change of Control occurs at the time the Issuer is rated and within the Change of Control Period, a Rating Downgrade resulting (in whole or in part) from that Change of Control occurs,

(each an **Early Redemption Event**), then:

each Bondholder will have the right to require the Issuer to redeem all or any part of their Bonds on the Change of Control Put Date at the Put Redemption Amount.

To exercise such right, the relevant Bondholder must complete and deposit with the bank or other financial intermediary through which the Bondholder holds Bonds (the **Financial Intermediary**) for further delivery to the Issuer (with a copy to the specified office of the Agent) a duly completed and signed notice of exercise in the form for the time being current obtainable from the specified office of the Agent (a **Change of Control Put Exercise Notice**), at any time during the Change of Control Put Exercise Period, provided that the Bondholders must check with their Financial Intermediary, as applicable, when such Financial Intermediary would require to receive instructions and Change of Control Put Exercise Notices in order to meet the deadlines for such exercise to be effective. The **Change of Control Put Date** shall be the fourteenth TARGET Business Day after the expiry of the Change of Control Put Exercise Period. By delivering a Put Exercise Notice, the Bondholder shall undertake to hold the Bonds up to the date of effective redemption of the Bonds

Payment in respect of any such Bond shall be made by transfer to a euro account maintained with a bank in a city in which banks have access to the TARGET System as specified by the relevant Bondholder in the relevant Change of Control Put Exercise Notice.

A Change of Control Put Exercise Notice, once delivered, shall be irrevocable and the Issuer shall redeem all Bonds the subject of Change of Control Put Exercise Notices delivered as aforesaid on the Change of Control Put Date.

If, as a result of this Condition 6.3, Bondholders submit Change of Control Put Exercise Notices in respect of at least 85% per cent. of the aggregate principal amount of the Bonds for the time being outstanding, the Issuer may, having given not less than 15 nor more than 30 days notice to the Bondholders in accordance with Condition 13 (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem all (but not some only) of the Bonds then outstanding at the Put Redemption Amount. Payment in respect of any such Bond shall be made as specified above.

For the purposes of this Condition 6.3:

Calculation Agent means Fortis Bank SA/NV or such other leading investment, merchant or commercial bank as may be appointed from time to time by the Issuer for purposes of calculating the Put Redemption Amount, and notified to the Bondholders in accordance with Condition 13;

Put Redemption Amount means an amount per Bond calculated by the Calculation Agent by multiplying the Redemption Rate by the Specified Denomination of such Bond and rounding, if necessary, the resultant figure to nearest minimum sub-unit of euro (half of such unit being rounded downwards), and by adding any accrued but unpaid interest of such Bond to (but excluding) the relevant repayment date; and

Redemption Rate means $\text{MIN}(101\%; 99.992\% \times \text{Exp}(T \times 0.74720148386\%))$, rounded down to the 9th decimal.

T means the time, expressed in decimals of a year, elapsed from (and including) the Issue Date until (and including) the relevant redemption date.

For the avoidance of any doubt, "**Exp**" means the exponential function meaning the function e^x , where e is the number (approximately 2.718) such that the function e^x equals its own derivative.

The Put Redemption Amount applicable in the case of, or following, the Early Redemption Event referred to under Conditions 6.3 (i)(a), reflects a maximum yield of 0.75 points above the yield of the Bonds on the Issue Date up to the Maturity Date in accordance with the "Arrêté Royal du 26 mai 1994 relatif à la perception et à la bonification du précompte mobilier" (Royal decree of 26 May 1994 on the deduction of withholding tax) (the Royal Decree). The Royal Decree indeed requires that in relation to Bonds that can be traded on N accounts, if investors exercise a right to have the Bonds redeemed early, the actuarial return cannot exceed the actuarial return of the Bonds upon the issue up to the final maturity, by more than 0.75 points.

(b) Change of Control Notice

Within 5 Brussels business days following an Early Redemption Event, the Issuer shall give notice thereof to the Bondholders in accordance with Condition 13 (a **Change of Control Notice**). The Change of Control Notice shall contain a statement informing Bondholders of their entitlement to exercise their rights to require redemption of their Bonds pursuant to Condition 6.3. Such notice shall be irrevocable.

The Change of Control Notice shall also specify:

- (i) to the fullest extent permitted by applicable law, all information material to Bondholders concerning the Change of Control;

- (ii) the last day of the Change of Control Put Exercise Period;
- (iii) the Change of Control Put Date; and
- (iv) the Put Redemption Amount.

The Agent shall not be required to monitor or take any steps to ascertain whether a Change of Control or any event which could lead to a Change of Control has occurred or may occur and will not be responsible or liable to Bondholders or any other person for any loss arising from any failure by it to do so.

6.4 Purchase

Subject to the requirements (if any) of any stock exchange on which the Bonds may be admitted to listing and trading at the relevant time and subject to compliance with applicable laws and regulations, the Issuer or any Subsidiary of the Issuer may at any time purchase any Bonds in the open market or otherwise at any price.

6.5 Cancellation

All Bonds which are redeemed will be cancelled and may not be reissued or resold. Bonds purchased by the Issuer or any of its Subsidiaries may be held, reissued or resold at the option of the Issuer or relevant Subsidiary, or surrendered to the Agent for cancellation.

6.6 Multiple Notices

If more than one notice of redemption is given pursuant to this Condition 6, the first of such notices to be given shall prevail.

7. PAYMENTS

7.1 Principal, Premium and Interest

Without prejudice to Article 474 of the Belgian Code of Companies, all payments of principal, premium or interest in respect of the Bonds shall be made through the Agent and the Clearing System in accordance with the Clearing System Regulations.

7.2 Payments

Each payment in respect of the Bonds pursuant to Condition 7.1. will be made by transfer to a euro account maintained by the payee with a bank in a city in which banks have access to the TARGET System.

7.3 Payments subject to fiscal and other applicable laws

All payments in respect of the Bonds are subject in all cases to any applicable fiscal or other laws and regulations, without prejudice to the provisions of Condition 8.

7.4 Agents, etc.

The Issuer reserves the right under the Agency Agreement at any time, with the prior written approval of the Agent, to vary or terminate the appointment of the Agent and appoint additional or other agents, provided that it will (i) maintain a principal paying agent, (ii) maintain a domiciliary agent and the domiciliary agent will at all times be a participant in the Clearing System and (iii) if required, appoint an additional paying agent, from time to time with a specified office in a European

Union member state that will not be obliged to withhold or deduct tax pursuant to European Council Directive 2003/48/EC or any other European Union Directive implementing the conclusions of the ECOFIN council meeting of 26-27 November 2000 on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive. Notice of any change in Agent or its specified offices will promptly be given by the Issuer to the Bondholders in accordance with Condition 13.

7.5 No Charges

The Agent shall not make or impose on a Bondholder any charge or commission in relation to any payment in respect of the Bonds.

7.6 Fractions

When making payments to Bondholders, if the relevant payment is not of an amount which is a whole multiple of the smallest unit of the relevant currency in which such payment is to be made, such payment will be rounded down to the nearest unit.

7.7 Non-TARGET Business Days

If any date for payment in respect of the Bonds is not a TARGET Business Day, the Bondholder shall not be entitled to payment until the next following TARGET Business Day unless it would thereby fall into the next calendar month in which event it shall be brought forward to the immediately preceding TARGET Business Day, nor to any interest or other sum in respect of such postponed or anticipated payment. For the purpose of calculating the interest amount payable under the Bonds, the Interest Payment Date shall not be adjusted.

8. TAXATION

All payments of principal and interest by or on behalf of the Issuer in respect of the Bonds shall be made without withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature (**Taxes**) imposed, levied, collected, withheld or assessed by or on behalf of Belgium or any political subdivision or any authority therein or thereof having power to tax, unless such withholding or deduction of the Taxes is required by law. In that event the Issuer shall pay such additional amounts as will result in receipt by the Bondholders after such withholding or deduction of such amounts as would have been received by them had no such withholding or deduction been required, except that no such additional amounts shall be payable in respect of any Bond:

- (a) **Other connection:** to a Bondholder who is liable to such Taxes in respect of such Bond by reason of his having some connection with Belgium other than the mere holding of the Bond, including but not limited to Belgian resident individuals; or
- (b) **Payment to individuals:** where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to European Council Directive 2003/48/EC on the taxation of savings income or any law implementing or complying with, or introduced in order to conform to, such Directive or any agreement on savings income concluded by a EU Member State with the dependant or associated territories of the EU; or
- (c) **Non-Eligible Investor:** to a Bondholder, who at the time of issue of the Bonds, was not an eligible investor within the meaning of Article 4 of the Belgian Royal Decree of 26 May 1994 on the deduction of withholding tax or to a Bondholder who was such an eligible investor at the time of issue of the Bonds but, for reasons within the Bondholder's control, either ceased to be an eligible investor or, at any relevant time on or after the issue of the

Bonds, otherwise failed to meet any other condition for the exemption of Belgian withholding tax pursuant to the law of 6 August 1993 relating to certain securities; or

- (d) **Conversion into registered securities:** to a Bondholder who is liable to such Taxes because the Bonds were upon his/her request converted into registered Bonds and could no longer be cleared through the Clearing System.

9. EVENTS OF DEFAULT

If any of the following events (each an **Event of Default**) occurs and is continuing then any Bond may, by notice in writing given to the Issuer at its registered office with a copy to the Agent at its specified office by the Bondholder, be declared immediately due and repayable at its principal amount together with accrued interest (if any) to the date of payment, without further formality unless such event shall have been remedied prior to the receipt of such notice by the Agent:

- (a) the Issuer fails to pay the principal of or interest on any of the Bonds when due and such failure continues for a period of 7 days in the case of principal and 14 days in the case of interest;
- (b) the failure by the Issuer to comply with any of its obligations pursuant to Condition 6.3.;
- (c) the failure on the part of the Issuer to observe or perform any other provision (than those referred to under (a) and (b) above) relating to the Bonds for a period of 30 days after date on which written notice of such failure requiring the Issuer to remedy the same shall have been received by the Issuer from the holders of not less than 25% in aggregate principal amount of all the Bonds at the time outstanding;
- (d) the failure by any Cross Guarantor to perform any covenant set forth in the Cross Guarantee Agreement applicable to such Cross Guarantor or the repudiation by any Cross Guarantor of its obligations under its Cross Guarantee Agreement other than in compliance with the terms thereof, or the Cross Guarantee Agreement fails to be in full force and effect for any reason;
- (e) default by the Issuer or any Material Subsidiary in the due payment of any other indebtedness having a minimum aggregate amount of 2% of the Consolidated Capitalisation (or its equivalent in any other freely convertible currency or currencies) of the Issuer or any Material Subsidiary or assumed by or guaranteed by the Issuer or any Material Subsidiary, and provided that any such default has not been cured within the period of grace contractually agreed upon or subsequently agreed to for such payment, or in the event that any such indebtedness shall have become repayable before the due date thereof as a result of acceleration of maturity by reason of the occurrence of any event of default thereunder, unless in any such case, such indebtedness is contested in good faith; provided that if any such default is cured or waived or any such acceleration rescinded, or such indebtedness is repaid, within a period of 10 days from the continuation of such default beyond the applicable grace period or the occurrence of such acceleration, as the case may be, such Event of Default shall be automatically rescinded, so long as such rescission does not conflict with any judgment or decree;
- (f) if a court shall enter a decree or order for relief in respect of the Issuer or any Material Subsidiary in an involuntary case under any applicable bankruptcy, insolvency, judicial reorganization or other similar law now or hereafter in effect (including the Belgian Law of 8 August 1997 on bankruptcy (*faillite/faillissement*) and the Belgian Law of 31 January 2009 on the continuity of enterprises), or appointing a receiver, liquidator, sequestrator (or other similar official under any applicable law) of the Issuer or any Material Subsidiary or for any substantial part of any of their property, or ordering the winding-up or liquidation of

their affairs, and such decree or order shall remain unstayed and in effect for a period of 60 consecutive days;

- (g) if the Issuer or any Material Subsidiary shall commence a voluntary case under any applicable bankruptcy, insolvency, or other similar law now or hereafter in effect (including the Belgian Law of 8 August 1997 on bankruptcy (*faillite/faillissement*) and the Belgian Law of 31 January 2009 on the continuity of enterprises), or shall consent to the entry of an order for relief in an involuntary case under any such law, or shall consent to the appointment of or taking possession by a receiver, liquidator, sequestrator (or other similar official under any applicable law) of the Issuer or any Material Subsidiary or for any substantial part of any of their property, or is unable to pay its debts as they fall due, stops, suspends or announces its intention to stop or suspend payment of all or a material part of its debts or shall make any agreement for the deferral, rescheduling or adjustment of all its debts, general assignment for the benefit of creditors, or shall take any corporate action in furtherance of any of the foregoing; or
- (h) an order is made or an effective resolution passed for the winding-up or dissolution of the Issuer or any of its Material Subsidiaries other than a solvent liquidation or reorganisation of any Material Subsidiary, or the Issuer or any of its Material Subsidiaries ceases or threatens to cease to carry on all or substantially all of its business or operations, except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation (i) on terms approved by a resolution of the general meeting of Bondholders, or (ii) in the case of a Material Subsidiary, whereby the undertaking and assets of the Material Subsidiary are transferred to or otherwise vested in the Issuer or another of its Subsidiaries.

10. UNDERTAKINGS

- 10.1 The Issuer will procure that the Issuer shall not become domiciled or resident in or subject generally to the taxing authority of any jurisdiction (other than Belgium).
- 10.2 Under these terms and conditions and the Cross Guarantee Agreement, for so long as any Bond remains outstanding, all guarantees made by a Cross Guarantor under the Cross Guarantee Agreement in respect to the Bonds will be released and discharged, upon a sale, exchange, transfer or other disposition in a transaction or series of transactions over a twelve-month period (any such sale, exchange, transfer or other disposition in a transaction or series of transactions over a twelve-month period, a **Disposition**) to any person that is not the Issuer or a Subsidiary of the Issuer of all of the capital stock, or all or substantially all of the assets, of such Cross Guarantor, if as a result of which such Cross Guarantor ceases to be a Subsidiary of the Issuer. With respect to a Disposition of such capital stock of, or a Disposition of such assets of, a Cross Guarantor that is a Major Subsidiary, the Issuer hereby undertakes and agrees that no Cross Guarantor that is a Major Subsidiary shall be released under the Cross Guarantee Agreement in respect to the Bonds if after giving effect to such Disposition, a Rating Downgrade resulting (in whole or in part) from such Disposition shall occur. For the purposes of this Condition 10.2., the term **Major Subsidiary** shall mean a Subsidiary of the Issuer, the assets of which represent greater than 25% of the assets of the Issuer and the Issuer's Subsidiaries on a consolidated basis, according to the most recent consolidated financial statements of the Issuer.
- 10.3 Upon the Bonds becoming listed on the regulated market of Euronext Brussels on or prior to the Issue Date, the Issuer undertakes to furnish to the relevant stock exchange all documents, information and undertakings and publish all advertisement or other material that may be necessary in order to effect and maintain such listing, and to cause such listing to be continued so long as any of the Bonds remain outstanding. If the Bonds are not or cease to be listed on Euronext Brussels, the

Issuer shall use its best endeavours promptly to admit the Bonds to trading on a regulated market in the European Economic Area.

11. PRESCRIPTION

Claims against the Issuer for payment in respect of the Bonds shall be prescribed and become void unless made within 10 years (in the case of principal) or 5 years (in the case of interest) from the appropriate Relevant Date in respect of such payment.

Claims in respect of any other amounts payable in respect of the Bonds shall be prescribed and become void unless made within 10 years following the due date for payment thereof.

12. MEETING OF BONDHOLDERS, MODIFICATION AND WAIVER

12.1 Meetings of Bondholders

The Agency Agreement contains provisions for convening meetings of Bondholders to consider matters affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of any of these Conditions.

All meetings of Bondholders will be held in accordance with the provisions of Article 568 sq. of the Belgian Company Code with respect to bondholders meetings; provided however that the Issuer shall, at its own expense, promptly convene a meeting of Bondholders upon the request in writing of Bondholders holding not less than one-tenth of the aggregate principal amount of the outstanding Bonds. Subject to the quorum and majority requirements set out in Article 574 of the Belgian Company Code, and if required thereunder subject to validation by the court of appeal of Brussels, the meeting of Bondholders shall be entitled to exercise the powers set out in Article 568 of the Belgian Company Code and, upon proposal of the Board of Directors, to modify or waive any provision of these Conditions, provided however that the following matters may only be sanctioned by an Extraordinary Resolution passed at a meeting of Bondholders at which two or more persons holding or representing not less than three-quarters or, at any adjourned meeting, one quarter of the aggregate principal amount of the outstanding Bonds form a quorum: (i) proposal to change any date fixed for payment of principal or interest in respect of the Bonds, to reduce the amount of principal or interest payable on any date in respect of the Bonds or to alter the method of calculating the amount of any payment in respect of the Bonds on redemption or maturity or the date for any such payment; (ii) proposal to effect the exchange, conversion or substitution of the Bonds for, or the conversion of the Bonds into, shares, bonds or other obligations or securities of the Issuer or any other person or body corporate formed or to be formed; (iii) proposal to change the currency in which amounts due in respect of the Bonds are payable; (iv) proposal to change the quorum required at any meeting of Bondholders or the majority required to pass an Extraordinary Resolution.

Resolutions duly passed in accordance with these provisions shall be binding on all Bondholders, whether or not they are present at the meeting and whether or not they vote in favour of such a resolution.

The Agency Agreement provides that a resolution in writing signed by or on behalf of all Bondholders shall for all purposes be as valid and effective as an Extraordinary Resolution passed at a meeting of Bondholders duly convened and held. Such a resolution in writing may be contained in one document or several documents in the same form, each signed by or on behalf of one or more Bondholders.

12.2 Modification and Waiver

The Agent may agree, without the consent of the Bondholders, to any modification of the provisions of the Agency Agreement or any agreement supplemental to the Agency Agreement either (i) which in the Agent's opinion is of a formal, minor or technical nature or is made to correct a manifest error or to comply with mandatory provisions of law, and (ii) any other modification to the provisions of the Agency Agreement or any agreement supplemental to the Agency Agreement, which is, in the opinion of the Agent, not materially prejudicial to the interests of the Bondholders.

12.3 Meetings of Shareholders and Right to Information

The Bondholders shall be entitled to attend all general meetings of Shareholders of the Issuer, in accordance with Article 537 of the Belgian Company Code, and they shall be entitled to receive or examine any documents that are to be remitted or disclosed to them in accordance with the Belgian Company Code. The Bondholders who attend any general meeting of shareholders shall be entitled only to a consultative vote.

13. NOTICES

Notices to the Bondholders shall be valid (i) if delivered by or on behalf of the Issuer to the Clearing System for communication by it to the Clearing System Participants and (ii) if published in two leading newspapers having general circulation in Belgium (which are expected to be *L'Echo* and *De Tijd*). Any such notice shall be deemed to have been given on the latest day of (i) seven days after its delivery to the Clearing System and (ii) the publication of the latest newspaper containing such notice.

The Issuer shall also ensure that all notices are duly published in a manner which complies with the rules and regulations of any stock exchange or other relevant authority on which the Bonds are for the time being listed. Any such notice shall be deemed to have been given on the date of such publication or, if required to be published in more than one newspaper or in more than one manner, on the date of the first such publication in all the required newspapers or in each required manner.

In addition to the above communications and publications, with respect to notices for a meeting of Bondholders, any convening notice for such meeting shall be made in accordance with Article 570 of the Belgian Company Code, by an announcement to be inserted at least fifteen days prior to the meeting, in the Belgian Official Gazette (*Moniteur belge – Belgisch Staatsblad*) and in a newspaper with national coverage. Resolutions to be submitted to the meeting must be described in the convening notice.

14. FURTHER ISSUES

The Issuer may from time to time without the consent of the Bondholders create and issue further notes, bonds or debentures either having the same terms and conditions in all respects as the outstanding notes, bonds or debentures of any series (including the Bonds) or in all respects except for the first payment of interest on them and so that such further issue shall be consolidated and form a single series with the outstanding notes, bonds or debentures of any series (including the Bonds) or upon such terms as to interest, premium, redemption and otherwise as the Issuer may determine at the time of their issue. The Agency Agreement contains provisions for convening a single meeting of the Bondholders.

15. GOVERNING LAW AND JURISDICTION

15.1 Governing Law

The Agency Agreement and the Bonds and any non-contractual obligations arising out of or in connection with the Bonds are governed by, and shall be construed in accordance with, Belgian law.

15.2 Jurisdiction

The courts of Brussels, Belgium are to have jurisdiction to settle any disputes which may arise out of or in connection with the Agency Agreement and the Bonds and accordingly any legal action or proceedings arising out of or in connection with the Agency Agreement or the Bonds (**Proceedings**) may be brought in such courts. The Issuer has in the Agency Agreement irrevocably submitted to the jurisdiction of such courts and has waived any objection to Proceedings in such courts whether on the ground of venue. These submissions are made for the benefit of each of the Bondholders and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

PART V: DESCRIPTION OF THE CROSS GUARANTEE

The following section of the Prospectus summarises selected provisions of the Cross Guarantee Agreement, dated as of 21 May 2007, among Delhaize Group, Delhaize America and substantially all of Delhaize America's subsidiaries, as supplemented by the Joinder Agreement, dated as of 18 December 2009, by Delhaize US Holding, Inc. This summary may not contain all of the information about this agreement that is important to you. During the Subscription Period and during the life of the Bonds, a copy of the Cross Guarantee Agreement (as amended or supplemented from time to time) will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the registered office of the Issuer and on the website of the Issuer (www.delhaizegroup.com).

In addition, as further explained under Part II (*Risk Factors*) of this Prospectus, as a result of the difficulty that the Bondholders might have to call under the guarantee, the costs possibly arising therefrom and the limits of a guarantee granted by several guarantors based in different States in the United States, potential investors are advised not to consider the existence of the guarantee as a material consideration in the assessment of the investment decision.

In relation to the Guarantors (as defined below), certain information to be included according to Annex VI of the Prospectus Regulation has been omitted from the Prospectus, as, according to the Issuer, such information is of minor importance only for the Public Offer and will not influence the assessment of the financial position and prospects of the Issuer.

Overview

Under the Cross Guarantee Agreement each company party to the agreement guarantees fully and unconditionally, jointly and severally Delhaize Group existing financial indebtedness, Delhaize America existing financial indebtedness, specific financial indebtedness of two European subsidiaries of Delhaize Group and all future unsubordinated financial indebtedness of the parties to the agreement.

If any sum owed to a creditor by a guarantor pursuant to its guarantee under the Cross Guarantee Agreement is not recoverable from such guarantor for any reason whatsoever, then such guarantor is obligated, forthwith upon demand by such creditor, to pay such sum by way of a full indemnity.

On the date of this prospectus the parties to the Cross Guarantee Agreement (the **Guarantors**) are Delhaize Group, Delhaize US Holding, Inc., Delhaize America LLC, Food Lion, LLC, Hannaford Bros. Co., Kash N' Karry Food Stores, Inc., FL Food Lion, Inc., Risk Management Services, Inc., Hannbro Company, Martin's Foods of South Burlington, Inc., Boney Wilson & Sons, Inc., J.H. Harvey Co., LLC, Hannaford Licensing Corp., and Victory Distributors, Inc. Information with respect to subsidiaries of Delhaize Group that are Guarantors is included in the notes to our consolidated annual financial statements incorporated by reference in this prospectus.

Financial Indebtedness

Under the Cross Guarantee Agreement, the term "financial indebtedness" of any person means, without duplication (and as each may be amended, modified, extended or renewed from time to time): (i) all obligations of such person under agreements for borrowed money; (ii) all obligations of such person evidenced by bonds, debentures, notes or similar instruments; (iii) all hedging obligations of such person; and (iv) all guarantees by such person of obligations of other persons of the type referred under clause (i), (ii) or (iii).

The term **person** means any individual, company, corporation, firm, partnership, joint venture, association, organization, state or agency of a state or other entity, whether or not having separate legal personality.

The term **hedging obligations** means, with respect to any person, the obligations of such person under: (i) currency exchange, interest rate or commodity swap agreements, cap agreements, floor agreements or collar agreements; and (ii) other similar agreements or arrangements designed to protect such person against fluctuations in currency exchange, interest rates or commodity prices.

Intercompany financial indebtedness is not guaranteed under the Cross Guarantee Agreement.

Ranking; Limit of Liability

The obligations of each company party to the Cross Guarantee Agreement constitute direct, general, unconditional and unsubordinated obligations of such company that shall at all times rank at least *pari passu* with all of its other existing financial indebtedness set forth on a schedule to the Cross Guarantee Agreement and its future unsubordinated financial indebtedness, save for such obligations as may be preferred by mandatory provisions of law. The obligations of each party under the Cross Guarantee Agreement are limited to the maximum amount that can be guaranteed without constituting a fraudulent conveyance or fraudulent transfer under applicable insolvency laws.

Applicability of Cross Guarantee Agreement

To the extent a guarantor's guarantee of financial indebtedness is addressed in an agreement to which such guarantor is a party or is otherwise contractually bound, which contains such guarantee, other than the Cross Guarantee Agreement, the Cross Guarantee Agreement does not apply to such guarantor's guarantee of such financial indebtedness and, to be clear, nothing contained in the Cross Guarantee Agreement in any way supersedes, modifies, replaces, amends, changes, rescinds, waives, exceeds, expands, enlarges or in any way affects the provisions, including warranties, covenants, agreements, conditions, representations or, in general, any of the rights and remedies, and any of the obligations, of such guarantor and any creditor with respect to such guarantee of such financial indebtedness set forth in such other agreement.

Release of Guarantors and Guarantor Obligations

The obligations of a guarantor under the Cross Guarantee Agreement, which we refer to as a released guarantor in this paragraph, any lien created by such released guarantor with respect to such obligations, and the obligations under the Cross Guarantee Agreement of all other guarantors with respect to the financial indebtedness of the released guarantor will be automatically and unconditionally released without any action on the part of any creditor:

- in connection with any sale, exchange, transfer or other disposition by such released guarantor of all or substantially all of the assets of that released guarantor, provided that the proceeds of that sale or other disposition are applied in accordance with the applicable provisions of any applicable financial indebtedness, or
- in connection with any sale, exchange, transfer or other disposition (including by way of merger, consolidation or otherwise), directly or indirectly, of capital stock of such released guarantor, by Delhaize Group or any subsidiary thereof, to any person that is not Delhaize Group or a subsidiary of Delhaize Group, or an issuance by such released guarantor of its capital stock, in each case as a result of which such released guarantor ceases to be a subsidiary of Delhaize Group,

provided, that: (i) such transaction is made in accordance with the applicable provisions of any applicable financial indebtedness; and (ii) such released guarantor is also released from all of its obligations, if any, in respect of all other financial indebtedness of each other guarantor under the Cross Guarantee Agreement.

In addition to any other releases for which a guarantor qualifies under the Cross Guarantee Agreement, notwithstanding any other provision of the Cross Guarantee Agreement to the contrary, without limiting the validity of any agreement into which a guarantor and a creditor may enter, a guarantor that obtains a written

release from a creditor releasing such guarantor from its obligations under the Cross Guarantee Agreement with respect to the financial indebtedness owing to such creditor specified in such release shall be so released.

Termination of Agreement with Respect to Future Financial Indebtedness

Subject to certain limitations, the Cross Guarantee Agreement may be terminated with respect to a guarantor at any time by such guarantor providing written notice to the other parties to the Cross Guarantee Agreement or by mutual agreement; *provided, however*, that termination by Delhaize America or any other subsidiary of Delhaize Group party to the Cross Guarantee requires the written consent of Delhaize Group; and *provided, further*, except as otherwise provided, any termination of the Cross Guarantee Agreement with respect to a guarantor affects neither:

- such guarantor’s obligations under the Cross Guarantee Agreement in relation to any financial indebtedness that came into existence prior to that termination, nor
- the obligations of the other guarantors with respect to such guarantor’s financial indebtedness that came into existence prior to that termination. Financial indebtedness that comes into existence after that termination shall not be covered by the Cross Guarantee Agreement with respect to the terminating guarantor.

Third Parties

Subject to the release provisions of the Cross Guarantee Agreement discussed under the headings “Description of Guarantees—Cross Guarantee Agreement—Release of Guarantors and Guarantor Obligations” and “—Termination of Agreement with Respect to Future Financial Indebtedness” above, creditors of financial indebtedness guaranteed under the Cross Guarantee Agreement are entitled to rely on the Cross Guarantee Agreement and on the guarantees constituted pursuant to the Cross Guarantee Agreement. The Cross Guarantee Agreement constitutes a *stipulation pour autrui / beding ten gunste van een derde* or third party beneficiary contract for their benefit. Accordingly, such creditors shall be entitled to rely on and enforce the Cross Guarantee Agreement.

Guarantors

The guarantors are listed in the table below.

Name of Guarantor	Jurisdiction of Incorporation	Contact details
Delhaize US Holding, Inc.	Delaware, U.S.A.	2110 Executive Drive, Salisbury, North Carolina 28147 U.S.A.
Delhaize America, LLC	North Carolina, U.S.A.	2110 Executive Drive, Salisbury, North Carolina 28147 U.S.A.
Food Lion, LLC.	North Carolina, U.S.A.	2110 Executive Drive, Salisbury, North Carolina 28147 U.S.A.

Name of Guarantor	Jurisdiction of Incorporation	Contact details
Hannaford Bros. Co.	Maine, U.S.A.	145 Pleasant Hill Road Scarborough, Maine 04074 U.S.A.
Kash N’Karry Food Stores, Inc.	Delaware, U.S.A.	3801 Sugar Palm Drive Tampa, Florida 33619 U.S.A.
FL Food Lion, Inc.	Florida, U.S.A.	2110 Executive Drive, Salisbury, North Carolina 28147 U.S.A.
Risk Management Services, Inc.	North Carolina, U.S.A.	2110 Executive Drive, Salisbury, North Carolina 28147 U.S.A.
Hannbro Company	Maine, U.S.A.	145 Pleasant Hill Road Scarborough, Maine 04074 U.S.A.
Martin’s Foods of South Burlington, Inc.	Vermont, U.S.A.	145 Pleasant Hill Road Scarborough, Maine 04074 U.S.A.
Boney Wilson & Sons, Inc.	North Carolina, U.S.A.	145 Pleasant Hill Road Scarborough, Maine 04074 U.S.A.
J.H. Harvey co., Llc.	Georgia, U.S.A.	727 S. Davis Street Nashville, GA 31639 U.S.A.
Hannaford Licensing Corp.	Maine, U.S.A.	145 Pleasant Hill Road Scarborough, Maine 04074 U.S.A.
Victory Distributors, Inc.	Massachusetts, U.S.A.	145 Pleasant Hill Road Scarborough, Maine 04074 U.S.A.

Condensed financial information relating to the Guarantors

The following condensed consolidated financial information presents the results of the Issuer (the **Parent** under the Cross Guarantee Agreement), the subsidiaries of the Issuer providing their guarantee under the Cross Guarantee Agreement (the **Guarantor Subsidiaries**), the subsidiaries of the Issuer that are not a party to the Cross Guarantee Agreement (the **Non-Guarantor Subsidiaries**) and the eliminations to arrive at Delhaize Group financial information on a consolidated basis as of 31 December 2010, 2009 and 2008 and for the years then ended. The principal elimination entries eliminate investments in subsidiaries and inter-company balances and transactions. Such consolidated information provides on a separate basis the financial information relating to the Issuer and the financial information relating to the Guarantor Subsidiaries.

(i) Consolidated income statement for 2010

(in millions of EUR)	Parent	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Elimination	Consolidated
Revenues	4,670	14,187	2,120	(127)	20,850
Cost of sales	(3,729)	(10,272)	(1,623)	127	(15,497)
Gross profit	941	3,915	497	—	5,353
Other operating income	28	43	99	(85)	85
Selling, general and administrative expenses	(782)	(3,195)	(502)	85	(4,394)
Other operating expenses	(1)	(16)	(3)	—	(20)
Operating profit	186	747	91	—	1,024
Finance costs	(90)	(252)	(3)	130	(215)
Income from investments	6	3	133	(130)	12
Share of result of subsidiaries	561	—	—	(561)	—
Profit before taxes and discontinued operations	663	498	221	(561)	821
Income tax expense	(89)	(192)	36	—	(245)
Net profit from continuing operations	574	306	257	(561)	576
Result from discontinued operations (net of tax)	—	(1)	—	—	(1)
Net profit	574	305	257	(561)	575
Net profit attributable to non- controlling interests	—	—	1	—	1
Net profit attributable to equity holders of the Group (Group share in net profit)	574	305	256	(561)	574

(ii) Consolidated income statement for 2009

(in millions of EUR)	Parent	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Elimination	Consolidated
Revenues	4,496	13,618	1,961	(137)	19,938
Cost of sales	(3,623)	(9,817)	(1,510)	137	(14,813)
Gross profit	873	3,801	451	—	5,125
Other operating income	27	34	144	(127)	78
Selling, general and administrative expenses	(764)	(3,065)	(490)	127	(4,192)
Other operating expenses	(5)	(61)	(3)	—	(69)
Operating profit	131	709	102	—	942
Finance costs	(82)	(171)	(85)	130	(208)
Income from investments	1	6	127	(128)	6
Share of result of subsidiaries	477	—	—	(477)	—
Profit before taxes and discontinued operations	527	544	144	(475)	740
Income tax expense	(20)	(213)	5	—	(228)
Net profit from continuing operations	507	331	149	(475)	512

Result from discontinued operations (net of tax)	7	(1)	2	—	8
Net profit	514	330	151	(475)	520
Net profit attributable to non-controlling interests	—	—	6	—	6
Net profit attributable to equity holders of the Group (Group share in net profit)	514	330	145	(475)	514

(iii) Consolidated income statement for 2008

(in millions of EUR)	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination	Consolidated
Revenues	4,289	13,081	1,742	(88)	19,024
Cost of sales	(3,483)	(9,453)	(1,356)	88	(14,204)
Gross profit	806	3,628	386	—	4,820
Other operating income	30	85	111	(130)	96
Selling, general and administrative expenses	(736)	(2,953)	(403)	130	(3,962)
Other operating expenses	—	(46)	(4)	—	(50)
Operating profit	100	714	90	—	904
Finance costs	(174)	(178)	(117)	256	(213)
Income from investments	36	16	228	(269)	11
Share of result of subsidiaries	494	—	—	(494)	—
Profit before taxes and discontinued operations	456	552	201	(507)	702
Income tax expense	11	(201)	(27)	—	(217)
Net profit from continuing operations	467	351	174	(507)	485
Result from discontinued operations (net of tax)	—	5	(11)	—	(6)
Net profit	467	356	163	(507)	479
Net profit attributable to non-controlling interests	—	—	12	—	12
Net profit attributable to equity holders of the Group (Group share in net profit)	467	356	151	(507)	467

(iv) Consolidated balance sheet at 31 December 2010

(in millions of EUR)	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination	Consolidated
Goodwill	156	2,427	245	—	2,828
Intangible assets	94	533	7	—	634
Property, plant and equipment	571	2,794	710	—	4,075
Investment property	—	59	1	—	60
Investment in subsidiaries	7,933	9,283	481	(17,697)	—
Investment in securities	—	12	113	—	125
Other financial assets	99	5	4,607	(4,694)	17

Deferred tax assets	1	—	94	—	95
Derivative instruments	84	61	—	(84)	61
Other non-current assets	—	18	11	(10)	19
<i>Total non-current assets</i>	<i>8,938</i>	<i>15,192</i>	<i>6,269</i>	<i>(22,485)</i>	<i>7,914</i>
Inventories	213	1,102	145	—	1,460
Receivables	489	125	98	(75)	637
Income tax receivable	—	—	1	—	1
Investment in securities	—	2	41	—	43
Other financial assets	272	56	365	(690)	3
Derivative instruments	—	—	5	—	5
Prepaid expenses	4	33	8	(1)	44
Other current assets	5	25	43	(36)	37
Cash and cash equivalents	58	492	208	—	758
<i>Total current assets</i>	<i>1,041</i>	<i>1,835</i>	<i>914</i>	<i>(802)</i>	<i>2,988</i>
Total assets	9,979	17,027	7,183	(23,287)	10,902
Shareholders' equity	5,068	11,786	5,910	(17,696)	5,068
Non-controlling interests	—	—	1	—	1
Total equity	5,068	11,786	5,911	(17,696)	5,069
Long-term debt	3,457	3,024	179	(4,694)	1,966
Obligations under finance lease	59	609	25	(9)	684
Deferred tax liabilities	122	400	21	—	543
Derivative instruments	13	3	84	(84)	16
Provisions	40	82	111	—	233
Other non-current liabilities	1	61	6	—	68
<i>Total non-current liabilities</i>	<i>3,692</i>	<i>4,179</i>	<i>426</i>	<i>(4,787)</i>	<i>3,510</i>
Short-term borrowings	291	2	340	(617)	16
Long-term debt – current	56	55	1	(72)	40
Obligations under finance lease – current	12	46	1	(2)	57
Provisions – current	—	18	34	—	52
Income tax payable	4	10	3	—	17
Accounts payable	615	634	401	(76)	1,574
Accrued expenses	204	198	28	(37)	393
Other current liabilities	37	99	38	—	174
<i>Total current liabilities</i>	<i>1,219</i>	<i>1,062</i>	<i>846</i>	<i>(804)</i>	<i>2,323</i>
Total liabilities	4,911	5,241	1,272	(5,591)	5,833
Total liabilities and equity	9,979	17,027	7,183	(23,287)	10,902

(v) Consolidated balance sheet at 31 December 2009

(in millions of EUR)	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination	Consolidated
Goodwill	16	2,243	381	—	2,640
Intangible assets	74	493	7	—	574
Property, plant and equipment	571	2,596	618	—	3,785
Investment property	—	45	5	—	50
Investment in subsidiaries	6,040	8,646	715	(15,401)	—
Investment in securities	—	9	117	—	126
Other financial assets	—	4	2,957	(2,945)	16

Deferred tax assets	—	—	23	—	23
Derivative instruments	44	96	54	(98)	96
Other non-current assets	—	17	14	(12)	19
Total non-current assets	6,745	14,149	4,891	(18,456)	7,329
Inventories	216	927	135	—	1,278
Receivables	484	112	149	(148)	597
Income tax receivable	1	—	7	—	8
Investment in securities	—	1	11	—	12
Other financial assets	146	—	427	(558)	15
Prepaid expenses	5	26	3	(1)	33
Other current assets	12	21	56	(52)	37
Cash and cash equivalents	51	205	183	—	439
Total current assets	915	1,292	971	(759)	2,419
Total assets	7,660	15,441	5,862	(19,215)	9,748
Shareholders' equity	4,392	10,696	4,704	(15,400)	4,392
Non-controlling interests	—	—	17	—	17
Total equity	4,392	10,696	4,721	(15,400)	4,409
Long-term debt	1,871	2,873	108	(2,948)	1,904
Obligations under finance lease	69	570	16	(12)	643
Deferred tax liabilities	29	178	20	—	227
Derivative instruments	67	—	69	(98)	38
Provisions	38	86	104	—	228
Other non-current liabilities	1	49	7	—	57
Total non-current liabilities	2,075	3,756	324	(3,058)	3,097
Short-term borrowings	198	35	223	(393)	63
Long-term debt – current	146	16	40	(160)	42
Obligations under finance lease – current	2	43	1	(2)	44
Derivative instruments	—	—	2	—	2
Provisions – current	—	22	30	—	52
Income tax payable	5	57	3	—	65
Accounts payable	626	517	439	(146)	1,436
Accrued expenses	197	211	45	(56)	397
Other current liabilities	19	88	34	—	141
Total current liabilities	1,193	989	817	(757)	2,242
Total liabilities	3,268	4,745	1,141	(3,815)	5,339
Total liabilities and equity	7,660	15,441	5,862	(19,215)	9,748

(vi) Consolidated balance sheet at 31 December 2008

(in millions of EUR)	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination	Consolidated
Goodwill	16	2,316	275	—	2,607
Intangible assets	61	529	7	—	597
Property, plant and equipment	571	2,696	565	—	3,832
Investment property	—	33	6	—	39
Investment in subsidiaries	6,090	5,108	370	(11,568)	—
Investment in securities	—	11	112	—	123
Other financial assets	—	6	2,204	(2,187)	23
Deferred tax assets	—	—	8	—	8

Derivative instruments	—	57	32	(32)	57
Other non-current assets	—	9	16	(14)	11
<i>Total non-current assets</i>	<i>6,738</i>	<i>10,765</i>	<i>3,595</i>	<i>(13,801)</i>	<i>7,297</i>
Inventories	219	996	123	—	1,338
Receivables	461	140	148	(141)	608
Income tax receivable	2	—	6	—	8
Investment in securities	—	4	24	—	28
Other financial assets	—	—	549	(542)	7
Derivative instruments	—	—	1	—	1
Prepaid expenses	10	31	3	(3)	41
Other current assets	1	34	70	(55)	50
Cash and cash equivalents	42	207	71	—	320
Asset classified as held for sale	—	—	2	—	2
<i>Total current assets</i>	<i>735</i>	<i>1,412</i>	<i>997</i>	<i>(741)</i>	<i>2,403</i>
Total assets	7,473	12,177	4,592	(14,542)	9,700
Shareholders' equity	4,143	8,605	2,961	(11,566)	4,143
Non-controlling interests	—	—	52	—	52
Total equity	4,143	8,605	3,013	(11,566)	4,195
Long-term debt	1,644	1,651	578	(2,107)	1,766
Obligations under finance lease	72	583	2	(14)	643
Deferred tax liabilities	15	180	20	—	215
Derivative instruments	13	—	19	(32)	—
Provisions	28	83	115	—	226
Other non-current liabilities	5	57	6	—	68
<i>Total non-current liabilities</i>	<i>1,777</i>	<i>2,554</i>	<i>740</i>	<i>(2,153)</i>	<i>2,918</i>
Short-term borrowings	371	—	241	(460)	152
Long-term debt – current	372	22	118	(186)	326
Obligations under finance lease – current	2	43	1	(2)	44
Provisions – current	—	21	28	—	49
Income tax payable	5	79	14	—	98
Accounts payable	602	546	349	(114)	1,383
Accrued expenses	182	202	55	(61)	378
Other current liabilities	19	105	30	—	154
Liabilities associated with assets held for sale	—	—	3	—	3
<i>Total current liabilities</i>	<i>1,553</i>	<i>1,018</i>	<i>839</i>	<i>(823)</i>	<i>2,587</i>
Total liabilities	3,330	3,572	1,579	(2,976)	5,505
Total liabilities and equity	7,473	12,177	4,592	(14,542)	9,700

(vii) Consolidated statement of cash flows for 2010

(in millions of EUR)	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination	Consolidated
Operating activities					
Net profit	574	305	257	(561)	575
Adjustment for equity in earnings of subsidiaries	(561)	—	—	561	—
Adjustments for:					

Depreciation and amortization – continuing operations	100	423	52	—	575
Impairment – continuing operations	—	13	1	—	14
Allowance for losses on accounts receivable and inventory obsolescence	—	3	3	—	6
Share-based compensation	2	14	—	—	16
Income taxes	89	192	(36)	—	245
Finance costs	90	253	3	(130)	216
Income from investments	(6)	(3)	(133)	130	(12)
Other non-cash items	(1)	—	(1)	—	(2)
Changes in operating assets and liabilities:					
Inventories	4	(104)	(8)	—	(108)
Receivables	(9)	(6)	(7)	(17)	(39)
Prepaid expenses and other assets	16	(9)	(17)	—	(10)
Accounts payable	(9)	77	8	22	98
Accrued expenses and other liabilities	28	(18)	4	2	16
Provisions	(6)	(21)	3	—	(24)
Interest paid	(116)	(244)	(12)	170	(202)
Interest and dividends received	—	3	173	(165)	11
Income taxes paid	—	(35)	(23)	—	(58)
Net cash provided by operating activities	195	843	267	12	1,317
Investing activities					
Capital contributions in subsidiaries	—	(30)	(126)	156	—
Purchases of shares in consolidated companies, net of cash and cash equivalents	(860)	(8)	849	—	(19)
Purchase of tangible and intangible assets (capital expenditures)	(118)	(410)	(132)	—	(660)
Sale of tangible and intangible assets	2	9	3	—	14
Dividends from investments under the equity method	1	—	—	(1)	—
Net investment in debt securities	—	—	(13)	—	(13)

Purchase of other financial assets	(268)	(70)	(1,300)	1,636	(2)
Sale and maturity of other financial assets	80	19	172	(256)	15
Net cash used in investing activities	(1,163)	(490)	(547)	1,535	(665)
Financing activities					
Proceeds from the exercise of share warrants and stock options	50	(18)	—	—	32
Capital contributions received	—	30	126	(156)	—
Treasury shares purchased	(19)	(7)	—	—	(26)
Purchase of non-controlling interests	—	—	(47)	—	(47)
Dividends paid by parent	(161)	—	—	—	(161)
Dividends paid by subsidiaries	—	—	(1)	—	(1)
Escrow maturities	—	2	—	—	2
Borrowing under long-term loans (net of financing costs)	1,158	5	99	(1,263)	(1)
Repayment of long-term loans	(146)	(3)	(40)	147	(42)
Repayment of lease obligations	(2)	(47)	(2)	2	(49)
Net borrowings (repayments) of short-term loans	95	(36)	169	(277)	(49)
Settlement of derivative instruments	—	—	(1)	—	(1)
Net cash used in financing activities	975	(74)	303	(1,547)	(343)
Effect of foreign currency translation	—	8	2	—	10
Net increase (decrease) in cash and cash equivalents	7	287	25	—	319
Cash and cash equivalents at beginning of period	51	205	183	—	439
Cash and cash equivalents at end of period	58	492	208	—	758

(viii) Consolidated statement of cash flows for 2009

(in millions of EUR)	Parent	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Elimination	Consolidated
Operating activities					
Net profit	514	330	151	(475)	520
Adjustment for equity in	(477)	—	—	477	—

earnings of subsidiaries					
Adjustments for:					
Depreciation and amortization – continuing operations	88	381	46	—	515
Impairment – continuing operations	5	17	—	—	22
Allowance for losses on accounts receivable and inventory obsolescence	4	14	2	—	20
Share-based compensation	2	18	—	—	20
Income taxes	20	212	(5)	—	227
Finance costs	82	172	85	(130)	209
Income from investments	(8)	(6)	(128)	128	(14)
Other non-cash items	(1)	5	(1)	—	3
Changes in operating assets and liabilities:					
Inventories	3	36	(7)	—	32
Receivables	(26)	1	2	15	(8)
Prepaid expenses and other assets	10	(6)	5	(6)	3
Accounts payable	24	—	68	(34)	58
Accrued expenses and other liabilities	12	1	2	5	20
Provisions	(2)	1	(12)	—	(13)
Interest paid	(136)	(165)	(48)	150	(199)
Interest and dividends received	2	6	158	(157)	9
Income taxes paid	1	(227)	(22)	—	(248)
Net cash provided by operating activities	117	790	296	(27)	1,176
Investing activities					
Capital contributions in subsidiaries	(8)	(73)	(177)	258	—
Purchases of shares in consolidated companies, net of cash and cash equivalents ⁽¹⁾	—	(421)	(34)	408	(47)
Business disposals, net of cash and cash equivalents	416	—	—	(408)	8
Purchase of tangible and intangible assets (capital expenditures)	(108)	(331)	(81)	—	(520)
Sale of tangible and intangible assets	2	4	4	—	10
Dividends from investments under the equity method	1	—	—	(1)	—

Net investment in debt securities	—	—	(5)	—	(5)
Purchase of other financial assets	(148)	(288)	(231)	658	(9)
Sale and maturity of other financial assets	—	265	295	(552)	8
Settlement of derivative instruments	—	—	(9)	9	—
Net cash used in investing activities	155	(844)	(238)	372	(555)
Financing activities					
Proceeds from the exercise of share warrants and stock options	18	(2)	—	—	16
Capital contributions received	—	73	185	(258)	—
Treasury shares purchased	(3)	(7)	—	—	(10)
Purchase of non-controlling interests ⁽¹⁾	—	—	(108)	—	(108)
Dividends paid by parent	(148)	—	—	—	(148)
Dividends paid by subsidiaries	—	—	(5)	1	(4)
Escrow maturities	—	5	—	—	5
Borrowing under long-term loans (net of financing costs)	401	5	11	(187)	230
Repayment of long-term loans	(368)	(6)	(1)	48	(327)
Repayment of lease obligations	(2)	(44)	(1)	2	(45)
Net borrowings (repayments) of short-term loans	(166)	35	(18)	58	(91)
Purchase of derivative instruments	12	—	—	(12)	—
Settlement of derivative instruments	(7)	—	(10)	3	(14)
Net cash used in financing activities	(263)	59	53	(345)	(496)
Effect of foreign currency translation	—	(7)	—	—	(7)
Net increase (decrease) in cash and cash equivalents	9	(2)	111	—	118
Cash and cash equivalents at beginning of period	42	207	72 ⁽²⁾	—	321 ⁽²⁾
Cash and cash equivalents at end of period	51	205	183	—	439

- (1) Reclassification of cash flows resulting from the acquisition of non-controlling interests from “Investing activities” to “Financing activities” due to a change in IFRS, effective in 2010. For comparability prior years have been restated accordingly.

(2) EUR 1 million included in assets classified as held for sale.

(ix) Consolidated statement of cash flows for 2008

(in millions of EUR)	Parent	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Elimination	Consolidated
Operating activities					
Net profit	467	356	163	(507)	479
Adjustment for equity in earnings of subsidiaries	(494)	—	—	494	—
Adjustments for:					
Depreciation and amortization – continuing operations	81	356	37	—	474
Depreciation and amortization – discontinued operations	—	—	2	—	2
Impairment – continuing operations	—	20	—	—	20
Impairment – discontinued operations	—	—	8	—	8
Allowance for losses on accounts receivable and inventory obsolescence	—	11	4	—	15
Share-based compensation	3	18	—	—	21
Income taxes	(11)	200	28	—	217
Finance costs	169	179	139	(273)	214
Income from investments	(31)	(21)	(247)	285	(14)
Other non-cash items	(2)	3	(7)	—	(6)
Changes in operating assets and liabilities:					
Inventories	—	(2)	(14)	—	(16)
Receivables	(26)	(34)	(22)	30	(52)
Prepaid expenses and other assets	(4)	(11)	(14)	3	(26)
Accounts payable	(28)	(51)	22	(40)	(97)
Accrued expenses and other liabilities	12	18	4	(6)	28
Provisions	(1)	(18)	(6)	—	(25)
Interest paid	(182)	(172)	(97)	253	(198)
Interest and dividends received	145	2	232	(366)	13

Income taxes paid	13	(111)	(32)	—	(130)
Net cash provided by operating activities	111	743	200	(127)	927
Investing activities					
Capital contributions in subsidiaries	(101)	(176)	(88)	365	—
Purchases of shares in consolidated companies, net of cash and cash equivalents ⁽¹⁾	—	—	(88)	—	(88)
Purchase of tangible and intangible assets (capital expenditures)	(115)	(480)	(119)	—	(714)
Sale of tangible and intangible assets	3	10	17	—	30
Dividends from investments under the equity method	1	—	—	(1)	—
Net investment in debt securities	—	—	7	—	7
Purchase of other financial assets	—	(1)	(484)	485	—
Sale and maturity of other financial assets	—	—	180	(173)	7
Net cash used in investing activities	(212)	(647)	(575)	676	(758)
Financing activities					
Proceeds from the exercise of share warrants and stock options	16	(9)	—	—	7
Capital contributions received	—	176	189	(365)	—
Treasury shares purchased	(3)	(3)	—	—	(6)
Purchase of non-controlling interests ⁽¹⁾	—	—	(12)	—	(12)
Dividends paid by parent	(143)	—	—	—	(143)
Dividends paid by subsidiaries	(1)	(126)	(5)	128	(4)
Escrow maturities	—	9	—	—	9
Borrowing under long-term loans (net of financing costs)	52	23	285	(280)	80
Repayment of long-term loans	(47)	(14)	(201)	152	(110)
Repayment of lease obligations	(2)	(36)	(3)	2	(39)
Net borrowings (repayments) of short-term loans	219	(38)	110	(182)	109
Settlement of derivative instruments	5	—	(1)	—	4

Net cash used in financing activities	96	(18)	362	(545)	(105)
Effect of foreign currency translation	—	11	1	(4)	8
Net increase (decrease) in cash and cash equivalents	(5)	89	(12)	—	72
Cash and cash equivalents at beginning of period	47	118	84	—	249
Cash and cash equivalents at end of period	42	207	72 ⁽²⁾	—	321 ⁽²⁾

- (1) Reclassification of cash flows resulting from the acquisition of non-controlling interests from “Investing activities” to “Financing activities” due to a change in IFRS, effective in 2010. For comparability prior years have been restated accordingly.
- (2) EUR 1 million included in assets classified as held for sale.

Significant changes in the financial situation of the guarantors

No significant adverse changes occurred in the financial situation of the subsidiaries of the Issuer providing their guarantee under the Cross Guarantee Agreement, since the end of the last financial period for which audited financial statements have been published, i.e. 31 December 2010.

PART VI: CLEARING

The Bonds will be accepted for clearance through the Clearing System under the ISIN number BE0002178441 with respect to the Bonds, and will accordingly be subject to the Clearing System Regulations. A5 – 4.1

The number of Bonds in circulation at any time will be registered in the register of registered securities of the Issuer in the name of the NBB (National Bank of Belgium, Boulevard de Berlaimont 14, B-1000 Brussels).

Access to the Clearing System is available through those of its Clearing System participants whose membership extends to securities such as the Bonds.

Clearing System participants include certain banks, stockbrokers (*beursvennootschappen/sociétés de bourse*), and Euroclear and Clearstream, Luxembourg. Accordingly, the Bonds will be eligible to clear through, and therefore accepted by Euroclear and Clearstream, Luxembourg and investors can hold their Bonds within securities accounts in Euroclear and Clearstream, Luxembourg.

Transfers of interests in the Bonds will be effected between Clearing System participants in accordance with the rules and operating procedures of the Clearing System. Transfers between investors will be effected in accordance with the respective rules and operating procedures of the Clearing System participants through which they hold their Bonds.

The Domiciliary Agent will perform the obligations of domiciliary agent included in the Clearing Agreement. The Issuer and the Domiciliary Agent will not have any responsibility for the proper performance by the Clearing System or its Clearing System participants of their obligations under their respective rules and operating procedures.

PART VII: DESCRIPTION OF THE ISSUER

1. GENERAL

A4 – 5.1
A4 – 5.1.

The commercial name of our company is Delhaize Group. The legal names of our company are “Etablissements Delhaize Frères et Cie “Le Lion” (Groupe Delhaize)”, in Dutch “Gebroeders Delhaize en Cie “De Leeuw” (Delhaize Groep)” and in English “Delhaize Brothers and Co. “The Lion” (Delhaize Group)”, in abridged “Groupe Delhaize”, in Dutch “Delhaize Groep” and in English “Delhaize Group”, the company being allowed to use any of its full legal corporate names or any of its abridged legal corporate names.

Delhaize Group is a limited liability company (*société anonyme/naamloze vennootschap*) incorporated and domiciled in Belgium with its registered address at rue Osseghem 53, Molenbeek-Saint-Jean. Our principal executive offices are located at Square Marie Curie 40, 1070 Brussels, Belgium. Our telephone number at that location is +32 2 412 22 11. The Issuer is registered in the Belgian Crossroads Bank for Enterprises (registration number: 0402.206.045 RPM Brussels). Our Internet address is www.delhaizegroup.com.

A4 – 5.1.
A4 – 5.1.

We are a food retailer headquartered in Belgium with operations in eleven countries on three continents — North America, Europe and Asia. As of 30 June 2011, our sales network (which includes company-operated, affiliated and franchised stores) consisted of 2,842 stores (excluding Delta Maxi). For the financial year 2010, we recorded EUR 20.8 billion (USD 27.6 billion) in revenues and EUR 574 million (USD 762 million) in net profit (Group share). As of 30 June 2011, we recorded EUR 10.2 billion (USD 14.3 billion) in revenues and EUR 243 million (USD 342 million) in net profit (Group share). As of 30 June 2011, Delhaize Group employed approximately 142,800 people. Delhaize Group’s stock is listed on NYSE Euronext Brussels (DELB) and the New York Stock Exchange (DEG).

A4 – 6.1
A4 – 6.1.
A4 – 6.2

Our primary store format consists of retail food supermarkets. Our sales network also includes other store formats such as proximity stores and specialty stores. As of 30 June 2011, in total, approximately 95% of our sales network is engaged in food retailing. In addition to food retailing, we engage in food wholesaling and non-food retailing of products such as pet products and prescription drugs.

Delhaize Group SA, the Issuer of the Bonds, is the parent company of a number of direct and indirect subsidiaries (the **Group**). A list of subsidiaries and related information is included in note 36 to our consolidated financial statements included in section 4.2 of Part VII (*Description of the Issuer*) of this Prospectus.

The following table sets forth, at the dates indicated, our sales network in the United States, Belgium and other regions:

Sales Network (number of stores)

	At 30 June,		At 31 December,		
	2011	2010	2010	2009	2008
United States ⁽¹⁾	1,638	1,600	1,627	1,607	1,594
Belgium ⁽²⁾	811	797	805	792	771
Greece	235	219	223	216	201
Romania	82	57	72	51	40
Indonesia	76	67	73	66	63

Discontinued Operations (3)	-	-	-	-	4
Total	2,842	2,740	2,800	2,732	2,673
(1)	Includes stores at 1 January 2011, 2 January 2010 and 3 January 2009.				
(2)	Includes stores in the Grand Duchy of Luxembourg				
(3)	Includes Germany (2008)				

Revenues (in millions of EUR)

	At 30 June,		At 31 December,		
	2011	2010	2010	2009	2008
United States	6,815	7,050	14,187	13,618	13,081
Belgium	2,375	2,344	4,800	4,616	4,407
SEE & Asia ⁽¹⁾	961	906	1,863	1,704	1,536
Total	10,151	10,300	20,850	19,938	19,024

(1) As of 1 January 2011, the segments Greece and Rest of the World (Romania and Indonesia) have been combined to become Southeastern Europe and Asia (**SEE & Asia**). The SEE & Asia segment includes Alfa Beta (Greece), Mega Image (Romania) and 51% of Super Indo (Indonesia).

In 2010, our operations were located primarily in the United States, Belgium and Greece, with a small percentage of our operations in Romania and in Indonesia. As from 1 August 2011, the sales network of approximately 450 stores (at the end of 2010) and the results of Delta Maxi Group will be integrated in our consolidated financial statements.

2. HISTORY

The Issuer was incorporated in 1867 for an unlimited duration (article 4 of the Issuer's articles of association) ^{A4-5.1.3}.

In 1867, the brothers Jules and Edouard Delhaize and their brother-in-law Jules Vieujant founded our company as a wholesale supplier of groceries in Charleroi, Belgium. In 1957, we opened our first supermarket in Belgium. Since that date, we have expanded our supermarket operations across Belgium and into other parts of Europe, North America and Southeast Asia. We were converted from a limited partnership to a limited liability company on 22 February 1962.

We entered the United States in 1974, acquiring approximately 35% of Food Town Stores, Inc., a food retailer that operated 22 stores in the Southeastern U.S. In 1976, we increased our stake to 52%. In 1983, Food Town Stores, Inc. was renamed Food Lion, Inc. In December 1996, our U.S. operations were expanded when Food Lion acquired Kash n' Karry. In July 2000, we acquired Hannaford Bros. Co, a supermarket chain operating in the Northeastern U.S. In October 2003, we acquired J.H. Harvey Co., a supermarket business operating in Georgia and Florida, and added it to our U.S. store network. In November 2004, we acquired Victory Distributors, Inc., a 19-store business operating in Massachusetts and New Hampshire under the trade name Victory Super Markets, and added it to our U.S. store network and converted the stores to the Hannaford banner.

In April 2001, we and Delhaize America, our consolidated subsidiary through which our U.S. operations are conducted, consummated a share exchange transaction in which we acquired all of the outstanding shares of Delhaize America that we did not already own. Delhaize America shareholders exchanged their shares of Delhaize America common stock for either our American Depositary

Receipts, or ADRs, which are listed on the New York Stock Exchange, or our ordinary shares, which are listed on Euronext Brussels.

The 1990s were a period of international expansion outside of Belgium and the United States for our company. The following subsidiaries were integrated into our company in the following countries during this time: Delvita - Czech Republic (1991), Alfa Beta – Greece (1992), PG – France (1994), Food Lion Thailand – Thailand (1997), Super Indo – Indonesia (1997), Delvita – Slovakia (1998), Shop N Save – Singapore (1999) and Mega Image – Romania (2000). Since then, some of these businesses have been divested to focus our resources on better investment opportunities or because the activity had become non-strategic: PG – France (2000), Shop N Save – Singapore (2003), Food Lion Thailand – Thailand (2004), Delvita – Slovakia (2005), Delvita – Czech Republic (2007) and Delhaize Deutschland - Germany (2009).

In 2001, Alfa Beta, our Greek operating company, acquired Trofo, a chain of stores operating in Greece that were subsequently re-branded into one of the Alfa Beta banners. In 2005, we acquired Cash Fresh, a chain of 43 supermarkets located mainly in the northeastern part of Belgium. In April 2008, Alfa Beta acquired 34 Plus Hellas stores (of which five were closed) and a brand new distribution centre located in the North of Greece. In 2008, Alfa Beta launched a new store brand with the opening of two Lion Food Stores. These stores offer a reduced assortment at discount prices. In September 2008, we completed the acquisition of the La Fourmi chain of 14 supermarkets in Romania. In January 2009, Delhaize Group opened a new concept store in Belgium called Red Market. This store will serve as a laboratory for new concepts in the Belgian market and elsewhere throughout the Group. Red Market focuses on ease and speed of shopping, a reduced assortment, convenience and low prices. In 2010, the Red Market concept was introduced in Greece and Romania.

On 18 May 2009, we launched through our wholly owned Dutch subsidiary Delhaize “The Lion” Nederland B.V. (Delned) a voluntary tender offer to acquire all of the common registered shares of Alfa Beta, which were not yet held by any of the consolidated companies of Delhaize Group. At the end of the acceptance period on 9 July 2009, Delned had acquired 89.56% of Alfa Beta. On 9 February 2010, Delned crossed the 90% share ownership threshold of Alfa Beta shares. On 12 March 2010, Delned launched a new tender offer to acquire the remaining 9.99% of Alfa Beta at EUR 35.73 per share. At the end of the acceptance period of this tender offer on 12 May 2010, Delned had acquired approximately 90.83% of Alfa Beta. On 4 June 2010, Delned exercised the right to acquire any remaining shares that were not tendered in the tender offer or otherwise held by Delned as of 2 June 2010 (squeeze-out right). On 9 August 2010, Delned obtained 100% of the voting rights of Alfa Beta. On 1 October 2010, Alfa Beta was delisted from the Athens Stock Exchange.

In July 2009, we closed the acquisition of 4 supermarkets in Romania previously operated under the Prodas name. In November 2009, we acquired the Greek retailer Koryfi which operated 11 stores and a distribution centre in the Northeast of Greece.

In July 2011, we completed the acquisition of Delta Maxi Group, a food retail company operating approximately 450 stores in five countries in Southeastern Europe at the end of 2010, for an amount of EUR 932.5 million (enterprise value) including net debt and other customary adjustments of EUR 318 million. The results of Delta Maxi will be consolidated in Delhaize Group’s results from 1 August 2011 and will be reported as part of the Southeastern Europe and Asia operating segment. As from the end of 2013, Delhaize Group plans to realise more than EUR 20 million in net annual EBITDA synergies, particularly from improved procurement, better inventory management and optimised finance, IT and supply chain systems and processes.

3. FINANCIAL HIGHLIGHTS

3.1 Overview

(a) 2010 Financial Results

In 2010, we had:

- Revenues of EUR 20.8 billion, an increase of 4.6% compared to 2009, reflecting the strengthening of the U.S. dollar against the euro by 5.2% compared to 2009;
- Operating margin of 4.9%, higher than the 2009 operating margin of 4.7%;
- Net financial expenses of EUR 203 million stable compared to 2009;
- Loss from discontinued operations of EUR 1 million compared to a profit of EUR 8 million in 2009; and
- Group share in net profit of EUR 574 million, an increase of 11.7% compared with 2009.

On 8 October 2010, we completed a private debt exchange transaction, pursuant to which we offered to exchange certain notes and debentures previously issued by our wholly owned subsidiary Delhaize America, LLC, for new notes issued by Delhaize Group. In the private debt exchange offer, we offered to exchange any and all of the outstanding 9.00% Debentures due 2031 and 8.05% Notes due 2027 (together the **Existing Securities**) held by eligible holders for new 5.70% Notes due 2040 (the **New Notes**). In total, USD 588 million of the total principal of USD 931 million of the Existing Securities were tendered by eligible holders and exchanged for USD 827 million of the New Notes.

(b) 2010 Acquisitions and Divestures

During 2010, we entered into several small agreements acquiring a total of 15 individual stores in various parts of the world. Total consideration transferred during 2010 was EUR 16 million in cash, and additional final payments of EUR 1 million are expected to be paid in 2011. These transactions resulted in an increase of goodwill of EUR 12 million, mainly representing expected benefits from the integration of the stores into the existing sales network and the locations and customer base of the various stores acquired, all resulting in synergy effects for the Group. In addition, we made a final payment of EUR 3 million during 2010, relating to the acquisition of Koryfi SA, which occurred in 2009 and for which acquisition accounting was completed during 2010.

In May 2009, we announced the launch of a voluntary tender offer for all of the shares of our Greek subsidiary Alfa Beta Vassilopoulos S.A. (**Alfa Beta**) not yet owned by us. The initial tender price was EUR 30.50 per share and increased to EUR 34.00 per share in June 2009. On 12 March 2010, we launched through our wholly owned Dutch subsidiary Delhaize “The Lion” Nederland BV (**Delned**) a new tender offer to acquire the remaining shares of Alfa Beta at EUR 35.73 per share. On 4 June 2010, Delned requested from the Hellenic Capital Market Commission the approval to squeeze-out the remaining minority shares in Alfa Beta, which was granted on 8 July 2010. The last date of trading Alfa Beta shares at the Athens Exchange was 29 July 2010 and settlement occurred on 9 August 2010. Since 9 August 2010, we own 100% of the voting rights in Alfa Beta. Alfa Beta was delisted from the Athens Exchange as of 1 October 2010.

No divestures occurred in 2010.

(c) Financial Highlights First Half 2011

- Revenues of EUR 10.2 billion, a decrease of 1.4% compared to the first half of 2010, caused by the weakening of the U.S. dollar against the euro by 5.4%;

- Operating margin of 4.2%, lower than same period in 2010 (4.5%) due to the significant price investments in the U.S.;
- Improvement in net debt to equity ratio 32.1% compared to 35.3% at the end of 2010;
- Achieved approximately EUR 300 million or 60% midway to the 2012 year-end EUR 500 million gross annual cost savings target;
- In March 2011, we announced the acquisition of the Delta Maxi acquisition, which was completed on 27 July 2011 and makes Delhaize Group a leading food retailer in Southeastern Europe;

3.2 Selected Financial Data

The following selected financial data is derived from our audited consolidated financial statements and unaudited half year 2011 consolidated financial information, included in Part X (*Financial information concerning the Issuer's assets and liabilities, financial position and profit and losses*) of this Prospectus, which have been prepared using accounting policies in accordance with International Financial Reporting Standards, or IFRS, as issued by the International Accounting Standards Board, or IASB, and as adopted by the European Union, or EU. The only difference between the effective IFRS as issued by the IASB and as adopted by the EU relates to certain paragraphs of *IAS 39 Financial Instruments: Recognition and Measurement*, which are not required to be applied in the EU (so-called “carve-out”). We are not affected by the carve-out and for us there is therefore no difference between the effective IFRS as issued by the IASB and the pronouncements adopted by the EU. The selected financial data presented below should be read in conjunction with our consolidated financial statements, related notes thereto and other financial information incorporated by reference in accordance with Part III (*Documents incorporated by reference*) of this Prospectus.

A4 – 3
A4 – 3.1

Our reporting currency is the euro.

(In millions, except per share amount)	31 December,			30 June,	
	2010	2009	2008	2011	2010
INCOME STATEMENT DATA	EUR	EUR	EUR	EUR	EUR
Revenues	20,850	19,938	19,024	10,151	10,300
Operating profit	1,024	942	904	427	468
Profit before taxes and discontinued operations	821	740	702	337	362
Net profit from continuing operation	576	512	485	243	245
Net profit	575	520	479	243	245
Net profit attributable to equity holders of the Group	574	514	467	243	244
Cash dividends paid ⁽¹⁾	161	148	143	172	159
Basic earnings per share ⁽²⁾	5.73	5.16	4.70	2.41	2.44
Diluted earnings per share ⁽²⁾	5.68	5.08	4.59	2.39	2.41

(In millions)	31 December,			30 June,	
	2010	2009	2008	2011	2010
BALANCE SHEET DATA	EUR	EUR	EUR	EUR	EUR
Current assets	2,988	2,419	2,403	2,920	2,868
Total assets	10,902	9,748	9,700	10,418	11,114
Short-term borrowings	16	63	152	24	64
Long-term debt	1,966	1,904	1,766	1,780	2,098
Long-term obligations under finance lease	684	643	643	628	738
Share capital	51	50	50	51	50
Non-controlling interests	1	17	52	1	15

Shareholders' equity	5,068	4,392	4,143	4,842	5,079
	31 December,			30 June,	
(In millions, except the store count)	2010	2009	2008	2011	2010
OTHER DATA	EUR	EUR	EUR	EUR	EUR
Store count at period end	2,800	2,732	2,673	2,842	2,740
Weighted average number of shares outstanding at period end	100.3	99.8	99.4	100.6	100.1
Net cash provided by operating activities	1,317	1,176	927	582	613
Net cash (used in) investing activities ⁽³⁾	(665)	(555)	(758)	(291)	(249)
Net cash (used in) financing activities ⁽³⁾	(343)	(496)	(105)	(217)	(231)
Capital expenditures	660	520	714	270	234

- (1) We usually pay dividends once a year after our annual shareholders' meeting following the fiscal year with respect to which the dividend relates. Cash dividends paid represent the amount of dividend effectively paid during the indicated year.
- (2) Group share in net profit.
- (3) Reclassification of cash flows resulting from the acquisition of non-controlling interests from "Investing" to "Financing" activities due to a change in IFRS, effective 2010. For comparability, prior years have been restated accordingly.

4. ORGANISATIONAL STRUCTURE

A4 – 7
A4 – 7.1

4.1 Organisation chart

Delhaize Group SA, the Issuer of the Bonds, is the parent company of the direct and indirect subsidiaries listed in section 4.2 below.

4.2 Information on the Issuer's subsidiaries

The subsidiaries of the Issuer are listed in the tables here below. For each subsidiary, the percentage of the shareholding held by the Issuer is mentioned.

(a) Fully consolidated subsidiaries as of 30 June 2011

Name of the subsidiary	Address	Ownership interest in %		
		2011	2010	2009
Alfa Beta Vassilopoulos SA	81, Spaton Avenue, Gerakas, Athens, Greece	100.0	100.0	89.9
Anadrasis S.A.	81, Spaton Avenue, Gerakas, Athens, Greece	100.0	—	—
Aniserco SA	Rue Osseghemstraat 53, 1080 Brussels, Belgium	100.0	100.0	100.0
Athenian Real Estate Development, Inc.	PO Box 1000, Portland, ME 04104, U.S.A.	100.0	100.0	100.0
ATTM Consulting and Commercial, Ltd. ⁽¹⁾	Kyriakou Matsi, 16 Eagle House, 10th floor, Agioi Omologites, P.C. 1082, Nicosia, Cyprus	100.0	100.0	100.0
Boney Wilson & Sons, Inc.	PO Box 1000, Portland, ME 04104, U.S.A.	100.0	100.0	100.0

Name of the subsidiary	Address	Ownership interest in %		
		2011	2010	2009
Bottom Dollar Food Holding, LLC	2110 Executive Drive, Salisbury, NC 28147, U.S.A.	100.0	100.0	100.0
Bottom Dollar Food Northeast, LLC	2110 Executive Drive, Salisbury, NC 28147, U.S.A.	100.0	100.0	100.0
Bottom Dollar Food Southeast, LLC	2110 Executive Drive, Salisbury, NC 28147, U.S.A.	100.0	100.0	100.0
CF Bugboort BVBA ⁽²⁾	Wespelaarsebaan 126, 3190 Boortmeerbeek, Belgium	—	—	100.0
Delhaize America, LLC	2110 Executive Drive, Salisbury, NC 28147, U.S.A.	100.0	100.0	100.0
Delhaize America Shared Services Group, LLC	2110 Executive Drive, Salisbury, NC 28147, U.S.A.	100.0	100.0	—
Delhaize Distribution Luxembourg S.A. (formerly Markant S.A.)	Rue d'Olm 51, Zone Industrielle, 8281 Kehlen, Grand Duchy of Luxembourg	100.0	100.0	—
Delhaize Finance B.V.	Martinus Nijhofflaan 2, 2624 ES Delft, The Netherlands	100.0	100.0	100.0
Delhaize Griffin SA	Square Marie Curie 40, 1070 Brussels, Belgium	100.0	100.0	100.0
Delhaize Insurance Company, Inc	76 St. Paul Street, Suite 500, Burlington, VT 05401, U.S.A.	100.0	100.0	100.0
Delhaize Luxembourg S.A.	Rue d'Olm 51, Zone Industrielle, 8281 Kehlen, Grand Duchy of Luxembourg	100.0	100.0	100.0
Delhaize The Lion America, LLC	2110 Executive Drive, Salisbury, NC 28147, U.S.A.	100.0	100.0	100.0
Delhaize The Lion Coordination Centre SA	Rue Osseghemstraat 53, 1080 Brussels, Belgium	100.0	100.0	100.0
Delhaize "The Lion" Nederland B.V.	Martinus Nijhofflaan 2, 2624 ES Delft, The Netherlands	100.0	100.0	100.0
Delhaize US Holding, Inc.	2110 Executive Drive, Salisbury, NC 28147, U.S.A.	100.0	100.0	100.0
Delhome SA	Bld de l'Humanité 219/221, 1620 Drogenbos, Belgium	100.0	100.0	100.0
Delimmo SA	Rue Osseghemstraat 53, 1080 Brussels, Belgium	100.0	100.0	100.0
Distri Group 21 NV ⁽³⁾	Everdongenlaan 21, 2300 Turnhout, Belgium	—	—	100.0
DZA Brands, LLC	2110 Executive Drive, Salisbury, NC 28147, U.S.A.	100.0	100.0	100.0
ENA SA	81, Spaton Avenue, Gerakas, Athens, Greece	100.0	100.0	89.9
FL Food Lion, Inc.	PO Box 1330, Salisbury, NC 28145, U.S.A.	100.0	100.0	100.0
Food Lion, LLC	2110 Executive Drive, Salisbury, NC 28147, U.S.A.	100.0	100.0	100.0
Food Lion (Thailand), Inc. ⁽⁴⁾	2110 Executive Drive, Salisbury, NC 28147, U.S.A.	—	—	100.0
Gastro International S.R.L. ⁽⁵⁾	Calea Grivitei, N°399, Sector	—	—	100.0

Name of the subsidiary	Address	Ownership interest in %		
		2011	2010	2009
Guiding Stars Licensing Company	1, Bucharest, Romania P.O. Box 1000, Portland, ME 04104, USA	100.0	100.0	100.0
Hannaford Bros. Co.	145 Pleasant Hill Road, Scarborough, ME 04074, U.S.A.	100.0	100.0	100.0
Hannaford Energy, LLC	145 Pleasant Hill Road, Scarborough, ME 04074, U.S.A.	100.0	100.0	100.0
Hannaford Licensing Corp.	PO Box 1000, Portland, ME 04104, U.S.A.	100.0	100.0	100.0
Hannaford Trucking Company	PO Box 1000, Portland, ME 04104, U.S.A.	100.0	100.0	100.0
Hannbro Company	PO Box 1000, Portland, ME 04104, U.S.A.	100.0	100.0	100.0
Harveys Stamping Company, LLC	PO Box 646, Nashville, GA 31639, U.S.A.	100.0	100.0	100.0
Holding and Food Trading Company Single Partner LLC	81, Spaton Avenue, Gerakas, Athens, Greece	100.0	100.0	89.9
Holding and Food Trading Company Single Partner LLC & Co Ltd Partnership	81, Spaton Avenue, Gerakas, Athens, Greece	100.0	100.0	89.9
Huro NV	Wezenstraat 4, 2370 Arendonk, Belgium	100.0	100.0	100.0
J.H. Harvey Co., LLC	727 South Davis Street, Nashville, GA 31639, U.S.A	100.0	100.0	100.0
Jobmart NV ⁽²⁾	Everdongenlaan 21, 2300 Turnhout, Belgium	—	—	100.0
Kash n' Karry Food Stores, Inc.	3801 Sugar Palm Drive, Tampa, FL 33619, U.S.A.	100.0	100.0	100.0
Katdrink NV ⁽²⁾	Everdongenlaan 21, 2300 Turnhout, Belgium	—	—	100.0
Knauf Center Pommerlach S.A. ⁽⁶⁾	Rue d'Olm 51, Zone Industrielle, 8281 Kehlen, Grand Duchy of Luxembourg	—	100.0	100.0
Knauf Center Schmëtt S.A. ⁽⁶⁾	Rue d'Olm 51, Zone Industrielle, 8281 Kehlen, Grand Duchy of Luxembourg	—	100.0	100.0
Kommar NV ⁽²⁾	Everdongenlaan 21, 2300 Turnhout, Belgium	—	—	100.0
La Fourmi S.A. ⁽⁵⁾	Siret Street nr. 95 et 1, Sector 1, Bucharest, Romania	—	—	100.0
Leoburg NV	Lommelsesteenweg 8, 3970 Leopoldsburg, Belgium	100.0	100.0	100.0
Lion Retail Holding S.à.r.l.	Rue d'Olm 51, Zone Industrielle, 8281 Kehlen, Grand Duchy of Luxembourg	100.0	—	—
Lithia Springs, LLC	2110 Executive Drive,	60.0	60.0	60.0

Name of the subsidiary	Address	Ownership interest in %		
		2011	2010	2009
Maascad NV ⁽³⁾	Salisbury, NC 28147, U.S.A. Everdongenlaan 21, 2300 Turnhout, Belgium	—	—	100.0
Marietta Retail Holdings, LLC	3735 Beam Rd, Unit B, Charlotte, NC 28217, U.S.A.	0.0	0.0	0.0
Marion Real Estate Investments, LLC	2110 Executive Drive, Salisbury, NC 28187, U.S.A.	100.0	100.0	100.0
Martin's Food of South Burlington, Inc.	PO Box 1000, Portland, ME 04104, U.S.A.	100.0	100.0	100.0
MC Portland, LLC	PO Box 1000, Portland, ME 04104, U.S.A.	100.0	100.0	—
Mega Doi S.R.L.	39-49 Nicolai Titulesco Avenue, 1st district, Bucharest, Romania	99.2	99.2	99.2
Mega Image S.R.L.	95 Siret Street, 1st district, Bucharest, Romania	100.0	100.0	100.0
Molmart NV	Rue Osseghemstraat 53, 1080 Brussels, Belgium	100.0	100.0	100.0
Morrills Corner, LLC	PO Box 1000, Portland, ME 04104, U.S.A.	100.0	100.0	—
Points Plus Punten SA	Rue Osseghemstraat 53, 1080 Brussels, Belgium	100.0	100.0	100.0
Progressive Distributors, Inc.	PO Box 1000, Portland, ME 04104, U.S.A.	100.0	100.0	100.0
Rafo Com Construct S.R.L. ⁽⁵⁾	Calea Rahovei, N°299, Sector 5, Bucharest, Romania	—	—	100.0
Redelcover S.A.	Rue de Merl 74, 2146 Luxembourg, Grand Duchy of Luxembourg	100.0	100.0	100.0
Risk Management Services, Inc.	PO Box 1330, Salisbury, NC 28145, U.S.A.	100.0	100.0	100.0
Rovas 2001 Prodimpex S.R.L. ⁽⁵⁾	95 Siret Street, 1st district, Bucharest, Romania	—	—	100.0
Serdelco S.A.S.	Parc des Moulins, Avenue de la Créativité 4, 59650 Villeneuve d'Ascq, France	100.0	100.0	100.0
Sinking Spring Retail Holdings, LLC	3735 Beam Rd, Unit B, Charlotte, NC 28217, U.S.A.	0.0	0.0	0.0
Smart Food Shopping SA	Chaussée de Wavre 42A, 5030 Gembloux, Belgium	100.0	100.0	100.0
SS Morrills, LLC	PO Box 1000, Portland, ME 04104, U.S.A.	100.0	100.0	—
Summit Commons Retail Holdings, LLC	3735 Beam Rd, Unit B, Charlotte, NC 28217, U.S.A.	0.0	0.0	0.0
Super Market Koryfi SA ⁽⁷⁾	81, Spaton Avenue, Gerakas, Athens, Greece	—	—	89.9
Supermarkten Voeten-Hendrickx NV ⁽²⁾	Markt 18, 2470 Retie, Belgium	—	—	100.0
The Pride Reinsurance	The Metropolitan Building,	100.0	100.0	100.0

Name of the subsidiary	Address	Ownership interest in %		
		2011	2010	2009
Company, Ltd.	3rd Floor, James Joyce Street, Dublin 1, Ireland			
Universal MVM Conexim S.R.L. ⁽⁵⁾	Str. Constantin Rădulescu-Motru, N°12, Bl.27B, ground floor, Sector 4, Bucharest, Romania	—	—	100.0
Victory Distributors, Inc.	P.O. Box 1000, Portland, ME 04104, U.S.A.	100.0	100.0	100.0
Wambacq & Peeters NV	Isidoor Crockaertstraat 25, 1731 Zellik, Belgium	85.0	85.0	85.0
Wilmart NV ⁽²⁾	Everdongenlaan 21, 2300 Turnhout, Belgium	—	—	100.0
Wintrucks NV	Isidoor Crockaertstraat 25, 1731 Zellik, Belgium	88.0	88.0	88.0

- (1) In liquidation.
(2) Merged with Delimmo SA on 31 August 2010.
(3) Liquidated.
(4) Dissolved on 15 March 2010.
(5) Merged into Mega Image S.R.L. on 1 January 2010.
(6) Merged into Delhaize Luxembourg S.A. on 1 January 2011.
(7) Merged into Alfa Beta Vassilopoulos SA on 3 November 2010.

(b) Joint Ventures – Proportionally consolidated as of 30 June 2011

Name of the subsidiary	Address	Ownership interest in %		
		2010	2009	2008
P.T. Lion Super Indo, LLC	Menara Bidakara 2, 19th floor, Jl Jendral Gatot Soebroto Kav 71-73, Pancoran, Jakarta Selatan 12870, Indonesia	51.0	51.0	51.0

P.T. Lion Super Indo, LLC (**Super Indo**) is accounted for as a joint venture because Delhaize Group shares control with another party. Delhaize Group's interest in assets and liabilities of Super Indo is as follows:

(in millions of EUR)	2010	31 December,	
		2009	2008
Non-current assets	10	8	7
Current assets	25	18	12
Non-current liabilities	1	1	1
Current liabilities	13	10	8

Cash flows of Super Indo included in Delhaize Group's cash flow statements are as follows:

(in millions of EUR)	2010	31 December,	
		2009	2008
Net cash provided by operating activities	6	6	2

Net cash used in investing activities	(3)	(1)	(2)
Net cash used in financing activities	-	-	-

Revenue of Super Indo included in the Group's result was EUR 110 million, EUR 86 million and EUR 77 million for 2010, 2009 and 2008, respectively. Net income of Super Indo included in the Group's results was approximately EUR 4 million in 2010, EUR 3 million in 2009 and EUR 2 million in 2008.

(c) Subsidiaries acquired after 30 June 2011

Name of the subsidiary	Address	Ownership interest in % as of August 31, 2011
Delta Maxi d.o.o. Beograd	Takovska 49, Belgrade, Serbia	100.0
C Market a.d. Beograd	Cika Ljubina 9, Belgrade, Serbia	75.4
Pekabeta a.d. Beograd	Takovska 49, Belgrade, Serbia	92.7
TP Srbija a.d. Kragujevac	Crvenog barjaka BB, Kragujevac, Serbia	75.8
TP Stadel d.o.o. Kragujevac	Crvenog barjaka BB, Kragujevac, Serbia	75.8
Zvezdara a.d. Beograd	Zivka Davidovica 64, Belgrade, Serbia	63.9
Euromax SHPK	Kashar QTU_Autostrada TR-DR- KM7, Tirana, Albania	100.0
Delta Maxi d.o.o. Banja Luka	Branka Popovica 115, Banja Luka, Bosnia-Herzegovina	100.0
Piccadilly EAD, Varna	1A, Bitolya Street, City of Varna, Bulgaria	100.0
Centar za obuchenie i prekvalifikacija EOOD	1A, Bitolya Street, City of Varna, Bulgaria	100.0
Delta Maxi d.o.o. Podgorica	Zmaj Jovina bb, Podgorica, Montenegro	100.0
Ela d.o.o. Kotor	Trg od oruzja bb, Kotor, Montenegro	51.0
Lion Lux Finance S.à.r.l.	Rue d'Olm 51, Zone Industrielle, 8281 Kehlen, Grand Duchy of Luxembourg	100.0

5. KEY STRENGTHS AND STRATEGIES OF THE DELHAIZE GROUP

5.1 Competitive strengths

A4 – 6.3

We believe that we are well positioned to capitalise on opportunities that exist in the supermarket industry in the geographical markets in which we operate. We seek to differentiate ourselves from our competitors through our competitive strengths, which include:

- *Leading market shares and strong brand recognition.* We aim to be among the top three supermarket operators in terms of annual revenues in the markets in which we operate. We believe that our leading market shares result in distribution and advertising synergies, competitive buying conditions and allow us to maintain customer loyalty and strong brand recognition.
- *Strong operating margins and cost control.* Our operating margins have historically been among the highest in the supermarket industry. We have focused on controlling and

reducing elements of our cost of sales through centralised buying practices, distribution efficiencies, improved category management and an increased mix of private brand products. Effective use of information technology, store labour scheduling and attention to cost controls has allowed us to control our expense structure. Our ability to control operating and administrative expenses has allowed us to achieve one of the lowest operating cost structures in the supermarket industry.

- *Track record of reducing leverage (i.e., debt to equity ratio).* We have historically been able to generate free cash flow and reduce leverage in our balance sheet. This has been possible through our strong profitability, disciplined working capital management and selective investments.
- *Diversification through multiple banners and multiple markets.* We operate under multiple banners, each of which has a distinct strategy and a well established and consistent brand image. Through our multiple banners, we are able to target the needs and requirements of specific markets, customise our product and service offerings and maintain strong brand recognition with our local customers.
- *Experienced management team.* Our executive officers have an average of 20 years of experience in the food retailing industry. In addition, many of our company's senior operating managers have spent much of their careers in their respective local markets.
- *Attractive store base.* Our store locations include many sites in developed urban and suburban locations that would be difficult to replicate. We have invested significant capital in our store base over the years through the addition of new stores and the renovation of existing stores in order to improve the overall quality of our customers' shopping experience. We plan on continuing to invest during fiscal year 2011 by making approximately EUR 820 to EUR 840 million of capital expenditures (based on the average exchange rate in 2010 of 1 EUR = 1.3257 USD). These capital expenditures include renovations of existing stores and store support functions, particularly information technology and logistics.
- *Distribution capacity and efficiency.* At 31 December 2010, we operated 30 distribution centres that total approximately 14.7 million square feet. Our warehousing and distribution systems are conveniently located within the areas we serve. Our distribution centres are capable of serving our existing store base and can service additional stores. We plan to continue to develop and invest in our warehousing and distribution systems in the future.
- *Loyalty card programs.* Transactions using the loyalty card program accounted for 90%, 71% and 84% of revenues at Delhaize Belgium, Alfa Beta and Food Lion respectively, during 2010. Customers utilise our loyalty cards for buying incentives and discounts on select purchases.
- *Significant investment in management information systems.* All of our operating companies use computer systems that allow us to monitor store operating performance, manage merchandise categories and procure and distribute merchandise on a centralised basis by banner. We regularly update our information technology systems so that we can continue to efficiently operate our stores and logistics network.
- *Operate as a global group.* We are organised into different geographic regions that exercise global and regional purchasing, share retail knowledge and implement best practices. We have regional and company-wide coordination groups focusing on procurement, equipment purchasing, information technology, food safety, talent development, communication and risk management.

5.2 Our strategy

Delhaize Group achieves its success through the combination of a local go-to-market strategy, regional leadership, the Group's knowledge and expertise and a firm commitment to stay focused on the long-term while addressing short-term challenges. Our operating companies all rally around the same vision and group values that are the basis of everything we do. Our values are determination, integrity, courage, humility, and humour. Our goal is to achieve value leadership in all of our markets leading to superior top-line and operating profit growth and make Delhaize Group an effective acquirer. The sustainability of our business is based on a clear strategy, called our New Game Plan, of generating profitable revenue growth, pursuing best-in-class execution and operating as a responsible citizen.

- *Generate profitable revenue growth.* Concept differentiation, competitive prices and leading local market positions are key elements of our strategy to generate profitable revenue growth. Attractive assortments in convenient locations lead to superior customer experiences. In 2010, all of our banners implemented a new Group-wide pricing policy to ensure customers could continue to enjoy fresh and healthy products at very competitive prices. At the same time, we expanded and renewed our network.
- *Pursue best-in-class execution.* Retail is all about detail. The enormous volumes we move every day from supplier to customer pose a formidable challenge to planning and execution. We continually invest in the development of customer tools, supply chain technology, logistics and IT systems. Executional excellence strongly depends on our associates' positive engagement and on synergies we realise with our vendors. Pursuing best-in-class execution with a strong focus on cost management enables us to fund sales building initiatives that respond to our customers' high expectations while driving profitable growth. In 2010, major steps in this area were taken with the process to set up one common procurement organisation, one supply chain organisation and one platform for common back office services, supporting all our U.S. operations.
- *Operate as a responsible corporate citizen.* The combination of sustainable growth and operating as a best-in-class corporate citizen has always been an essential part of how we do business. Corporate Responsibility is fully integrated into our day-to-day operations. However, we recognise we can improve, for the benefit of our millions of customers, our approximately 142,800 associates (at 30 June 2011) and our planet. We issued a separate report on Corporate Responsibility in June 2011.

6. BUSINESS OVERVIEW

A4 – 6.1
A4 – 6.1
A4 – 6.1
A4 – 6.2

Delhaize Group's segment reporting is geographical, based on the location of customers and stores, which matches the way we manage our operations. At 30 June 2011, reportable segments include the United States, Belgium (including Belgium and the Grand Duchy of Luxembourg), Southeastern Europe and Asia (including Greece, Romania and Indonesia) and Corporate.

As of 1 August 2011 the results of Delta Maxi are reported as part of the Southeastern Europe and Asia segment.

As of 30 June 2011, we operated the following banners:

United States	Belgium ⁽¹⁾	Southeastern Europe & Asia	
Food Lion	Delhaize	Greece	Indonesia
Hannaford	Le Lion	Alfa-Beta	Super Indo
Sweetbay	Supermarket	ENA	
Supermarket	AD Delhaize	AB Shop & Go	Romania
Bloom	Delhaize City	AB City	Mega Image

Bottom Dollar Food Harveys Reid's	Proxy Delhaize Shop 'n Go Caddy-Home Tom & Co Red Market	AB Food Market Red Market	Red Market Shop & Go
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(1) Including 43 stores in the Grand Duchy of Luxembourg

(a) United States

Overview

We engage in one line of business in the United States, the operation of food supermarkets in the southeastern, mid-Atlantic and northeastern regions of the United States under the banners Food Lion, Hannaford, Sweetbay Supermarket, Bloom, Bottom Dollar Food, Reid's and Harveys.

For the year ended 31 December 2010, we had revenues of EUR 14.2 billion (USD 18.8 billion) in the United States. We were the third largest supermarket operator on the east coast of the United States for the year 2010 based on sales. As of 30 June 2011, we had revenues of EUR 6.8 billion (USD 9.6 billion) in the United States and employed approximately 108,150 people.

Food Lion stores are located from Delaware through Florida. Hannaford and Kash n' Karry (which operates Sweetbay Supermarket) became wholly-owned subsidiaries of Delhaize America in 2000 and 1996, respectively, and are located respectively throughout New England and Florida. Harveys is located primarily in Georgia and Florida and has been consolidated into Delhaize America's results since 26 October 2003. Bloom and Bottom Dollar Food stores can be found in the mid-Atlantic section of the United States and began operations in 2004 and 2005, respectively.

Sales network

The growth of our U.S. sales network has historically been based on store openings, complemented by selective acquisitions. As of 30 June 2011, we operated 1,638 supermarkets in 17 states in the eastern United States.

State	Food Lion ⁽¹⁾	Bloom	Bottom Dollar Food	Harveys	Hannaford	Sweetbay	TOTAL
Delaware	23						23
Florida	27			7		105	139
Georgia	56			63			119
Kentucky	10						10
Maine					56		56
Maryland	69	7	4				80
Massachusetts					26		26
New Hampshire					32		32
New Jersey			2				2
New York					47		47
North Carolina	498	9	5				512
Pennsylvania	10		17				27
South Carolina	137	6		1			144
Tennessee	57						57
Vermont					17		17

State	Food Lion ⁽¹⁾	Bloom	Bottom Dollar Food	Harveys	Hannaford	Sweetbay	TOTAL
Virginia	268	42	19				329
West Virginia	18						18
Total	1,173	64	47	71	178	105	1,638
Number of States	11	4	5	3	5	1	17

(1) Includes 11 Reid's stores.

Banner	Average Store Size m²/ft²
Food Lion	3,325/35,800
Bottom Dollar Food and Reid's	2,787/30,000
Harveys	2,920/31,500
Hannaford, Bloom	4,450/47,800
Sweetbay Supermarket	4,180/45,000

In recent years, we have pursued a significant remodeling program in the United States to provide our customers with a more convenient atmosphere, an enhanced merchandise assortment and improved customer service. In 2010, we re-opened 72 supermarkets in the U.S. after remodeling or expansion work. This included 31 stores in the markets of Richmond, Virginia and Greenville, North Carolina.

The market renewal process is based on our commitment to better match stores to local demographics and shopping behavior (Food Lion, Bloom and Bottom Dollar Food). Remodeled stores received new interiors, new merchandising fixtures, expanded perishable offerings and changed product selections.

On 4 May 2011, Food Lion re-launched approximately 200 stores in the Raleigh (North Carolina) and Chattanooga (Tennessee) markets. In addition to price, concrete action plans were defined to strengthen other attributes of our Food Lion brand in those markets, focused on the quality of the assortment, the ease and convenience of the shopping experience as well as additional price investments.

In 2010, the low-cost supermarket Bottom Dollar Food entered into the greater Philadelphia, PA area, a new market for the Group. We believe in the potential of Bottom Dollar Food in that market as the banner responds to the needs of the local population. As of 30 June 2011, Bottom Dollar Food counted 19 stores in that new area. On 22 July 2011 Delhaize America announced plans for Bottom Dollar Food to enter the greater Pittsburgh and Youngstown, Ohio, markets with 14 stores foreseen to open in early 2012.

Competition and regulation

The U.S. business in which we are engaged is competitive and characterised by narrow profit margins. We compete in the United States with international, national, regional and local supermarket chains, supercenters, independent grocery stores, specialty food stores, convenience stores, warehouse club stores, retail drug chains, membership clubs, general merchandisers, discount retailers and dollar stores. Competition is based primarily on location, price, consumer loyalty, product quality, variety and service. In order to support decisions on the competitiveness of the pricing level, Delhaize Group's operating companies have developed detailed systems to compare prices with the competition.

The major competitors of Food Lion are Wal-Mart, Kroger, Harris Teeter, Bi-Lo, Lowes Food and Save-A-Lot. The major competitors of Hannaford are Supervalu (Shaws), Price Chopper, Wal-Mart, DeMoulas (Market Basket) and Royal Ahold (Stop & Shop). The major competitors of Sweetbay are Publix, Winn-Dixie and Wal-Mart.

The opening of new stores is largely unconstrained by regulation in most of the states where Food Lion and Sweetbay operate. The majority of the states in which Hannaford operates are more restrictive through regulation of the opening of new stores. Shopping hours are mostly unconstrained by regulation in all of the U.S. states in which we are active. Most of our U.S. stores are open 17 to 18 hours a day and seven days a week.

Assortment

Our U.S. supermarkets sell a wide variety of groceries, produce, meats, dairy products, seafood, frozen food, deli/bakery products and non-food items such as prescriptions, health and beauty care and other household and personal products. Our U.S. stores offer nationally and regionally advertised brand name merchandise as well as products manufactured and packaged under private brands. Food Lion offers between 15,000 and 20,000 stock-keeping units (SKUs) in its supermarkets, Harveys between 15,000 and 20,000 SKUs, Bloom between 21,000 and 25,000 SKUs, Bottom Dollar Food between 6,500 and 8,000 SKUs, Sweetbay between 28,000 and 41,500 SKUs and Hannaford between 25,000 and 46,000 SKUs.

Fresh products are a key category throughout the Group. Organic, natural and international foods are becoming more prevalent in the assortment. Hannaford, Food Lion and Sweetbay feature a strong organic and natural food department, Nature's Place, in their stores. In Florida, our Sweetbay Supermarket concept strongly focuses on fresh products and specialty foods.

Private brand products

Each of our principal U.S. banners offers its own line of private brand products. The Food Lion, Hannaford and Sweetbay private brand programs are consolidated into a single procurement program where appropriate, enhancing the sales and marketing of the various private brand brands, reducing the cost of goods sold for private brand brands and strengthening the margins for these products. Revenues of private brand products represented 26.2%, 27.4% and 27.5% of Food Lion's, Hannaford's and Sweetbay respective revenues in fiscal year 2010. As of 31 December 2010, Food Lion carried more than 5,600 private brand SKUs, Hannaford approximately 6,500 private brand SKUs and Sweetbay offered more than 5,000 SKUs under its private brand program. In 2010, we continued the roll out a common three-tier private brand program in our U.S. operations started in 2007, including a premium brand **Taste of Inspirations**, a house brand and a value line **Smart Option** as well as category-specific private brand lines for organic products, general merchandise and prepared meals. In the second quarter of 2011, we started to introduce **My Essentials**, a new value line of private brands that will eventually replace the **Smart Option** assortment.

Loyalty cards

Food Lion operates a customer loyalty card program, which is called the MVP card program, through which customers can benefit from additional savings. Transactions using the MVP card accounted for approximately 84% of revenues at Food Lion in 2010. During the fiscal year ended 31 December 2010, approximately 13.7 million households actively used the MVP program, and their purchases were more than twice the size of non-MVP transactions.

Pharmacies

As of 30 June 2011, there were 140 pharmacies in Hannaford stores, 77 in Sweetbay stores, 36 in Food Lion stores, 25 in Harveys stores and eight in Bloom stores.

(b) Belgium and the Grand Duchy of Luxembourg

Overview

Belgium is our historical home market. The Belgian food retail market is characterised by a large presence of supermarkets, discount stores and independent shopkeepers. Over the years, we have built a strong market position (second in terms of sales), providing our customers with quality products and services at competitive prices. In 2010, we had revenues of EUR 4.8 billion in Belgium and the Grand Duchy of Luxembourg, an increase of 4.0% over 2009, supported by comparable store sales growth of 3.2%, the highest level in the last seven years and entirely as a result of volume growth. In 2010 and the first half of 2011, Delhaize Belgium conducted eight consecutive waves of price investments started in early 2008 that marked the start of a price repositioning campaign. Throughout 2010, transaction counts have increased and Delhaize Belgium has gained market share to end 2010 with a 26.3% market share (source: A.C. Nielsen), an increase of 61 basis points compared to 2009. As of 30 June 2011, Delhaize Belgium posted revenues of EUR 2.4 billion and employed approximately 16,700 people.

Sales network

In Belgium and the Grand Duchy of Luxembourg our sales network consists of several banners, depending on the specialty, the store size and whether the store is company-operated, franchised or affiliated (that is, stores to which we sell wholesale goods). As of 30 June 2011, our sales network consisted of 811 stores in Belgium and the Grand Duchy of Luxembourg.

The network included 369 supermarkets under the Delhaize “Le Lion”, AD Delhaize and Red Market banners, 304 smaller conveniently located stores primarily under the Proxy Delhaize, Delhaize City and Shop ‘n Go banners. It also included 138 pet food and products stores operated under the Tom & Co. banner. As of 30 June 2011, we operated 43 stores in the Grand Duchy of Luxembourg.

Supermarkets

The supermarkets that are company-operated in Belgium and the Grand Duchy of Luxembourg carry the Delhaize “Le Lion” banner. As of 30 June 2011, there were 143 company-operated supermarkets. A Delhaize “Le Lion” supermarket offers around 17,000 SKUs, depending on its size.

The AD Delhaize supermarkets are affiliated stores, operated by independent retailers to whom we sell our products at wholesale prices. The AD Delhaize supermarkets have an average size of 1,125 square meters and offer approximately 12,000 SKUs.

Red Market

As of 30 June 2011, Delhaize Group operated 6 Red Market stores in Belgium. The Red Market concept is a low-cost supermarket, able to offer permanent low prices on a limited range of approximately 5,700 SKUs including dry and fresh products and national as well as private brand products, in a pleasant and fast shopping experience at the quality standards for which Delhaize Belgium is renowned.

Proximity stores

Our network of proximity stores in Belgium and the Grand Duchy of Luxembourg consisted of 304 stores under the Delhaize City, Proxy Delhaize and Shop 'n Go banners as of 30 June 2011. The Delhaize City stores are mostly company-operated proximity stores targeting primarily urban customers. Proxy Delhaize and Shop 'n Go are affiliated stores. Proxy Delhaize stores have an average selling area of approximately 500 square meters and offer approximately 6,500 SKUs. Most Shop 'n Go stores are located in Q8 gas stations and address customer expectations regarding proximity, convenience, speed and longer operating hours. These stores have an average selling area of 140 square meters and offer approximately 2,000 SKUs.

E-commerce

Caddy-Home, our food products home delivery banner in Belgium, sells food products to customers for which orders can be placed by the Internet, telephone or fax. As of 30 June 2011, Caddy-Home delivered in 19 cities throughout Belgium, offering approximately 5,400 SKUs to customers. In 2009, Delhaize Belgium launched Delhaize Direct, allowing customers to order their groceries through the Internet and pick them up at their local store. By 30 June 2011, 77 stores were equipped with Delhaize Direct, among which two affiliated stores and five company-operated supermarkets in the Grand Duchy of Luxembourg. Our objective is to have approximately 100 stores equipped with Delhaize Direct by the end of 2011.

Specialty stores

Tom & Co. is a specialty chain focusing on food and accessories for pets. As of 30 June 2011, the large majority of the 138 Tom & Co. stores were operated under franchise agreements with independent operators.

Competition and regulation

The Belgian food retail market is competitive and characterised by a large presence of international retailers: Carrefour (France), Louis Delhaize-Cora (France), Aldi (Germany), Makro-Metro (Germany), Lidl (Germany) and Intermarché (France). In addition, we face competition from national retailers in Belgium, such as Colruyt and Mestdagh. Competition is based primarily on location, price, consumer loyalty, product quality, variety and service. Since 2002, we have focused in Belgium on providing consistently competitive prices supplemented with regular promotions. In early 2007, Delhaize Belgium had its price comparison methodology certified by an independent consumer organisation.

Belgian law requires that permits be obtained for the opening and extension of stores exceeding certain sizes (always above 400 square meters selling area).

Assortment

Our supermarkets in Belgium and the Grand Duchy of Luxembourg sell a wide variety of groceries, produce, meats, dairy products, seafood, frozen food, deli/bakery products and non-food items such as health and beauty care and other household and personal products. Delhaize Belgium is also selling a basic offering of lottery and postal products in part of its network.

Management believes that we are a market leader in Belgium for prepared meals. In Belgium, we have also developed a large range of organic products. Revenues from organic products grew by 17% in 2010 compared to 2009. At the end of 2008, Delhaize Belgium introduced **Eco-line**, an assortment of environment-friendly detergents.

Private brand

In Belgium, we actively promote three different lines of private brand products, including more than 6,000 different SKUs under the brands “*Delhaize – Taste of Inspirations*” and “365.” In 2010, private brand sales under our brand accounted for approximately 55% of total revenues generated in company-operated stores in Belgium. Our products, which are marketed as value priced products, aim to be comparable in quality to national brand products but are sold for lower prices. Private brand products under our brand are also used as a vehicle to increase differentiation and customer loyalty. “365” products are marketed as low price products with a “no frills” packaging. This private brand was launched in May 2004, initially in our Belgian operations, followed by our Greek and Romanian operations. At the end of 2010, the “365” offering included approximately 465 SKUs in Belgium and accounted for approximately 4% of revenues. During 2007, we rolled out a second pan-European private brand after “365,” called “Care.” The “Care” assortment includes a large variety of general merchandise and health and beauty products.

Loyalty Card

Since 1992, our stores in Belgium use a loyalty card known as the Plus card, which was used by customers for approximately 90% of total sales in Delhaize “Le Lion” supermarkets in 2010. The Plus card also provides benefits for shoppers at our other stores in Belgium. Since 1999, we have developed partnerships with other companies in Belgium to offer additional benefits to holders of the Plus Card.

(c) Southeastern Europe and Asia

Overview

As of 1 January 2011, the segments Greece and Rest of the World (Romania and Indonesia) have been combined to become Southeastern Europe and Asia (**SEE & Asia**). Following the acquisition of the Serbian retailer Delta Maxi, announced on 27 July 2011, its results will be consolidated in Delhaize Group’s results from 1 August 2011 as part of the Southeastern Europe and Asia operating segment.

In 2010, revenues in Southeastern Europe and Asia increased by 9.4% to EUR 1.9 billion.

As of 30 June 2011, revenues in our Southeastern Europe and Asia segment increased by 6.2% to EUR 961 million and the number of stores amounted to 393.

Greece

Throughout 2010 and the first half of 2011, the performance of Alfa Beta has remained strong despite a difficult economic environment. The subsidiary is the second largest food retailer (in terms of sales) in Greece.

As of 30 June 2011, we operated 235 stores in Greece. As of 30 June 2011, Alfa Beta directly operated 154 supermarkets under the Alfa Beta banner, 11 cash & carry stores under the ENA banner, 25 AB City stores, 2 Red Market stores and served 43 franchised stores operated under the AB Food Market and AB Shop & Go banners. As of 30 June 2011, Alfa Beta employed approximately 10,050 people.

Alfa Beta seeks to attract customers looking for competitive pricing as well as quality products and services. Since 2005, we have focused on expanding our company-operated and affiliated network. We also reinforced our consumer appeal by focusing on assortment, price competitiveness and

service. Alfa Beta continued to reinforce its product range, including organic products and private brand items.

The Greek retail market is a fragmented, competitive market characterised by a large number of local retailers. Competition is based primarily on location, price, consumer loyalty, product quality, variety and service. Our company, Carrefour (France), Lidl (Germany) and Makro (Germany) are the only foreign food retail chains with a significant presence in Greece. The most important local food retailers are Sklavenitis, Veropoulos, Atlantic and Massoutis. Alfa Beta competes with supermarket chains, hypermarkets, discount stores and traditional Greek grocery stores and markets.

Permits from municipal, health regulation and fire protection authorities are required to open new stores and often require long periods to obtain. Operating hours tend to be strictly enforced, especially in the provinces. Operating stores on Sunday is prohibited, except in select designated tourist zones.

Romania

We own 100% of Mega Image since 2004. As of 30 June 2011, Mega Image operated 68 supermarkets, 11 Red Market stores and 3 Shop & Go stores in Romania and employed approximately 3,350 people. Mega Image's network is concentrated in the Romanian capital of Bucharest, one of the most densely populated areas in Europe. During 2010 and the first half of 2011, Mega Image accelerated its expansion with the opening of 11 Red Market stores in more rural and less populated areas outside of the capital. Mega Image's stores all offer the private brand ranges "365", "Care" and the house brands available at Delhaize Belgium and Alfa Beta. In 2010, Mega Image's private brand assortment increased with 44% to approximately 1,500 SKUs and accounted for almost 10% of sales.

Serbia, Bulgaria, Bosnia and Herzegovina, Montenegro and Albania

On 27 July 2011, Delhaize Group acquired 100% of Delta Maxi, which began operations in 2000 and operates approximately 450 stores (at the end of 2010) in Serbia, Bulgaria, Bosnia and Herzegovina, Montenegro and Albania. At the end of 2011, Delta Maxi's five-country network is expected to count approximately 500 stores. The results of Delta Maxi will be consolidated in Delhaize Group's results from 1 August 2011 and will be reported as part of the Southeastern Europe and Asia operating segment. The transaction includes a significant part of the real estate ownership of the stores in Serbia as well as seven of the distribution centres.

Indonesia

In 1997, we entered Indonesia by acquiring an interest in P.T. Super Indo LLC, an operator of 11 stores at that time. We were operating 76 stores as of 30 June 2011, employing approximately 4,550 associates. We own 51% of Super Indo. The remaining 49% is owned by the Indonesian Salim Group.

7. RECENT DEVELOPMENTS AND INVESTMENTS

7.1 Operational initiatives

A4 – 5.1.5
A4 – 5.2
A4 – 5.2.1

In addition to continuing to sharpen our operations' price position, we have identified concrete action plans to strengthen other attributes of our Food Lion brand and have started rolling these out in the second quarter of 2011 in approximately 200 stores located in two representative markets (Raleigh, NC and Chattanooga, TN). In those markets, we are strengthening the quality of the assortment, the ease and convenience of the shopping experience as well as engaging in additional

price investments. More on the initial results of this Food Lion brand repositioning work can be found in section 7.2 below.

Further, our U.S. operating companies are reinforcing their private brand assortment through the introduction of a new value line called **My Essentials**. As of 30 June 2011, we have carried approximately 450 **My Essentials** products in all our U.S. stores. Our target for U.S private brand is to reach 35% of total store revenues by the end of 2013, compared to approximately 27% at the end of 2010.

In December 2009, we launched our new strategic plan for the years to come, the New Game Plan (**NGP**). The NGP aims at accelerating revenue and profit growth through a combination of strategic initiatives. First, we began implementing a new vision and common set of values that present the framework for all our operating companies within which strategic and operating decisions are made.

The NGP aims at accelerating revenue growth by means of the following levers:

- An increased focus on price competitiveness in all the markets where we operate: going forward, our operating companies' price position is defined in relation to the local market's price leader. This new focus has required a significant effort in price reductions since the beginning of 2010; in particular in the Southeast of the U.S. Additionally, increased focus on our private brand offering is an important element in improving price competitiveness.
- Increasing the share of wallet realised within our existing stores through innovation in merchandising techniques and assortments.
- Being an industry leader in health and wellness for customers as well as for associates. For example, we developed and introduced in certain of our U.S. stores a nutritional information system called **Guiding Stars** that helps consumers make more informed nutritional choices.
- Being a leader in corporate responsibility initiatives.
- Expanding our network of low cost supermarkets as well as our store network in our newer markets, which are Southeastern Europe and Asia.

The NGP foresees that these initiatives will be enabled by associate development and funded by increased efficiencies and cost savings that are generated in the areas of selling, general and administrative expenses (**SG&A**) as well as cost of sales (**COS**). By the end of 2012, we plan to generate EUR 500 million in gross annual SG&A and COS savings compared to 2009 end of year financials. We plan to realise the SG&A savings primarily through the creation of one common support services organisation for our U.S. operations. This organisation encompasses support functions like finance and accounting, legal, information technology, human resources management and corporate development. Additionally, we plan to generate savings in other areas of our operations such as store labour scheduling, advertising and marketing, as well as in repairs and maintenance. COS savings are expected to be realised primarily through the creation of one common category management and procurement organisation for our U.S. operations. The new organisation will support our U.S. banners with assortment and promotions planning and execution, sourcing and procurement, private brand management and pricing expertise. The finalisation of one single supply chain master network for all of our U.S. operations, improvements in buying conditions through the application of more facts-based supplier negotiations across the Group and the optimisation of labour costs throughout the supply chain will also contribute to these savings. An update on the status of the EUR 500 million gross annual cost savings target can be found in section 7.3 below.

7.2 Food Lion brand repositioning – first results of 200 re-launched stores

The results in the 200 Food Lion stores that were re-launched on 4 May 2011 are very encouraging even though we are still looking at only a few months of data. The re-launched stores' comparable

sales growth outperformed the rest of the network, despite the additional price investments in these stores. This is the result of a significant increase in transactions and basket size. Customer surveys conducted early July show an improvement in the overall image of the stores. The progress made in store appearance, clearer aisles and an enhanced produce department in particular, has been very well received by customers. Many of the surveyed shoppers indicate that Food Lion is on the right track.

These early results should enable us to decide what elements should be replicated when we roll out the brand repositioning work in the rest of the Food Lion network, a process which should be substantially completed by the end of 2012.

7.3 Update on the gross annual cost savings target of EUR 500 million to be achieved by the end of 2012

As of 30 June 2011, 18 months into the 3-year journey to achieve the EUR 500 million gross annual cost savings announced in the New Game Plan, already 60% have been achieved, almost equally split between selling, general and administrative expenses and cost of sales. These savings have mainly been realised in SG&A through retail labour efficiencies and in cost of sales through improved supplier negotiations, value chain analysis, increased automation in the supply chain and the U.S. master network.

The cost reductions in selling, general and administrative expenses were primarily offset by cost increases related to new stores, cost inflation in areas such as payroll, rent and utilities, increased depreciation, expenses related to the strengthening of our U.S. strategy and other expenses. The cost of sales savings, while somewhat lower than expected due to timing, have been used to invest in prices and to fund increased transportation and distribution costs.

We are on track to achieve the remainder of the EUR 500 million gross annual savings by the end of 2012.

7.4 Closing of Delta Maxi Group acquisition

As announced on 27 July 2011, we completed the acquisition of the Serbian retailer Delta Maxi, thereby becoming a leading food retailer in Southeastern Europe. This transaction fits perfectly in the New Game Plan, which is focused on accelerating profitable revenue growth, and is a significant step in rebalancing our portfolio towards higher growth markets. Delta Maxi operates a multi-format network in Serbia, Bulgaria, Bosnia and Herzegovina, Montenegro and Albania and plans to end 2011 with 500 stores. The results of Delta Maxi will be consolidated in Delhaize Group's results from 1 August 2011 as part of the Southeastern Europe and Asia operating segment.

In March, we indicated that 2011 revenues and EBITDA of Delta Maxi were expected to amount to around EUR 1.35 billion and EUR 85-90 million respectively. We expect that, given the difficult trading environment in Bulgaria and a general lack of operational focus between signing and closing, which is common in transactions of this magnitude, these numbers will most likely be lower. As a result of this transaction, we believe that the proportion of U.S. revenues compared to Delhaize Group in total will decrease from close to 70% in 2010 to approximately 60% in 2013.

Over the next several quarters, we will continue the work that we started since March and focus on the development of clear strategic plans for pricing, assortment, branding as well as format management to ensure the continued successful growth in the region and to ensure the generation of more than EUR 20 million in net annual EBITDA synergies particularly from improved procurement, better inventory management and optimised IT and supply chain systems and processes from the end of 2013.

7.5 Capital expenditures and store openings

For the full year 2011, Delhaize Group expects capital expenditures to be in the range of EUR 820 million to EUR 840 million (based on the average exchange rate in 2010 of 1 EUR = 1.3257 USD), excluding finance leases and Delta Maxi.

For the full year 2011, Delhaize Group announced a gross store opening target of 135-145, translating in a net addition of 115 to 125 stores to the network (excluding the acquisition of Delta Maxi Group). Delhaize Group expects to be able to seize smaller acquisition opportunities in Southeastern Europe and also remains focused on expanding in the greater Philadelphia market with the Bottom Dollar Food format.

7.6 Financing agreements

On 15 April 2011, Delhaize Group entered into a EUR 600 million, 5-year, unsecured revolving credit facility agreement (the **New Facility Agreement**) by and among Delhaize Group, the subsidiaries of Delhaize Group listed in Part I of Schedule 1 thereto as original borrowers, the subsidiaries of Delhaize Group listed in Part I of Schedule 1 thereto as original guarantors, Fortis Bank SA/NV, Banc of America Securities Limited, Deutsche Bank AG, London Branch and J.P. Morgan PLC, as bookrunning mandated lead arrangers, the financial institutions listed in Part II of Schedule 1 thereto as lenders, and Fortis Bank SA/NV as agent of the arrangers and the original lenders.

In connection with Delhaize Group entering into the New Facility Agreement, Delhaize America, LLC terminated all of the Commitments under its USD 500 million (equal to EUR 374 million at 31 December 2010), unsecured, committed revolving Second Amended and Restated Credit Agreement, dated as of 1 December 2009, by and among Delhaize America, LLC, as borrower, and Delhaize Group, certain subsidiaries of Delhaize America, LLC, as guarantors, the lenders party thereto, and JPMorgan Chase Bank, N.A., as administrative agent, issuing bank and swingline lender, Bank of America, N.A. and Fortis Capital Corp., as syndication agents, issuing banks and swingline lenders, and Morgan Stanley MUFG Loan Partners, LLC, as documentation agent, as supplemented by the Guaranty Supplement dated as of 18 December 2009, between Delhaize US Holding, Inc. and the Administrative Agent, and as amended by Amendment No. 1 to Second Amended and Restated Credit Agreement, dated as of 11 March 2010, (as supplemented and amended, the **Existing Credit Agreement**). Delhaize America, LLC had no outstanding borrowings under the Existing Credit Agreement when it terminated the Commitments under the Existing Credit Agreement.

8. LEGAL PROCEEDINGS

A4 – 13

8.1 Competition litigation

On 24 April 2007, representatives of the *Conseil de la Concurrence/Raad voor de mededinging* (the **Belgian Competition Council**), visited our offices in Zellik, Belgium, and requested that we provide to them specified documents. This request was a part of what appears to be a local investigation affecting several companies in Belgium in the retail sector. We understand that the investigation relates to prices of perfume, beauty products and other household goods. We have cooperated with the Belgian Competition Council in connection with their requests for documentation and information and, as of the date of this filing, no statement of objections has been lodged against our company in relation to this matter. The maximum fine for violations of the related competition laws in Belgium is capped at 10% of our company's annual sales in Belgium. If the Belgian Competition Council formally charges us with a violation of Belgian competition laws, our reputation may be harmed, and if a violation of such laws is proven we could be fined and incur other expenses, and there may be a material adverse effect on our financial condition and results of operations.

On 11 January 2010, the Auditor of the Belgian Competition Council issued a report resulting from its investigation of a potential violation of Belgian competition laws by a supplier and several retailers active on the markets of chocolate candies, chocolate spread and pocket candies. On 7 April 2011, the Belgian Competition Council considered however that the Auditor violated the parties' rights of defence and rejected the case.

8.2 Litigation in Greece

In February 2011, we were notified that some former Greek shareholders of Alfa Beta Vassilopoulos S.A., who together held 7% of Alfa Beta shares, have filed a claim in front of the Court of First Instance of Athens challenging the price paid by us during the squeeze-out process that was approved by the Hellenic Capital Markets Commission. We are convinced that the squeeze-out transaction has been executed and completed in compliance with all legal and regulatory requirements. We are currently in the process of reviewing the merits and any potential exposure of this claim and will vigorously defend ourselves. The first hearing has been scheduled in October 2013.

8.3 Hannaford and Sweetbay intrusion

Our Hannaford and Sweetbay banners experienced an unauthorised intrusion, which we refer to as the Computer Intrusion, into portions of their computer system that process information related to customer credit and debit card transactions, which resulted in the potential theft of customer credit and debit card data. Also affected was credit card data from cards used at certain independently-owned retail locations in the Northeast of the U.S. that carry products delivered by Hannaford. The Computer Intrusion was discovered during February 2008, and we believe the exposure window for the Hannaford and Sweetbay credit and debit card data was approximately 7 December 2007 through early March 2008. There is no evidence that any customer personal information, such as names or addresses, was obtained by any unauthorised person. Various legal actions have been taken, and various claims have been otherwise asserted, against Hannaford and affiliates relating to the Computer Intrusion. While we intend to defend the legal actions and claims vigorously, we cannot predict the outcome of such legal actions and claims, and thus, do not have sufficient information to reasonably estimate possible expenses and losses, if any, which may result from such litigation and claims.

8.4 General

From time to time, we are party to legal proceedings including matters involving personnel and employment issues, personal injury, intellectual property, competition/antitrust matters, landlord-tenant matters, tax matters and other proceedings arising in the ordinary course of business. We have estimated our exposure to the claims and litigation arising in the normal course of business and believe we have made adequate provisions for such exposure. Unexpected outcomes in these matters could have a material adverse effect on our financial condition and results of operations. For more information, see the discussion under the heading "Risk Factors – Risk related to Operations of Our Company."

9. MATERIAL CONTRACTS

A4 – 15

9.1 Cross Guarantee Agreement

We refer to the description under Part V (*Description of the Cross Guarantee*) of the Prospectus.

9.2 Existing credit agreements and bond issues

(a) 2011 Facility Agreement

Overview

At the end of June 2011, we had committed credit lines totalling EUR 800 million, none of which was utilized. These credit lines include (i) a syndicated credit facility of EUR 600 million (described below) and (ii) EUR 200 million of bilateral credit facilities. At 30 June 2011, the maturities of the committed credit facilities were as follows: EUR 75 million maturing in 2011, EUR 50 million maturing in 2012, EUR 50 million maturing in 2013 and EUR 25 million maturing in 2014.

EUR 600 million facility agreement

Our main credit line is a EUR 600 million, five-year unsecured multicurrency (euros and US dollars) revolving credit facility agreement, dated as of 15 April 2011 (the **New Facility Agreement**) entered into between Delhaize The Lion Coordination Center SA, Delhaize Griffin SA and Delhaize America, LLC, as original borrowers (the **Original Borrowers**), each of the Original Borrowers and substantially all of our U.S. subsidiaries, as original guarantors (the **Original Guarantors**), Fortis Bank SA/NV, Banc of America Securities Limited, Deutsche Bank AG, London Branch and J.P. Morgan PLC, as bookrunning mandated lead arrangers, the financial institutions listed in Part II of Schedule 1 thereto as lenders, and Fortis Bank SA/NV as agent of the arrangers and the original lenders.

The facility agreement will mature on 15 April 2016. Funds are available under this agreement for the refinancing of financial indebtedness, working capital needs, capital expenditures and general corporate purposes of Delhaize Group or any subsidiary of Delhaize Group. Subject to certain conditions stated in such agreement, Delhaize Group may borrow, prepay and re-borrow amounts at any time up to the date falling one month before the maturity date of this agreement.

(b) Delhaize Group Notes due 2014 and 2017

On 27 June 2007 we issued EUR 500 million 5.625% senior notes due 2014 (the **5.625% Euro Notes**) pursuant to an Indenture dated 27 June 2007 between us and The Bank of New York (the **2007 Euro Note Indenture**) and USD 450 million 6.50% senior notes due 2017 represented by certificated depositary interests (the **Old 6.50% Dollar Notes**) pursuant to an Indenture dated 27 June 2007 between us and The Bank of New York (the **2007 Dollar Note Indenture**). On 2 October 2007 we completed an exchange offer pursuant to which all USD 450 million aggregate principal amount of our Old 6.50% Dollar Notes issued on 27 June 2007 were tendered in exchange for an equal aggregate principal amount of our 6.50% senior notes due 2017 that have been registered under the Securities Act (the **Exchange 6.50% Dollar Notes** and collectively with the 5.625% Euro Notes, the **2007 Notes**). The New 6.50% Dollar Notes are substantially identical to the Old 6.50% Dollar Notes, except that the Exchange 6.50% Dollar Notes are registered under the U.S. Securities Act Of 1933 and the transfer restrictions terms and registration rights terms applicable to the Old 6.50% Dollar Notes do not apply to the Exchange 6.50% Dollar Notes.

The 5.625% Euro Notes will mature on 27 June 2014 and the Exchange 6.50% Dollar Notes will mature on 15 June 2017. We pay interest on the 5.625% Euro Notes annually on 27 June, and we pay interest on the Exchange 6.50% Dollar Notes semiannually on 15 June and 15 December each year. All or a portion of the 5.625% Euro Notes or the Exchange 6.50% Dollar Notes may be subject to redemption at any time, as described, respectively, in the 2007 Euro Note Indenture and the 2007 Dollar Note Indenture. The 2007 Notes are unsecured unsubordinated senior obligations of Delhaize Group, and Delhaize Group's obligations under the 2007 Notes fall within the scope of the Cross Guarantee Agreement. The 5.625% Euro Notes are listed on the Official List of the Luxembourg Stock Exchange and are traded on the regulated market of the Luxembourg Stock Exchange. The Exchange 6.50% Dollar Notes are not listed on any stock exchange.

On 2 February 2009 we issued USD 300 million 5.875% senior notes due 2014 represented by certificated depositary interests (the **5.875% Dollar Notes**) pursuant to an Indenture dated 2 February 2009 between us and The Bank of New York Mellon, as supplemented by the First Supplemental Indenture dated 2 February 2009 between us and The Bank of New York Mellon (as supplemented, the **2009 Indenture**). The offering of the 5.875% Dollar Notes was registered with the U.S. Securities and Exchange Commission. The 5.875% Dollar Notes will mature on 1 February 2014. We pay interest on the 5.875% Dollar Notes semiannually on 1 February and 1 August each year. All or a portion of 5.875% Dollar Notes may be subject to redemption at any time, as described in the 2009 Indenture. The 5.875% Dollar Notes are unsecured unsubordinated senior obligations of Delhaize Group, and Delhaize Group's obligations under the 5.875% Dollar Notes fall within the scope of the Cross Guarantee Agreement. The 5.875% Dollar Notes are not listed on any stock exchange.

(c) Delhaize Group Notes due 2040

On 8 October 2010 we completed a debt exchange transaction, which offered eligible debt holders of our 2027 and 2031 debt securities, issued by Delhaize America, to exchange those for new notes issued by Delhaize Group. In the debt exchange offer, we offered to exchange any and all outstanding 9.00% Debentures due 2031 and 8.05% Notes due 2027 (together the **Existing Securities**) for new unregistered 5.70% Notes due 2040 represented by certificated depositary interests (the **New 5.70% Notes**). In total USD 588 million of the total principal of USD 931 million of the Existing Securities were tendered by eligible holders and exchanged for USD 827 million in principal of the New 5.70% Notes. In March 2011, we completed a registered exchange offer of our USD 827 million New 5.70% Notes, (the **Old Notes**) for substantially identical notes registered under the Securities Act (the **Registered 5.70% Notes** and together with the New 5.70% Notes, the **5.70% Notes**). A total of USD 826,888,000 aggregate principal amount of New 5.70% Notes was exchanged for an equal principal amount of Registered 5.70% Notes pursuant to the exchange offer. The 5.70% Notes were issued pursuant to an Indenture dated as of 8 October 2010, between us and The Bank of New York Mellon, as trustee (the **2010 Indenture**). The 5.70% Notes will mature on 1 October 2040. We pay interest on the 5.70% Notes semiannually on 1 April and 1 October each year. All or a portion of 5.70% Notes may be subject to redemption at any time, as described in the 2010 Indenture. The 5.70% Notes are unsecured unsubordinated senior obligations of Delhaize Group, and Delhaize Group's obligations under the 5.70% Notes fall within the scope of the Cross Guarantee Agreement. The 5.70% Notes are not listed on any stock exchange.

PART VIII: MANAGEMENT AND CORPORATE GOVERNANCE

1. BOARD OF DIRECTORS

A4 – 10
A4 – 10.

In accordance with Belgian law, our affairs are managed by our Board of Directors. Under our articles of association, the Board of Directors must consist of at least three directors. Our Board of Directors consists of twelve directors. Eleven of the directors are non-executive directors and one director, Pierre-Olivier Beckers, our Chief Executive Officer, is an executive director.

In March 2011, the Board of Directors determined that the then current directors, with the exception of Chief Executive Officer Pierre-Olivier Beckers, Richard Goblet d'Alviella, Robert J. Murray, Didier Smits and Hugh G. Farrington, are independent under the criteria of the Belgian Company Code, the Belgian Code on Corporate Governance and the rules of the NYSE. The Board made its determination based on information furnished by all directors regarding their relationships with us. In addition, at the Ordinary General Meeting of 26 May 2011, the shareholders acknowledged that Messrs. Luc Vansteenkiste, Jacques de Vaucleroy, Jean-Pierre Hansen, William G. McEwan and Mats Jansson are independent within the meaning of the Belgian Company Code. Following recent changes in the Belgian Company Code, Messrs. Goblet d'Alviella, Murray and Smits are no longer considered independent under the Belgian Company Code because they each have served on the board of directors as a non-executive director for more than three consecutive terms. Mr. Farrington is no longer considered independent under the Belgian Company Code because he has been compensated formerly as an executive of our subsidiary Hannaford Brothers. The Board of Directors met seven times in 2010.

On the recommendation of the Remuneration and Nomination Committee, the Board proposes the appointment of directors to the shareholders for approval at the Ordinary General Meeting. Pursuant to our Articles of Association, directors may be appointed for a maximum term of office of six years. From 1999 to 2009, our Board of Directors set the length of director terms for persons elected during such period at a maximum of three years. Starting with elections in 2010, our Board of Directors decided to set the term of the mandate of a director to three years for the first term, then, provided that our Board of Directors determines such director is independent at re-election, up to four years for subsequent terms. The term of directors who are not considered independent by our Board of Directors at the time of their election though has been set by our Board of Directors at three years. Unless otherwise decided by our Board of Directors, a person who is up for election to our Board of Directors and who would turn age 70 during our standard director term length may instead be elected to a term that would expire at the ordinary general meeting occurring in the year in which such director would turn 70. Directors may be removed from office at any time by a majority vote at any meeting of shareholders. Each year, typically, there are a few directors who have reached the end of their current term of office and may be reappointed.

On 26 May 2011, the shareholders at the Ordinary General Meeting renewed the mandate of (i) Hugh G. Farrington for a term of three years, (ii) Baron Luc Vansteenkiste for a term of four years and (iii) Jacques de Vaucleroy for a term of four years and appointed Jean-Pierre Hansen, William G. McEwan and Mats Jansson as directors each for terms of three years. At that time, the mandates of Arnoud de Pret and Francois Cornélis expired, and they did not stand for reappointment.

Our current Board of Directors and biographical information concerning such individuals are set forth below. The business address of each of our directors is Square Marie Curie 40, 1070 Brussels, Belgium.

Name ⁽¹⁾	Position	Director Since	Term Expires
Georges Jacobs de Hagen	Chairman	May 2003	2012
Pierre-Olivier Beckers	President, Chief Executive Officer & Director	May 1995	2012
Claire Babrowski	Director	May 2006	2012
Jacques de Vaucleroy	Director	May 2005	2015
Hugh G. Farrington	Director	May 2005	2014
Jean-Pierre Hansen	Director	May 2011	2014
Mats Jansson	Director	May 2011	2014
William G. McEwan	Director	May 2011	2014
Robert J. Murray	Director	May 2001	2012
Didier Smits	Director	May 1996	2012
Jack Stahl	Director	August 2008	2014
Luc Vansteenkiste	Director	May 2005	2015

- (1) François Cornélis and Arnoud de Pret Roose de Calesberg did not seek reelection to the Board of Directors when their terms expired on 26 May 2011. Richard Goblet d'Alviella resigned from the board effective 1 July 2011.

Georges Jacobs de Hagen (1940). Count Jacobs de Hagen has been Chairman of our Board of Directors since 1 January 2005. He started his career as an economist with the IMF in Washington in 1966. He joined the UCB Group (biopharmaceutical group based in Belgium) in 1970 and was Chairman of its Executive Committee from 1987 until the end of 2004. He was President of BUSINESSEUROPE (formerly UNICE, Union of Industrial and Employers' Confederations of Europe) between 1998 and 2003. He is Honorary Chairman of the Federation of Belgian Companies. Count Jacobs de Hagen is a Doctor at Laws (UCL, Belgium), holds a Master's degree in Economic Sciences (UCL, Belgium), and a Master's degree in Economics (University of California, Berkeley, U.S.).

Pierre-Olivier Beckers (1960). Mr. Beckers has been the President and Chief Executive Officer of Delhaize Group since 1 January 1999. Mr. Beckers earned a Master's degree in applied economics at I.A.G., Louvain-La-Neuve and an MBA from Harvard Business School. He began working in the food retail industry in 1982 as a store manager for a bakery chain in Belgium. Mr. Beckers joined us in 1983, to work initially three years in our U.S. operations as a store manager. After his return to Belgium, he broadened his retail experience as a buyer, director of purchasing, member of the Executive Committee and Director and Executive Vice-President in charge of international activities. In January 2000, Mr. Beckers was named Manager of the Year by the leading Belgian business magazine Trends/Tendances. In 2009, he was named Belgium's BEL 20 CEO of the year by the Belgian newspapers Le Soir and De Standaard. Until June 2010, he was Co-Chairman of the Consumer Good Forum, a global association of leading consumer goods retailers and manufacturers. Previously, Mr. Beckers served as chairman of the CIES, the Food Business Forum, from 2002 to

2004 and again from July 2008 until its merger and transformation into the Consumer Goods Forum. He is on the Board of Directors of the Food Marketing Institute and is Vice-Chairman of the Executive Committee of FEB/VBO, the Belgian Employers Federation. He is a member of Guberna and, until 2010, the Belgian Commission on Corporate Governance. He is President of the BOIC (Belgian Olympic Interfederal Committee) since December 2004, with a current term expiring in 2013.

Claire H. Babrowski (1957). Ms. Babrowski is a retired retail executive. She serves on the Board of Directors of Pier 1 Imports, Inc. From 2007 until 2010, Ms. Babrowski was the Executive Vice President, Chief Operating Officer of Toys “R” Us, a specialty toy retailer operating more than 1,500 stores throughout the world. She started her career spending 30 years at McDonald’s Corporation, where her last position was Senior Executive Vice President and Chief Restaurant Operations Officer. From 2005 to 2006, she worked for RadioShack, serving as Executive Vice President and Chief Operating Officer, and then President, Chief Operating Officer and acting Chief Executive Officer. In 1998, she received the Emerging Leader Award from the U.S. Women’s Service Forum. She is a member of the “Committee of 200,” a professional U.S. organisation of preeminent women entrepreneurs and corporate leaders. Ms. Babrowski holds a Master in Business Administration from the University of North Carolina.

Jacques de Vaucleroy (1961). Mr. de Vaucleroy is CEO of the Northern, Central and Eastern Europe business unit of AXA since March 2010. He is also in charge of AXA Bank Europe. Since April 2010, he has been a member of the AXA Management Committee. On 1 January 2011, he assumed global responsibility for the Group’s AXA Life and Savings and Health businesses. Jacques de Vaucleroy has made most of his career within the ING Group, where he was a member of the Executive Board of ING Group and CEO of ING Insurance and Investment Management Europe. He has extensive experience in the banking and insurance and asset management business, both in Europe and in the U.S. Jacques de Vaucleroy holds a law degree (Université Catholique de Louvain, Belgium) and a Master in Business Law (Vrije Universiteit Brussels, Belgium).

Hugh G. Farrington (1945). Following a retail management career starting in 1968 at Hannaford, a U.S. subsidiary of Delhaize Group, Mr. Farrington served as President and Chief Executive Officer of Hannaford from 1992 to 2001. In 2000, he was appointed as Vice Chairman of Delhaize America, and in 2001, he became our Executive Vice President and member of our Board of Directors. In 2003, Mr. Farrington left the Board of Directors and resigned from his executive functions within our company. He rejoined the Board as a director in 2005. Mr. Farrington holds a Bachelor’s degree from Dartmouth College, Hanover, New Hampshire and a Master of Arts in teaching from the University of New Hampshire.

Jean-Pierre Hansen (1948). Mr. Hansen is member of the Executive Committee of GDF Suez and Chairman of its Energy Policy Committee. From January 2005 to April 2010 and from 1992 to March 1999, Mr. Hansen served as Chief Executive Officer of Electrabel and as Chairman of the Board of Directors of Electrabel from 1999 till 2004. Mr. Hansen was Chief Operating Officer and Vice-Chairman of the Executive Committee of the Suez Group from 2003 till 2008. He is a member of the Board of Directors of Electrabel, Compagnie Nationale à Portefeuille, KBC and SNCB Logistics. He was Vice-President of the Federation of Enterprises in Belgium (FEB) and a Member of the Council of Regency of the National Bank of Belgium. He was awarded an Honorary Doctorate by the Katholieke Universiteit Leuven and lectures in economics at the Université Catholique Louvain and the Ecole Polytechnique in Paris. He is a Visiting Scholar at MIT (Cambridge, US). Mr. Hansen holds a degree in Civil Engineering (Liège), a Ph. D. in Engineering (Paris VI) and a Master’s degree in Economics (Paris II).

Mats Jansson (1951). Mr. Jansson currently serves as an independent board member of Danske Bank and Falck. Mr. Jansson began his career with ICA, a leading Swedish food retailer, holding positions of increasing responsibility over a period of more than 20 years and serving as President of ICA Detaljhandel and Deputy CEO and Chairman of the Group from 1990 to 1994. He then served as CEO of Catena/Bilia (1994 to 1999) and Karl Fazor Oy (1999 to 2000). From 2000 to 2005 Mr. Jansson held the position of CEO with Axfood, a publicly-traded Swedish food retailer. From 2005 to 2006 Mr. Jansson served as President and CEO of Axel Johnson AB, a family owned conglomerate of distribution and services companies. Mr. Jansson was President and CEO of SAS, the Scandinavian airline company, from 2006 to 2010. He also previously has served as a director of Axfood, Mekonomen, Swedish Match and Hufvudstaden. Mr. Jansson studied economical history and sociology at the University of Örebro.

William G. McEwan (1956). Mr. McEwan is President & Chief Executive Officer of Sobeys Inc. and a member of the Board of Directors of its parent company, Empire Company Limited. Between 1989 and 2000, Mr. McEwan held a variety of progressively senior marketing and merchandising roles in the consumer packaged goods industry with Coca-Cola Limited and in grocery retail with The Great Atlantic and Pacific Tea Company (A&P) both in Canada and in the United States. He served as President of A&P's Canadian operations before his appointment as President and Chief Executive Officer of the company's US Atlantic Region, the position he held immediately prior to joining Sobeys Inc. Since joining Sobeys in November 2000, Mr. McEwan has overseen the development and execution of the company's long-term strategic plan. Mr. McEwan is on the Board of Directors of The Consumer Goods Forum. In November, 2005 Mr. McEwan was presented the Golden Pencil Award, The Food Industry Association of Canada's highest distinction. In May 2006, the Canadian Council of Grocery Distributors presented Mr. McEwan with the Robert Beaudry Award of Excellence for leadership in the grocery industry.

Robert J. Murray (1941). Robert J. Murray served as Chairman of the Board and President and Chief Executive Officer of New England Business Service, Inc. from 1995 to 2004. From 1997 to 2001, Mr. Murray was a member of the Board of Directors of Hannaford. Mr. Murray retired from The Gillette Company in 1995, having been with Gillette for more than 34 years. From 1991 until his retirement in 1995, Mr. Murray was Executive Vice President, North Atlantic Group of Gillette. Mr. Murray is a director of Tupperware Brands, Inc., IDEXX Corp., LoJack Corporation and The Hannover Insurance Group. Mr. Murray is a graduate of Boston College and holds a Master's degree in Business Administration from Northeastern University.

Didier Smits (1962). Didier Smits received a Master's degree in economic and financial sciences at I.C.H.E.C. in Brussels. From 1986 to 1991, Mr. Smits was a Manager at Advanced Technics Company. In 1991, Mr. Smits became Managing Director of Papeteries Aubry SPRL.

Jack Stahl (1953). Mr. Stahl served in the role of President and Chief Executive Officer of cosmetics company Revlon from 2002 until his retirement in September 2006. Prior to joining Revlon, Mr. Stahl had a 22-year career as an executive with the Coca-Cola Company culminating in the role of President and Chief Operating Officer. He also served as Group President of Coca-Cola Americas and Chief Financial Officer. Mr. Stahl started his professional career as an auditor at Arthur Andersen & Co. Mr. Stahl served on the Board of pharmaceutical company Schering-Plough until December 2009 and currently serves on the Board of the soft drinks company Dr. Pepper Snapple Group. He is also a Board member of several non-profit organisations such as The Boys and Girls Clubs of America and The United Negro College Fund. Mr. Stahl received his undergraduate degree from Emory University and holds an MBA from the Wharton Business School of the University of Pennsylvania.

Luc Vansteenkiste (1947). Baron Vansteenkiste is President of the Board of the Belgian company Sioen and Vice President of the Board of Recticel. Baron Vansteenkiste is also a member of the Board of the Belgian company Spector Photo Group. Baron Vansteenkiste is Honorary Chairman of

the Federation of Belgian Companies and Board member of Guberna. Baron Vansteekiste was Chief Executive Officer of Recticel until 1 April 2010. Baron Vansteenkiste earned his degree in civil engineering at the Katholieke Universiteit Leuven, Belgium.

2. COMMITTEES OF THE BOARD OF DIRECTORS

A4 – 10.

Our Board of Directors has two standing committees: the Audit Committee and the Remuneration and Nomination Committee.

2.1 Audit Committee

A4 – 11.

The principal responsibilities of the Audit Committee are to assist the Board in monitoring:

- the integrity of our financial statements;
- our compliance with legal and regulatory requirements;
- the statutory auditor’s qualification and independence;
- the performance of our internal audit function and statutory auditor; and
- our internal controls and risk management.

The Audit Committee’s specific responsibilities are set forth in the Terms of Reference of the Audit Committee, which is attached as Exhibit B to our Corporate Governance Charter, which is posted on our website at www.delhaizegroup.com.

The Audit Committee is composed solely of independent directors. The members of the Audit Committee are Jack Stahl, who is the Chair, Claire Babrowski and Luc Vansteenkiste. Effective 27 May 2010, Robert J. Murray resigned as member of the Audit Committee because he no longer was independent under the Belgian Company Code from that date. Mr. Stahl replaced Mr. Murray as Chair and Mr. Vansteenkiste joined the Audit Committee at that time. Effective 26 May 2011, Arnoud de Pret Roose de Calesberg’s mandate on the Company’s Board of Directors expired and he ceased to be a member of the Board, and as a related matter also ceased to be a member of the Audit Committee.

Our Terms of Reference of the Audit Committee require that all members satisfy the independence requirements of Belgian law, the Belgian Code on Corporate Governance, and the New York Stock Exchange. The Board of Directors has determined that Mr. Stahl, Ms. Babrowski, Baron Vansteenkiste and Count de Pret Roose de Calesberg (prior to his departure from the Audit Committee) are “audit committee financial experts” as defined in Item 16A of Form 20-F under the Exchange Act. In 2010, the Audit Committee met five times.

2.2 Remuneration and Nomination Committee

A4 – 10.1

The principal responsibilities of the Remuneration and Nomination Committee are to:

- identify individuals qualified to become Board members, consistent with criteria approved by the Board;
- recommend to the Board the director nominees for each Ordinary General Meeting;
- recommend the Board director nominees to fill vacancies;
- recommend to the Board qualified and experienced directors for service on the committees of the Board;
- recommend to the Board the compensation of the members of executive management;

- recommend to the Board any incentive compensation plans and equity-based plans, and awards thereunder, and profit-sharing plans for our associates;
- evaluate the performance of the Chief Executive Officer; and
- advise the Board on other compensation issues.

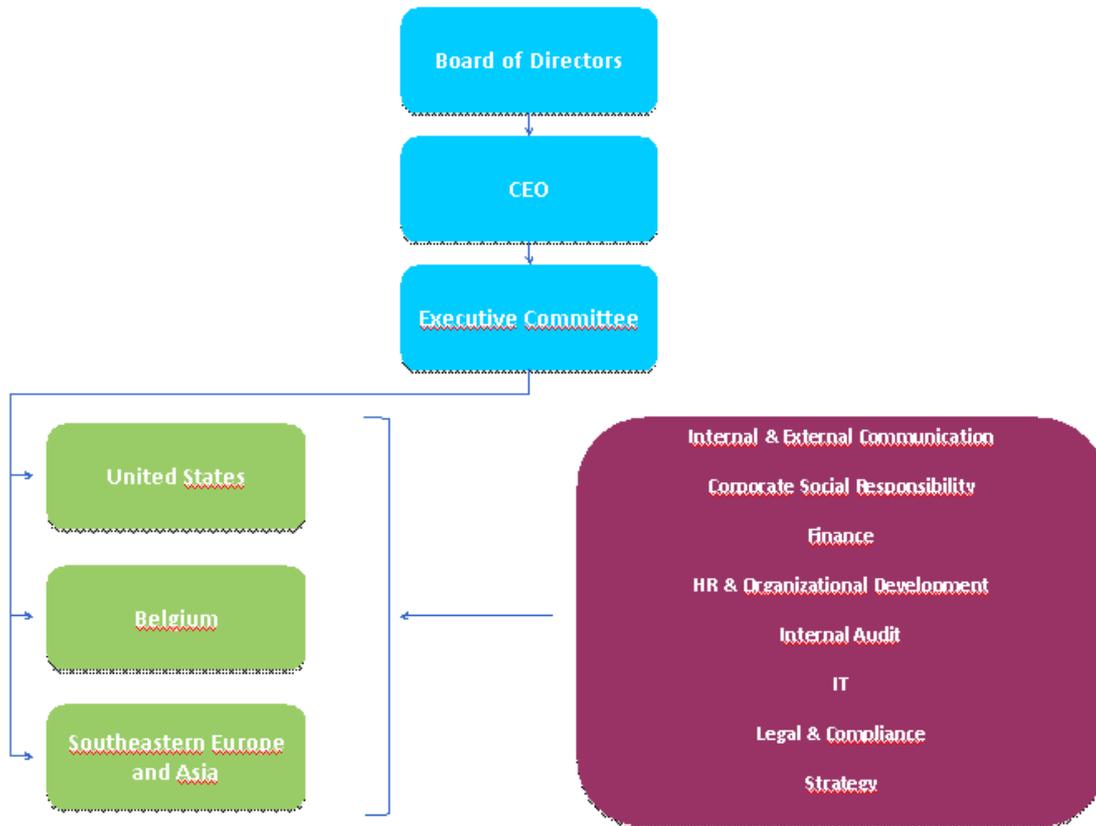
The Remuneration and Nomination Committee's specific responsibilities are set forth in the Terms of Reference of the Remuneration and Nomination Committee, which is attached as Exhibit C to our Corporate Governance Charter, which is posted on our website at www.delhaizegroup.com.

The members of the Remuneration and Nomination Committee are Count Jacobs de Hagen, who is the Chair, Jacques de Vaucleroy, Hugh G. Farrington and Mats Jansson. Count Jacobs de Hagen, Jacques de Vaucleroy and Mats Jansson are independent directors, while Mr. Farrington is no longer considered independent under the Belgian Company Code effective 26 May 2011 because he has been compensated formerly as an executive of our subsidiary Hannaford Brothers. Effective 1 July 2011, Richard Goblet d'Alviella resigned as director from the Company's Board of Directors, and as a related matter also ceased to be a member of the Remuneration and Nomination Committee. In 2010, the Remuneration and Nomination Committee met nine times. Our Remuneration Policy for Directors and the Executive Management can be found as Exhibit E to our Corporate Governance Charter, which is posted on our website at www.delhaizegroup.com.

2.3 Management Structure

Our management structure consists of:

- a management structure organised around three operational segments and several support functions; and
- an Executive Committee, which prepares the strategy proposals for the Board of Directors, oversees the operational activities and analyses our business performance.



United States. Ron Hodge, Executive Vice President of Delhaize Group and Chief Executive Officer of Delhaize America.

Belgium. Michel Eeckhout, Executive Vice President of Delhaize Group and Chief Executive Officer of Delhaize Belgium, which comprises Belgium and the Grand Duchy of Luxembourg.

Southeastern Europe & Asia. Kostas Macheras, Executive Vice President of Delhaize Group and the Chief Executive Officer of Southeastern Europe, is responsible for Alfa Beta (Greece), Mega Image (Romania) and Delta Maxi (Serbia, Bosnia Herzegovina, Montenegro, Bulgaria and Albania). Michael Waller, our Executive Vice President, General Counsel and General Secretary, is responsible for Lion Super Indo (Indonesia).

Delhaize Europe

As of 1 January 2012, we are setting up a new organization called Delhaize Europe that will encompass the operations of Delhaize Belgium and Southeastern Europe. Delhaize Europe’s objectives are to increase the collaboration between the European operating companies, fully leverage the scale of the European operations and generate cost savings and facilitate the sharing of best practices so as to provide a stronger platform for local, regional as well as global growth. Delhaize Europe’s operating companies will benefit from Delhaize Europe’s regional support services including areas of finance, human resources, legal, IT and procurement.

Delhaize Europe will be led by Stéfan Descheemaeker, currently Executive Vice President and Chief Financial Officer of Delhaize Group and member of the Delhaize Group Executive Committee. A search to replace him as Chief Financial Officer is currently ongoing.

As from 1 January 2012, Delhaize Belgium and Delhaize Group Southeastern Europe will report directly to Stéfán Descheemaeker who will continue to serve as Executive Vice President of Delhaize Group and member of its Executive Committee.

Delhaize Southeastern Europe

Kostas Macheras will continue to lead the Southeastern Europe operations in his capacity of Chief Executive Officer of the region and will remain a Member of the Delhaize Group Executive Committee. Kostas Macheras is a seasoned and successful food retail executive who will fully leverage the new organisation to foster our growth in that part of Europe. Kostas Macheras will report to Stéfán Descheemaeker as from 1 January 2012.

Delhaize Belgium

As of 1 January 2012, Dirk Van den Berghe will become Chief Executive Officer of Delhaize Belgium, reporting to Stéfán Descheemaeker. As of 12 September 2011, Dirk Van den Berghe is appointed Chief Operating Officer of Delhaize Belgium, reporting to Michel Eeckhout, Chief Executive Officer until the end of 2011. In this role, Dirk Van den Berghe will be responsible for retail, procurement and wholesale operations, strategy, marketing, communication, corporate development and logistics. Dirk Van den Berghe has served in different countries and positions across the Group, most recently as Senior Vice President Logistics, Procurement and Quality of Delhaize Belgium.

In his position as Executive Vice President of Delhaize Group and member of its Executive Committee, Michel Eeckhout will continue to serve the group and contribute to key growth projects. He has successfully led Delhaize Belgium since July 2007.

2.4 Executive Committee

Our Chief Executive Officer, Pierre-Olivier Beckers, is in charge of our day-to-day management with the assistance of the Executive Committee. The Executive Committee, chaired by our Chief Executive Officer, prepares the strategy proposals for the Board of Directors, oversees the operational activities and analyses the business performance of our company. The age limit set by the Board for the Chief Executive Officer is 65.

Our Executive Committee does not qualify as a management committee (*comité de direction / directiecomité*) under Belgian law and as such does not hold the Board of Directors' management powers.

The members of the Executive Committee are appointed by the Board of Directors. Our Chief Executive Officer is the only member of the Executive Committee who is also a member of the Board of Directors. Our Board of Directors decides on the compensation of the members of the Executive Committee and our other senior officers upon recommendation by our Remuneration and Nomination Committee. Our Chief Executive Officer recuses himself from any Board of Directors decision regarding his own compensation.

Our current Executive Committee members and biographical information concerning such individuals are set forth below (except for the biographical information of our President and Chief Executive Officer who is also a member of the Board of Directors, which is set forth above).

Name	Position	Executive Officer / Member of the Executive Committee
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		since
Pierre-Olivier Beckers	President and Chief Executive Officer	1990
Stéfan Descheemaeker	Executive Vice President and Chief Financial Officer	2009
Michel Eeckhout	Executive Vice President	2005
Ronald C. Hodge	Executive Vice President	2002
Nicolas Hollanders	Executive Vice President	2007
Kostas Macheras	Executive Vice President	2010
Michael Waller	Executive Vice President and General Counsel	2001

Stéfan Descheemaeker (1960). Mr. Descheemaeker has been an Executive Vice President and Chief Financial Officer of our company since 2009. Prior to joining Delhaize Group, Mr. Descheemaeker spent 12 years at Anheuser-Busch InBev. In 1996, he joined the Belgian brewer Interbrew, where he became head of Strategy & External Growth, managing its M&A operations, culminating with the merger of Interbrew and AmBev in 2004. At that point in time, he transitioned to operational management, in charge of respectively the brewer's operations in the U.S. and Mexico, Central and Eastern Europe, and, eventually, Western Europe. In 2008, Mr. Descheemaeker ended his operational responsibilities at Anheuser-Busch InBev and joined its Board as non-executive director. He started his career with Cobepa, which at that time was the Benelux investment company of BNP-Paribas. He later joined the holding company Defi as CEO of its financial subsidiary Definance. Mr. Descheemaeker holds a Masters' degree as Commercial Engineer, Solvay Business School, Brussels, Belgium.

Michel Eeckhout (1949). Mr. Eeckhout is Executive Vice President of our company and Chief Executive Officer Delhaize Belgium. He joined us in 1978, as IT project leader and IT manager. In addition, he became Group coordinator for the IT-activities in Europe and Asia in 1992 and member of the Executive Committee of Delhaize Belgium in 1995. He was appointed Delhaize Group Vice President of Information Technology Processes and Systems in 2001 and was Chief Information Officer from 2002 to 2007. He became a member of our Executive Committee in September 2005. He is a Board member of COMEOS (previously named Fedis Fédération belge de la Distribution). Mr. Eeckhout earned a Master's degree in economics (at UFSIA, Antwerp) and in European economics (at Université Libre de Bruxelles, Brussels), and an Executive Master in General Management, from the Solvay Business School, Brussels.

Ronald C. Hodge (1948). Mr. Hodge is Executive Vice President of our company and Chief Executive Officer of Delhaize America. Prior to his current role Mr. Hodge served as Chief Executive Officer of Delhaize America Operations. Mr. Hodge served as Executive Vice President and Chief Executive Officer of Hannaford and was responsible for our Sweetbay Supermarket operations. He joined Hannaford in 1980 and has served in various executive roles, including Vice President and General Manager of Hannaford's New York Division, Senior Vice President of Retail Operations, Executive Vice President of Sales and Marketing, and Executive Vice President and Chief Operating Officer. He became President of Hannaford Bros. Co. in December 2000 and Chief Executive Officer in 2001. While leading the start-up of Hannaford's entry into upstate New York, Mr. Hodge was elected Chairman of the New York State Food Merchant's Association, and served on several Community Agency Boards of Directors. He chaired the Northeastern New York United Way Campaign in 1995 and was selected as the New York Capital Region's Citizen of the

Year in 1996. Mr. Hodge holds a Bachelor of Science degree in business administration from Plymouth State College, Plymouth, New Hampshire.

Nicolas Hollanders (1962). Mr. Hollanders has been Executive Vice President of Human Resources and Organizational Development of our company since 2007. He started his career as a lawyer. In 1989, he joined Delvaux, a Brussels-based manufacturer and distributor of luxury leather goods and accessories, first as General Manager, and from 1993 as Managing Director. In 1995, Mr. Hollanders joined the executive search firm Egon Zehnder International, where he served successively as consultant, principal and partner. Mr. Hollanders is Chairman of the Jury “Hors pistes” of the King Baudouin Foundation and founding member and Chairman of Child Planet, a foundation aimed at improving conditions in children’s hospitals. Mr. Hollanders holds a Master’s degrees in Law and Notary Law and a Post Graduate degree in Economics from the University of Leuven.

Kostas Macheras (1953). Mr. Macheras is an Executive Vice President of our company and Chief Executive Officer Southeastern Europe. Mr. Macheras joined Delhaize Group in 1997 as General Manager of Alfa Beta Vassilopoulos. In 2009 Mr. Macheras added Mega Image, the Romanian operations of Delhaize Group, to his responsibilities. Mr. Macheras started his professional career in retailing in the U.S., as purchasing manager at the Quality Super Market Company in Chicago. He worked for 14 years for Mars, Inc. In 1982, he was in charge of sales, marketing and export in The Netherlands, and later became General Manager for Greece and Italy. From 1996-1997 he served as General Manager of Chipita International in Greece. He is a Board member of EEDE (Hellenic Management Association) for nine years. He has been a member of the Board of Directors at EASE (Association of Greek Executive Officers) since 2008, and is also currently a Board member of SEET (Association of Greek Food Enterprises). In 2005, he was named Officer in the Order of Leopold II by King Albert II of Belgium. In April 2009, Mr. Macheras was elected Manager of the Year 2008 by the Hellenic Management Association. Mr. Macheras holds a BA from Piraeus University and an MBA from the Roosevelt University of Chicago (Business Administration & Marketing).

Michael R. Waller (1953). Mr. Waller is an Executive Vice President, General Counsel and General Secretary of our company and President Director of Super Indo. Additionally, Mr. Waller has been an Executive Vice President of Delhaize America since July 2000. Previously, Mr. Waller was a partner in the international law firm Akin, Gump, Strauss, Hauer & Feld, L.L.P. In the years prior to joining Delhaize America, Mr. Waller served as Managing Partner of Akin Gump’s Moscow and London offices, and maintained an international corporate practice. Mr. Waller earned a Bachelor of Arts degree in psychology from Auburn University and a Juris Doctorate degree from the University of Houston, where he served as Editor-in-Chief of the Houston Law Review. Prior to entering private practice, Mr. Waller served as a law clerk for U.S. District Judge Robert O’Conor, Jr. in the Southern district of Texas.

3. CORPORATE GOVERNANCE

A4 – 11.2

We follow the corporate governance principles described in the 2009 Belgian Code on Corporate Governance and adopted this 2009 Code as our reference Code. The 2009 Belgian Code on Corporate Governance replaces the previous version from 2004.

We have published on our website (www.delhaizegroup.com):

- the Delhaize Group Corporate Governance Statement which contains comprehensive and factual information on our corporate governance, including changes in the Company’s corporate governance structure together with relevant recent events;
- the Delhaize Group Corporate Governance Charter which describes the main aspects of our corporate governance and sets forth the rules and policies of the company that together with

applicable law constitute the governance framework within which the company operates; and

- a remuneration report which provides to our stakeholders consistent and transparent information on executive compensation.

4. CONFLICTS OF INTERESTS

A4 – 10.2

In 2010, there were no transactions or contractual relationships between the Issuer, including its related companies, and a member of the Executive Management which could create a conflict of interest.

5. COMPENSATION OF DIRECTORS AND EXECUTIVE OFFICERS OF DELHAIZE GROUP

Our directors are remunerated for their services with a fixed compensation, decided by the Board of Directors and not to exceed the maximum amounts set by our shareholders. The maximum amount approved by the shareholders is EUR 80,000 per year per director, increased by an additional amount of up to EUR 10,000 (EUR 15,000 starting in 2011) per year for the Chairman of any standing committee of the Board and an amount of up to EUR 5,000 (EUR 10,000 starting in 2011) per year for services as a member of any standing committee of the Board. For the Chairman of the Board, the maximum remuneration amount is EUR 160,000 per year (exclusive of any amount due as Chairman of any standing committee starting in 2011).

Our non-executive directors do not receive any remuneration, benefits or equity-linked or other incentives from us and our subsidiaries other than their remuneration for their service as directors of our company. For some non-Belgian directors, we pay a portion of the cost of preparing the Belgian and U.S. tax returns for such directors. The aggregate amount of remuneration granted for fiscal year 2010 to our directors by us and our subsidiaries is set out in the table below. The compensation of the executive director as set forth in the table below relates solely to his compensation as director and excludes his compensation as an executive of our company. 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 director.

- (a) Remuneration Granted for Fiscal Year 2010 to Directors of Delhaize Group by Delhaize Group and its Subsidiaries

(in EUR)	2010
Non-Executive Directors	
Count Jacobs de Hagen	160,000
Claire Babrowski	85,000
Count de Pret Roose de Calesberg	85,000
François Cornélis	80,000
Hugh G. Farrington	85,000
Count Goblet d'Alviella	85,000
Robert J. Murray ⁽¹⁾	89,038

Didier Smits	80,000
Jack L. Stahl ⁽²⁾	87,981
Baron Vansteenkiste ⁽³⁾	82,981
Jacques de Vaucleroy	80,000
Total remuneration non-executive directors	1,000,000
Executive Directors	
Pierre-Olivier Beckers ⁽⁴⁾	80,000
Total remuneration directors	1,080,000

- (1) Prorated: Mr. Murray resigned from the Audit Committee effective 27 May 2010.
(2) Prorated: Mr. Stahl became Chairman of the Audit Committee effective 27 May 2010.
(3) Prorated: Baron Vansteenkiste became a member of the Audit Committee effective 27 May 2010.
(4) The amounts solely relate to the remuneration of the executive director and exclude his compensation as CEO that is separately disclosed below.

- (b) Remuneration Granted for Fiscal Year 2010 to Executive Officers of Delhaize Group by Delhaize Group and its Subsidiaries

The aggregate compensation for the members of the Executive Committee recognised in the Company's consolidated income statements for 2010 and 2009, respectively, is stated below. 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 that is separately disclosed above.

(in millions of EUR)	2010	2009
Short-term benefits ⁽¹⁾ (including termination benefits of EUR 5 million in 2010)	12	7
Retirement and post-employment benefits ⁽²⁾	1	1
Other long-term benefits ⁽³⁾	2	1
Share-based compensation	2	3
Employer social security contributions	1	1
Total compensation expense recognised in the same income statement	18	13

- (1) Short-term benefits include the annual bonus payable during the subsequent year for performance achieved during the respective years.
(2) The members of the Executive Committee benefit from corporate pension plans, which vary regionally, including a defined benefit group insurance plan for European members, that is

contributory and based on the individual's career length with the Company. U.S. members of the Executive Committee participate in profit sharing plans and defined benefit plans. Amounts represent the employer contributions for defined contribution plans and the employer service cost for defined benefit plans.

- (3) Other long-term benefits include the performance cash component of the Long-Term Incentive Plan that was established in 2003. The grants of the performance cash component provide for cash payments to the grant recipients at the end of a three-year performance period based upon achievement of clearly defined targets. Amounts represent the expense recognised by the Company during the respective years, as estimated based on realised and projected performance. Estimates are adjusted every year and when payment occurs.

Pierre-Oliver Beckers, our President and Chief Executive Officer is compensated both with a director fee and as an executive. Mr. Beckers' director fee is set forth in the table above. For 2010, the aggregate amount of compensation paid to Mr. Beckers as an executive was EUR 2.96 million. The compensation of Mr. Beckers was comprised of base pay of EUR 0.9 million, an annual bonus of EUR 0.7 million, other short-term benefits valued at EUR 0.06 million, retirement and post-employment benefits valued at EUR 0.6 million and other long-term benefits valued at EUR 0.7 million. A total of 31,850 Delhaize Group stock options/warrants and 10,064 restricted stock units were granted to Mr. Beckers in 2010, the value of which is not included in the EUR 2.96 million.

The members of Executive Management benefit from corporate pension plans, which vary regionally. U.S. members of Executive Management participate in defined benefit and 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. We expensed an aggregate amount of EUR 1.4 million with respect to these various plans for the members of the Executive Committee as a group for the year ended 31 December 2010, which amount is included in the EUR 18 million aggregate amount of compensation attributed by us and our subsidiaries to members of the Executive Committee as a group for services in all capacities. The members of the Executive Committee also participate in our stock option, restricted stock unit and long-term incentive plans. 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 members of the Executive Committee.

(c) Equity Compensation of Executive Management

In 2011, 173,583 stock options were granted to members of our Executive Committee. 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 our American Depositary Shares traded on the New York Stock Exchange. The options granted in June 2011 under the Delhaize Group 2002 Stock Incentive Plan for executives of our U.S. operating companies vest in equal annual instalments 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 after a three and a half year period following the grant date.

The restricted stock unit awards granted in 2011, represent a commitment of Delhaize Group to deliver shares of our 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 our trading policies.

The table below sets forth the number of restricted stock unit awards, stock options and warrants granted by our company and its subsidiaries during 2011 to our Chief Executive Officer and the other members of the Executive Committee.

	2011	
	Stock Options/ Warrants	Restricted Stock Unit Awards
Executive Management		
Pierre-Olivier Beckers	32,000	12,000
Stéfan Descheemaeker	20,487	2,355
Michel Eeckhout	23,176	-
Ron Hodge	45,381	5,198
Nicolas Hollanders	14,238	1,637
Kosta Macheras	20,306	-
Michael Waller	17,995	3,685
Total	173,583	24,875

(d) Share Ownership Guidelines

We believe that our executive officers should be encouraged to maintain a minimum level of share ownership in order to align the interests of the shareholders and our executive officers. In 2008, our Board of Directors adopted share ownership guidelines based on the recommendation of our Remuneration and Nomination Committee. Under these guidelines and during their active employment, each of our Chief Executive Officer and our other executive officers is expected to acquire and maintain ownership of Delhaize Group stock equal to a multiple of such officer's annual base salary. These multiples are as follows:

- Chief Executive Officer: 300% of annual base salary
- U.S.-based executive officers: 200% of annual base salary
- European-based executive officers: 100% of annual base salary

The difference in share ownership guidelines 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 officer remuneration. In the U.S., equity based compensation is more widely encouraged than in Europe.

Our executive officers are expected to achieve the share ownership levels by the end of 2012. New executive officers will be allowed a period of 5 years to achieve the recommended share ownership levels. Our Remuneration and Nomination Committee monitors 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.

(e) Main Contractual Terms of Hiring and Termination of Executive Management.

Our Executive Management, in accordance with employment-related agreements and applicable law, is compensated in line with our Remuneration Policy and is assigned duties and responsibilities in line with current market practice for its position and with our Terms of Reference of Executive

Management. Executive Management is required to abide by our policies and procedures, including our Guide for Ethical Business Conduct, and is subject to confidentiality and non-compete obligations to the extent authorised by law. Executive Management is also subject to other clauses typically included in employment agreements for executives.

The employment agreements of the Chief Executive Officer Pierre-Olivier Beckers and other members of Executive Management who 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.

For the U.S. members of Executive Management, their contracts provide the payment of 2 to 3 times the base salary and annual incentive bonus of the Executive Manager and the continuation of our health and welfare benefits for a comparable period in the event of the termination of their employment by our 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 Greek employment contract of our Chief Executive Officer of Southeastern Europe, Kostas Macheras, refers to the Greek Labor Law which defines the severance payment, in case of termination, in function of the years of service. However, the parties may negotiate in good faith to determine the terms and conditions applicable to such termination pursuant to local market practices.

6. EMPLOYEES

As of 30 June 2011, we employed approximately 142,800 employees (of which approximately 80,600 were full-time employees and approximately 62,200 were part-time employees). As of 30 June 2011, we employed approximately 108,150 employees in the United States, approximately 16,700 in Belgium, and approximately 17,950 in other regions.

Our policy with respect to labour unions is to comply with local regulations and collective bargaining agreements. We consider our relations with our employees to be good.

7. SHARE OWNERSHIP OF DELHAIZE GROUP MANAGEMENT

On 31 December 2010, the directors and the members of our Executive Committee (19 persons as of that date) as a group owned 448,481 Delhaize Group ordinary shares or ADRs, which represented approximately 0.44% of our outstanding shares. To our knowledge, none of our directors or executive officers beneficially own more than 1% of our shares. On 31 December 2010, the members of our Executive Committee owned as a group 686,665 stock options, warrants and restricted stock representing an equal number of our existing or new ordinary shares or ADRs.

8. LONG-TERM INCENTIVE PLANS

8.1 Overview

We offer to certain of our management associates, including the members of our Executive Committee, a long-term incentive plan which is comprised of a combination of stock options, restricted stock units and performance cash awards that are awarded generally on the basis of the following:

- Stock options represent approximately 25% of the total expected value of the annual award and have a strike price equal, depending on the rules applicable to the relevant stock option plans, to (i) the Delhaize Group share price on the date of the grant; (ii) the share price on the working day preceding the offering of the option; or (iii) the average price of the

Delhaize Group share price for the 30 days prior to the offering of the option. Options can be exercised in accordance with our securities trading policies, which allow for vested options to be exercised only during specified trading windows. Options granted under stock option plans targeting executives of U.S. subsidiaries vest over a three-year period following the grant date. Options granted under stock option plans for other executives vest after a period of three year period following the grant date. Options typically expire 7-10 years after the grant date.

- Restricted stock unit awards represent approximately 25% of the total expected value of each annual award. Restricted stock unit awards represent our commitment to deliver shares of Delhaize Group stock to the award recipient, at no cost to the award recipient, over a five-year period starting at the end of the second year after the award. After vesting, these shares can be sold by the award recipient at any time consistent with the guidelines and restrictions contained in our trading policies.
- Performance cash grants represent 50% of the total expected value of each annual award. These grants provide for cash payments to the grant recipients at the end of three-year performance periods. The amount of the cash payments is dependent on performance against Board-approved financial targets that are closely correlated to building long-term shareholder value. Board-approved minimum performance thresholds must be met before any payments are earned. Actual payments, if the minimum threshold is met, can range from 30% to 150% of the initial award. In exceptional circumstances, the Board may authorise certain payments even though minimum performance thresholds are not met.

8.2 Equity-Based Compensation

As a component of long-term incentive compensation, we offer stock-related incentive plans to certain of our management associates (vice president and above), including the members of the Executive Committee. For associates of our non-U.S. operating companies, we offer stock option plans. For associates of our U.S.-based companies, the incentive plans are based on options, warrants and restricted stock. The exercise of warrants under the warrant plans results in the creation of new shares and, as a consequence, in a dilution of current shareholdings. Because stock option plans and the restricted stock plans are based on existing shares held in treasury or purchased in the market, no dilution occurs due to exercises under these plans.

PART IX: MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

1. MAJOR SHAREHOLDERS

A4 - 12
A4 - 12.

Our capital stock consists of ordinary shares, without nominal value, each having a par value of EUR 0.50. Our shares may be in dematerialised form, bearer form or registered form. Each shareholder is entitled to one vote for each share held, on each matter submitted to a vote of shareholders. Major shareholders do not have different voting rights.

Based on currently applicable Belgian law and our Articles of Association, any person or legal entity which owns or acquires (directly or indirectly, by ownership of American Depositary Shares or otherwise) shares or other securities of Delhaize Group granting voting rights (representing the share capital or not) must disclose to us and to the Belgian Financial Services and Markets Authority (FSMA) the number of securities that such person owns, alone or jointly, when his/her voting rights amount to 3% or more of the total existing voting rights of Delhaize Group. Such person must make the same type of disclosure in case of transfer or acquisition of additional securities when his/her voting rights reach 5%, 10%, and so on by blocks of 5%, or when the voting rights fall below one of these thresholds.

The same disclosure requirement applies if a person transfers the direct or indirect control of a corporation or other legal entity which owns itself 3% at least of the voting rights of Delhaize Group. Similarly, if as a result of events changing the breakdown of voting rights, the percentage of the voting rights reaches, exceeds or falls below any of the above thresholds, a disclosure is required even when no acquisition or disposal of securities has occurred (e.g., as a result of a capital increase or a capital decrease). Finally, a disclosure is also required when persons acting in concert enter into, modify or terminate their agreement which results in their voting rights reaching, exceeding or falling below any of the above thresholds.

The disclosure statements must be addressed to the FSMA and to us at the latest the fourth trading day following the day on which the circumstance giving rise to the disclosure occurred. Unless otherwise provided by law, a shareholder shall only be allowed to vote at a shareholders' meeting of Delhaize Group the number of securities he/she validly disclosed at the latest twenty days before such meeting.

As of 26 August 2011, the following shareholders and groups of shareholders currently have declared holdings of at least 3% of the outstanding shares of Delhaize Group.

<u>Date of notification</u>	<u>Name of Shareholder</u>	<u>Number of shares held</u>	<u>Percentage of total voting rights on date of notification</u>
24 October 2008 ⁽¹⁾	Rebelco SA (Subsidiary of Sofina SA) Rue de l'industrie 31 1040 Brussels Belgium	4,050,000	4.04%
18 February 2009	Citibank N.A. ⁽²⁾ 388 Greenwich Street - 14th Floor New York, NY 10013 USA	10,682,499	10.62%

<u>Date of notification</u>	<u>Name of Shareholder</u>	<u>Number of shares held</u>	<u>Percentage of total voting rights on date of notification</u>
26 May 2011	BlackRock, Inc. 40 East 52nd Street, New York, NY 10222 USA	0	0.00%
	BlackRock Asset Management Australia Limited Level 18, 120 Colins Street Melbourne VIC 3000, Australia	80,089	0.08%
	BlackRock Asset Management Japan Limited Marunouchi Trust Tower Main, 1-8-3 Marunouchi Chiyoda-ku, Tokyo 100-8217, Japan	319,107	0.31%
	BlackRock Advisors (UK) Limited Murray House, 1 Royal Mint Court London, EC3N 4HH, UK	684,184	0.67%
	BlackRock Asset Management Deutschland AG Max-Joseph Strasse 6 80333 Munchen, Germany	54,613	0.05%
	BlackRock Institutional Trust Company, N.A. 400 Howard Street San Francisco, CA, 94105-2618 USA	2,830,000	2.79%
	BlackRock Fund Advisors Murray House, 1 Royal Mint Court London, EC3N 4HH, UK	517,839	0.51%
	BlackRock Asset Management Canada Ltd 161 Bay Street, Suite 2500 Toronto, Ontario M5J 2S1, Canada	53,670	0.05%
	BlackRock Advisors, LLC 40 East 52nd Street New York, NY 10022 USA	9,953	0.01%

<u>Date of notification</u>	<u>Name of Shareholder</u>	<u>Number of shares held</u>	<u>Percentage of total voting rights on date of notification</u>
	BlackRock Financial Management, Inc. 40 East 52nd Street New York, NY 10022 USA	43,417	0.04%
	BlackRock Investment Management, LLC 40 East 52nd Street New York, NY 10022 USA	232,644	0.23%
	BlackRock Investment Management (Australia) Ltd Level 18, 120 Colins Street Melbourne VIC 3000, Australia	10,869	0.01%
	BlackRock Investment Management (Dublin) Ltd 33 King William Street London EC4R 9AS UK	0	0.00%
	BlackRock (Netherlands) B.V. Forum House, Grenville street St Helier, JE1 0BR, The Netherlands	17,403	0.02%
	BlackRock Fund Managers Ltd 33 King William Street London EC4R 9AS UK	28,344	0.03%
	BlackRock Asset Management Ireland Ltd JPMorgan House, International Financial Center Dublin 1, Ireland	102,016	0.1%
	BlackRock International Ltd 40 Torphichen Street Edinburgh, EH3 8JB, UK	13,180	0.01%
	BlackRock Investment Management UK Ltd 33 King William Street London EC4R 9AS UK	150,326	0.15%
	Total BlackRock	5,147,654	5.07%

<u>Date of notification</u>	<u>Name of Shareholder</u>	<u>Number of shares held</u>	<u>Percentage of total voting rights on date of notification</u>
1 July 2011	Silchester International Investors LLP Time & Life Building, 1 Bruton Street London, W1J 6TL	5,126,682	5.03%

- (1) Situation as of 1 September 2008.
- (2) Citibank, N.A. has succeeded The Bank of New York Mellon as Depository for the American Depositary Receipts program of Delhaize Group as of 18 February 2009. Citibank, N.A. exercises the voting rights attached to such shares in compliance with the Deposit Agreement that provides among others that Citibank, N.A. may vote such shares only in accordance with the voting instructions it receives from the holders of American Depositary Shares.

As of 30 June 2011, the number of shares and potential voting rights of Delhaize Group were as follows:

<u>Number of shares and potential voting rights of Delhaize Group</u>	
Effective voting rights attached to shares representing the capital (= number of outstanding shares)	101,845,646
Future potential voting rights resulting from exercise of warrants	3,289,585

2. RELATED PARTY TRANSACTIONS

2.1 Post-employment benefit plans

Several of our subsidiaries provide for post-employment benefit plans for the benefit of our employees. Payments made to these plans and receivables from and payables to these plans are disclosed in note 21 to our annual consolidated financial statements as at 31 December 2010.

2.2 Grant of options, warrants and stock units to the Executive Management

In 2010, an aggregate number of 106,341 stock options and warrants and 22,677 restricted stock units were granted to members of the Executive Management. More information with respect to this grant of option, warrants and stock units to the Executive Management in 2010 is included in section 6(c) of Part VIII (*Management and corporate governance*) of this Prospectus.

As of 30 June 2011, an aggregate number of 173,583 stock options and warrants and 24,875 restricted stock units were granted to members of the Executive Management.

**PART X: FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND
LIABILITIES, FINANCIAL POSITION AND PROFIT AND LOSSES**

1. HISTORICAL INFORMATION

A4 - 13
A4 - 13.1
A4 - 13.2
A4 - 13.4
A4 - 13.4.

1.1 Annual financial information

Our annual financial information on 31 December 2010, 2009 and 2008 are as follows. For further information, please refer to our 2010, 2009 and 2008 annual reports.

(a) Consolidated balance sheet

Consolidated assets (in millions of EUR)	31 December,		
	2010	2009	2008
Goodwill	2,828	2,640	2,607
Intangible assets	634	574	597
Property, plant and equipment	4,075	3,785	3,832
Investment property	60	50	39
Investment in securities	125	126	123
Other financial assets	17	16	23
Deferred tax assets	95	23	8
Derivative instruments	61	96	57
Other non-current assets	19	19	11
Total non-current assets	7,914	7,329	7,297
Inventories	1,460	1,278	1,338
Receivables	637	597	608
Income tax receivables	1	8	8
Investment in securities	43	12	28
Other financial assets	3	15	7
Derivative instruments	5	-	1
Prepaid expenses	44	33	41
Other current assets	37	37	50
Cash and cash equivalent	758	439	320
	2,988	2,419	2,401
Assets classified as held for sale	-	-	2
Total current assets	2,988	2,419	2,403
Total assets	10,902	9,748	9,700
Consolidated liabilities and equity (in millions of EUR)	31 December,		
	2010	2009	2008
Share capital	51	50	50
Share premium	2,778	2,752	2,725
Treasury shares	(59)	(54)	(56)
Retained earnings	3,426	3,044	2,678
Other reserves	(34)	(40)	(25)
Cumulative translation adjustments	(1,094)	(1,360)	(1,229)
Shareholders' equity	5,068	4,392	4,143
Non-controlling interest	1	17	52

Consolidated liabilities and equity (in millions of EUR)	31 December,		
	2010	2009	2008
Total equity	5,069	4,409	4,195
Long-term debt	1,966	1,904	1,766
Obligations under finance leases	684	643	643
Deferred tax liabilities	543	227	215
Derivative instruments	16	38	-
Provisions	233	228	226
Other non-current liabilities	68	57	68
Total non-current liabilities	3,510	3,097	2,918
Short-term borrowings	16	63	152
Long-term debt – current portion	40	42	326
Obligations under finance leases	57	44	44
Derivative instruments	-	2	-
Provisions	52	52	49
Income taxes payable	17	65	98
Accounts payable	1,574	1,436	1,383
Accrued expenses	393	397	378
Other current liabilities	174	141	154
	2,323	2,242	2,584
Liabilities associated with assets held for sale	-	-	3
Total current liabilities	2,323	2,242	2,587
Total liabilities	5,833	5,339	5,505
Total liabilities and equity	10,902	9,748	9,700

(b) Consolidated income statement

(in millions of EUR)	2010	2009	2008
Revenues	20,850	19,938	19,024
Cost of sales	(15,497)	(14,813)	(14,204)
Gross profit	5,353	5,125	4,820
<i>Gross margin</i>	25.7%	25.7%	25.3%
Other operating income	85	78	96
Selling, general and administrative expenses	(4,394)	(4,192)	(3,962)
Other operating expenses	(20)	(69)	(50)
Operating profit	1,024	942	904
<i>Operating margin</i>	4.9%	4.7%	4.8%
Finance costs	(215)	(208)	(213)
Income from investments	12	6	11
Profit before taxes and discontinued operations	821	740	702
Income tax expense	(245)	(228)	(217)
Net profit from continuing operations	576	512	485
Result from discontinued operations (net of tax)	(1)	8	(6)
Net profit	575	520	479
Net profit attributable to non-controlling interests	1	6	12
Net profit attributable to equity holders of the Group (Group share in net profit)	574	514	467

(in EUR)

Earning per share			
Basic			
Net profit from continuing operations	5.74	5.07	4.76
Group share in net profit	5.73	5.16	4.70
Diluted			
Net profit from continuing operations	5.69	5.00	4.65
Group share in net profit	5.68	5.08	4.59

(in thousands)

Weighted average number of shares outstanding			
Basic	100,271	99,803	99,385
Diluted	101,160	101,574	103,131

(c) Consolidated statement of comprehensive income

(in millions of EUR)	2010	2009	2008
Net profit	575	520	479
Deferred gain (loss) on discontinued cash flow hedge	-	-	-
Reclassification adjustment to net profit	1	1	1
Tax (expense) benefit	-	-	-
Deferred gain (loss) on discontinued cash flow hedge, net of tax	1	1	1
Gain (loss) on cash flow hedge	23	(31)	-
Reclassification adjustment to net profit	(15)	22	-
Tax (expense) benefit	(3)	3	-
Gain (loss) on cash flow hedge, net of tax	5	(6)	-
Unrealised gain (loss) on financial assets available for sale	3	(7)	7
Reclassification adjustment to net profit	(1)	1	-
Tax (expense) benefit	-	1	(1)
Unrealised gain (loss) on financial assets available for sale, net of tax	2	(5)	6
Actuarial gain (loss) on defined benefit plans	1	(7)	(30)
Tax (expense) benefit	(1)	3	11
Actuarial gain (loss) on defined benefit plans, net of tax	-	(4)	(19)
Exchange gain (loss) on translation of foreign operations	263	(131)	185
Reclassification adjustment to net profit	-	-	-
Exchange gain (loss) on translation of foreign operations	263	(131)	185
Other comprehensive income	271	(145)	173
Attributable to non-controlling interests	-	-	-
Total comprehensive income for the period	846	375	652
Amount attributable to non-controlling interests	1	6	12
Amount attributable to equity holders of the Group	845	369	640

(d) Consolidated statement of changes in equity

(in millions of EUR, except
number of shares)

	Attributable to Equity Holders of the Group													
	Issued Capital		Share Premium	Treasury Shares		Retained Earnings	Other Reserves					Shareholders' Equity	Non- controlling Interests	Total Equity
	Number of Shares	Amount		Number of Shares	Amount		Discontinued Cash Flow Hedge Reserve	Cash Flow Hedge Reserve	Available- for-sale Reserve	Actuarial Gains and Losses Reserve	Cumulative Translation Adjustment			
Balances at 1 January 2008	100,280,507	50	2,709	938,949	(59)	2,355	(10)	-	1	(3)	(1,416)	3,627	49	3,676
Other comprehensive income	-	-	-	-	-	-	-	-	6	(19)	186	173	-	173
Net profit	-	-	-	-	-	467	-	-	-	-	-	467	12	479
Total comprehensive income for the period	-	-	-	-	-	467	-	-	6	(19)	186	640	12	652
Capital increases	302,777	-	15	-	-	-	-	-	-	-	-	15	-	15
Treasury shares purchased	-	-	-	123,317	(6)	-	-	-	-	-	-	(6)	-	(6)
Treasury shares sold upon exercise of employee stock options	-	-	(8)	(147,550)	9	-	-	-	-	-	-	1	-	1
Tax deficiency on employee stock options and restricted shares	-	-	(3)	-	-	-	-	-	-	-	-	(3)	-	(3)
Tax payment for restricted shares vested	-	-	(9)	-	-	-	-	-	-	-	-	(9)	-	(9)
Share-based compensation expense	-	-	21	-	-	-	-	-	-	-	-	21	-	21
Dividend declared	-	-	-	-	-	(143)	-	-	-	-	-	(143)	(4)	(147)
Purchase of non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(5)	(5)
Divestiture	-	-	-	-	-	(1)	-	-	-	-	1	-	-	-
Balances at 31 December 2008	100,583,284	50	2,725	914,716	(56)	2,678	(10)	-	7	(22)	(1,229)	4,143	52	4,195
Other comprehensive income	-	-	-	-	1	-	1	(6)	(5)	(5)	(131)	(145)	-	(145)
Net profit	-	-	-	-	-	514	-	-	-	-	-	514	6	520
Total comprehensive income for the period	-	-	-	-	1	514	1	(6)	(5)	(5)	(131)	369	6	375
Capital increases	287,342	-	14	-	-	-	-	-	-	-	-	14	-	14
Treasury shares purchased	-	-	-	205,882	(10)	-	-	-	-	-	-	(10)	-	(10)
Treasury shares sold upon exercise of employee stock options	-	-	(7)	(165,012)	11	-	-	-	-	-	-	4	-	4
Excess tax benefit on employee stock options and restricted shares	-	-	2	-	-	-	-	-	-	-	-	2	-	2

(in millions of EUR, except
number of shares)

	Attributable to Equity Holders of the Group													
	Issued Capital		Share Premium	Treasury Shares		Retained Earnings	Other Reserves							
	Number of Shares	Amount		Number of Shares	Amount		Discontinued Cash Flow Hedge Reserve	Cash Flow Hedge Reserve	Available- for-sale Reserve	Actuarial Gains and Losses Reserve	Cumulative Translation Adjustment	Shareholders' Equity	Non- controlling Interests	Total Equity
Tax payment for restricted shares vested	-	-	(2)	-	-	-	-	-	-	-	-	(2)	-	(2)
Share-based compensation expense	-	-	20	-	-	-	-	-	-	-	-	20	-	20
Dividend declared	-	-	-	-	-	(148)	-	-	-	-	-	(148)	(4)	(152)
Purchase of non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(37)	(37)
Balances at 31 December 2009	100,870,626	50	2,752	955,586	(54)	3,044	(9)	(6)	2	(27)	(1,360)	4,392	17	4,409
Other comprehensive income	-	-	-	-	(1)	-	-	5	2	(1)	266	271	-	271
Net profit	-	-	-	-	-	574	-	-	-	-	-	574	1	575
Total comprehensive income for the period	-	-	-	-	(1)	574	-	5	2	(1)	266	845	1	846
Capital increases	684,655	1	25	-	-	-	-	-	-	-	-	26	-	26
Treasury shares purchased	-	-	-	441,996	(26)	-	-	-	-	-	-	(26)	-	(26)
Treasury shares sold upon exercise of employee stock options	-	-	(11)	(408,722)	22	-	-	-	-	-	-	11	-	11
Excess tax benefit on employee stock options and restricted shares	-	-	1	-	-	-	-	-	-	-	-	1	-	1
Tax payment for restricted shares vested	-	-	(5)	-	-	-	-	-	-	-	-	(5)	-	(5)
Share-based compensation expense	-	-	16	-	-	-	-	-	-	-	-	16	-	16
Dividend declared	-	-	-	-	-	(161)	-	-	-	-	-	(161)	(1)	(162)
Purchase of non-controlling interests	-	-	-	-	-	(31)	-	-	-	-	-	(31)	(16)	(47)
Balances at 31 December 2010	101,555,281	51	2,778	988,860	(59)	3,426	(9)	(1)	4	(28)	(1,094)	5,068	1	5,069

(e) Consolidated statement of cash flows

(in millions of EUR)	2010	2009	2008
Operating activities			
Group share in net profit	574	514	467
Net profit attributable to non-controlling interests	1	6	12
Adjustments for:			
Depreciation and amortisation – continuing operations	575	515	474
Depreciation and amortisation – discontinued operations	-	-	2
Impairment – continuing operations	14	22	20
Impairment - discontinued operations	-	-	8
Allowance for losses on accounts receivable and inventory obsolescence	6	20	15
Share-based compensation	16	20	21
Income taxes	245	227	217
Finance costs	216	209	214
Income from investments	(12)	(14)	(14)
Other non-cash items	(2)	3	(6)
Changes in operating assets and liabilities:			
Inventories	(108)	32	(16)
Receivables	(39)	(8)	(52)
Prepaid expenses and other assets	(10)	3	(26)
Accounts payable	98	58	(97)
Accrued expenses and other liabilities	16	20	28
Provisions	(24)	(13)	(25)
Interest paid	(202)	(199)	(198)
Interest received	11	9	13
Income taxes paid	(58)	(248)	(130)
Net cash provided by operating activities	1,317	1,176	927
Investing activities			
Business acquisitions, net of cash and cash equivalents acquired ⁽¹⁾	(19)	(47)	(88)
Business disposals, net of cash and cash equivalents disposed	-	8	-
Purchase of tangible and intangible assets (capital expenditures)	(660)	(520)	(714)
Sale of tangible and intangible assets	14	10	30
Net investment in debt securities	(13)	(5)	7
Purchase of other financial assets	(2)	(9)	-
Sale and maturity of other financial assets	15	8	7
Net cash used in investing activities	(665)	(555)	(758)
Cash flow before financing activities	652	621	169
Financing activities			
Proceeds from the exercise of share warrants and stock options	32	16	7
Treasury shares purchased	(26)	(10)	(6)
Non-controlling interests purchased ⁽¹⁾	(47)	(108)	(12)
Dividends paid	(161)	(148)	(143)
Dividends paid by subsidiaries to non-controlling interests	(1)	(4)	(4)

Escrow maturities	2	5	9
Borrowings under long-term loans (net of financing costs)	(1)	230	80
Repayment of long-term loans	(42)	(327)	(110)
Repayment of lease obligations	(49)	(45)	(39)
Net borrowings (repayments) of short-terms loans	(49)	(91)	109
Settlement of derivative instruments	(1)	(14)	4
Net cash used in financing activities	(343)	(496)	(105)
Effect of foreign currency translation	10	(7)	8
Net increase in cash and cash equivalents	319	118	72
Cash and cash equivalents at beginning of period	439	321 ⁽²⁾	249
Cash and cash equivalents at end of period	758	439	321 ⁽²⁾

(1) Reclassification of cash flows resulting from the acquisition of non-controlling interests from “Investing” to “Financing” due to a change in IFRS.

(2) EUR 1 million in assets classified as held for sale

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1.2 Half-yearly financial information

Our half-yearly condensed consolidated financial statements for the Group for the six months ended 30 June 2011 were authorised for issue by the Board of Directors on 3 August 2011. This interim report only provides an explanation of events and transactions that are significant to an understanding of the changes in financial position and reporting since the last annual reporting period. It should thus be read in conjunction with the consolidated financial statements of the financial year ended in 31 December 2010.

Our half-yearly financial information on 30 June 2011 and 2010 are detailed below. For further information, please refer to our 2011 and 2010 half-yearly financial reports. This half-yearly financial information is unaudited but the statutory auditor has performed a limited review of the interim financial information. The auditor's report on the interim financial statements for the six months ended 30 June 2011 may be found on page 20 of the Second Quarter and First Half 2011 Press Release.

(a) Condensed consolidated balance sheet (Unaudited)

Assets (in millions of EUR)	30 June 2011	31 December 2010	30 June 2010
Non-current assets	7,498	7,914	8,246
Goodwill	2,648	2,828	3,038
Intangible assets	589	634	666
Property, plant and equipment	3,855	4,075	4,186
Investment property	58	60	62
Financial assets	157	142	176
Derivative instruments	73	61	59
Other non-current assets	118	114	59
Current assets	2,920	2,988	2,868
Inventories	1,412	1,460	1,482
Receivables and other assets	687	719	716
Financial assets	38	46	38
Derivative instruments	-	5	9
Cash and cash equivalent	783	758	623
Total assets	10,418	10,902	11,114
Liabilities (in millions of EUR)	30 June 2011	31 December 2010	30 June 2010
Total equity	4,843	5,069	5,094
Shareholders' equity	4,842	5,068	5,079
Non-controlling interests	1	1	15
Non-current liabilities	3,299	3,510	3,588
Long-term debt	1,780	1,966	2,098
Obligations under finance leases	628	684	738
Deferred tax liabilities	583	543	363
Derivative instruments	21	16	63
Provisions	222	233	254
Other non-current liabilities	65	68	72
Current liabilities	2,276	2,323	2,432
Short-term borrowings	24	16	64
Long-term debt – current portion	80	40	45
Obligations under finance lease	54	57	51

Accounts payable	1,514	1,574	1,527
Derivative instruments	1	-	-
Other non-current liabilities	603	636	745
Total liabilities and equity	10,418	10,902	11,114

(b) Condensed consolidated income statement (Unaudited)

(in millions of EUR)	Six months ended 30 June,	
	2011	2010
Revenues	10,151	10,300
Cost of sales	(7,581)	(7,668)
Gross profit	2,570	2,632
<i>Gross margin</i>	25.3%	25.6%
Other operating income	47	42
Selling, general and administrative expenses	(2,179)	(2,204)
Other operating expenses	(11)	(2)
Operating profit	427	468
<i>Operating margin</i>	4.2%	4.5%
Finance costs	(99)	(110)
Income from investments	9	4
Profit before taxes and discontinued operations	337	362
Income tax expense	(94)	(117)
Net profit from continuing operations	243	245
Result from discontinued operations (net of tax)	-	-
Net profit (before non-controlling interests)	243	245
Net profit attributable to non-controlling interests	-	1
Net profit attributable to equity holders of the Group (Group share in net profit)	243	244
(in EUR)		
Group share in net profit from continuing operations:		
Basic earnings per share	2.42	2.44
Diluted earnings per share	2.39	2.42
Group share in net profit:		
Basic earnings per share	2.41	2.44
Diluted earnings per share	2.39	2.41
(in thousands)		
Weighted average number of shares outstanding:		
Basic	100,592	100,051
Diluted	101,650	101,148

(c) Condensed consolidated statement of comprehensive income (Unaudited)

(in millions of EUR)	Six months ended 30 June,	
	2011	2010
Net profit of the period	243	245
Gain (loss) on cash flow hedge	(16)	16
Reclassification adjustment to net profit	19	(36)
Tax (expense) benefit	(1)	7
Gain (loss) on cash flow hedge, net of tax	2	(13)
Unrealised gain (loss) on financial assets available for sale	2	6
Reclassification adjustment to net profit	(4)	-
Tax (expense) benefit	-	(1)
Unrealised gain (loss) on financial assets available for sale, net of tax	(2)	5
Exchange gain (loss) on translation of foreign operations	(311)	606
Reclassification adjustment to net profit	-	-
Exchange gain (loss) on translation of foreign operations	(311)	606
Other comprehensive income	(311)	598
Attributable to non-controlling interests	-	-
Total comprehensive income for the period	(68)	843
Amount attributable to non-controlling interests	-	1
Amount attributable to equity holders of the Group	(68)	842

(d) Condensed consolidated statement of changes in equity (Unaudited)

(in millions of EUR, except number of shares)	Shareholders' Equity	Non-Controlling Interests	Total Equity
Balances at 1 January 2011	5,068	1	5,069
Other comprehensive income	(311)	-	(311)
Net profit	243	-	243
Total comprehensive income for the period	(68)	-	(68)
Capital increases	11	-	11
Dividends declared	(173)	-	(173)
Treasury shares purchased	(4)	-	(4)
Treasury shares sold upon exercise of employee stock options	4	-	4
Tax payment for restricted shares vested	(3)	-	(3)
Excess tax benefit on employee stock options and restricted shares	1	-	1
Share-based compensation expense	6	-	6
Balances at 30 June 2011	4,842	1	4,843
Shares issued	101,845,646		
Treasury shares	844,464		
Shares outstanding	101,001,182		

(in millions of EUR, except number of shares)	Shareholders' Equity	Non-Controlling Interests	Total Equity
Balances at 1 January 2010	4,392	17	4,409
Other comprehensive income	598	-	598
Net profit	244	1	245
Total comprehensive income for the period	842	1	843
Capital increases	12	-	12
Dividends declared	(161)	(1)	(162)
Treasury shares purchased	(19)	-	(19)
Treasury shares sold upon exercise of employee stock options	11	-	11
Tax payment for restricted shares vested	(5)	-	(5)
Excess tax benefit on employee stock options and restricted shares	1	-	1
Share-based compensation expense	9	-	9
Purchase of non-controlling interests	(3)	(2)	(5)
Balances at 30 June 2010	5,079	15	5,094
Shares issued	101,116,569		
Treasury shares	880,424		
Shares outstanding	100,236,145		

(e) Condensed consolidated statement of cash flows (Unaudited)

(in millions of EUR)	Six months ended 30 June,	
	2011	2010
Operating activities		
Net profit (before non-controlling interests)	243	245
Adjustments for: Depreciation and amortisation – continuing operations	281	287
Impairment – continuing operations	3	1
Income taxes, finance costs and income from investments	184	223
Other non-cash items	11	13
Changes in operating assets and liabilities	(36)	(20)
Interest paid	(92)	(102)
Interest received	7	4
Income taxes paid	(19)	(38)
Net cash provided by operating activities	582	613
Investing activities		
Business acquisitions	(6)	(9) ⁽¹⁾
Purchase of tangible and intangible assets (capital expenditures)	(270)	(234)
Sale of tangible and intangible assets	6	6
Net investment in debt securities	(21)	(27)
Other investing activities	-	15
Net cash used in investing activities	(291)	(249)
Cash flow before financing activities	291	364
Financing activities		
Exercise of share warrants and stock options	12	18
Treasury shares purchased	(4)	(19)
Non-controlling interests purchased	-	(4)
Dividends paid (including dividends paid by subsidiaries to non-controlling interests)	(172)	(160)
Escrow maturities	2	2
Borrowings under (repayments of) long-term loans (net of direct financing costs)	(59)	(65)
Borrowings under (repayments of) of short-terms loans, net	11	(2)
Settlement of derivative instruments	(7)	(1)
Net cash used in financing activities	(217)	(231)
Effect of foreign currency translation	(49)	51
Net increase in cash and cash equivalents	25	184
Cash and cash equivalents at beginning of period	758	439
Cash and cash equivalents at end of period	783	623

- (1) Reclassification of cash flows resulting from the acquisition of non-controlling interests from “Investing” to “Financing” due to a change in IFRS.

2. STATUTORY AND AUDITING OF FINANCIAL INFORMATION

A4 – 2.1

Our consolidated annual accounts on 31 December 2010, 2009 and 2008 have been audited by DELOITTE Bedrijfsrevisoren / Reviseurs d’Entreprises BVo.v.v.e. CVBA/SC s.f.d. SCRL, an independent registered public accounting firm.

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The auditor's report on the consolidated financial statements for the year ended 31 December 2010, 2009 and 2008 may be found on page 147 of our 2010 annual report, on page 147 of our 2009 annual report and on page 120 of our 2008 annual report, respectively.

3. INFORMATION ON TRENDS

A4 – 8.1

There have been no material adverse changes in our prospects since the date of our last published audited financial statements, i.e. 31 December 2010.

4. SIGNIFICANT CHANGES IN THE ISSUER'S FINANCIAL OR TRADING POSITION

A4 – 13.7

Except the completion of the acquisition of the Serbian retailer Delta Maxi detailed below, no significant change in our financial or trading position has occurred since the end of the last financial period for which either audited financial information or interim financial information have been published, i.e. 31 December 2010 and 30 June 2011.

In July 2011, we completed the acquisition of Delta Maxi Group, a retail company operating approximately 450 stores in five countries in Southeastern Europe at the end of 2010, for an amount of EUR 932.5 million (enterprise value) including net debt and other customary adjustments of EUR 318 million. The Group has financed the acquisition price (equity value) through a combination of cash and available credit lines. The results of Delta Maxi will be consolidated in Delhaize Group's results from 1 August 2011 and will be reported as part of the Southeastern Europe and Asia operating segment.

PART XI: DESCRIPTION OF THE SHARES AND ARTICLES OF ASSOCIATION

1. LEGAL AND COMMERCIAL NAME, REGISTERED SEAT AND FINANCIAL YEAR

A4 – 5.1
A4 – 5.1.1
A4 – 5.1.2
A4 – 5.1.4

The commercial name of our company is Delhaize Group. The legal names of our company are “Etablissements Delhaize Frères et Cie “Le Lion” (Groupe Delhaize)”, in Dutch “Gebroeders Delhaize en Cie “De Leeuw” (Delhaize Groep)” and in English “Delhaize Brothers and Co. “The Lion” (Delhaize Group)”, in abridged “Groupe Delhaize”, in Dutch “Delhaize Groep” and in English “Delhaize Group”, the company being allowed to use any of its full legal corporate names or any of its abridged legal corporate names.

Delhaize Group is a limited liability company (*société anonyme/naamloze vennootschap*) incorporated and domiciled in Belgium with its registered address at rue Osseghem 53, Molenbeek-Saint-Jean. Our principal executive offices are located at Square Marie Curie 40, 1070 Brussels, Belgium. Our telephone number at that location is +32 2 412 22 11. The Issuer is registered in the Belgian Crossroads Bank for Enterprises (registration number: 0402.206.045 RPM Brussels). Our Internet address is www.delhaizegroup.com.

Delhaize Group’s financial year corresponds to the calendar year. Following the end of each financial year, the Board of Directors approves the draft of the financial statements to be submitted for approval to the ordinary General Meeting. The ordinary General Meeting is to be held each year on the fourth Thursday of May.

2. CORPORATE PURPOSE

A4 – 14.2
A4 – 14.2.

According to article 2 of the Issuer’s articles of association, the Issuer’s corporate purpose is as follows:

“The corporate purpose of the company is the trade of durable and non-durable merchandise and commodities, of wine and spirits, the manufacture and sale of all articles of mass consumption, household articles, and others, as well as all service activities.

The company may carry out in Belgium or abroad all industrial, commercial, movable, real estate, or financial transactions that favour or expand directly or indirectly its industry and trade.

It may acquire an interest, by any means whatsoever, in all businesses, corporations, or enterprises with an identical, similar or related corporate purpose or which favour the development of its enterprise, acquire raw materials for it, or facilitate the distribution of its products.”

3. DURATION

A4 – 5.1.3

The Issuer was incorporated in 1867 for an unlimited duration (article 4 of the Issuer’s articles of association).

4. DESCRIPTION OF DELHAIZE GROUP ORDINARY SHARES

4.1 Share capital

Our capital stock consists of ordinary shares, without nominal value, each having a par value of EUR 0.50. At the time of the publication of this Prospectus, the share capital of the Issuer amounts to EUR 50,922,823 represented by ordinary shares. It is divided into 101,845,646 ordinary shares without nominal value.

At an extraordinary general meeting held on 24 May 2007, our shareholders approved the proposal to authorise our Board of Directors to increase the corporate capital or issue convertible bonds or subscription rights that might result in a further increase of capital by a maximum of EUR 9,678,897. As of the date of this Prospectus, the Board of Director's authorisation had been used for an amount of EUR 676,891, so that the amount of authorised capital remaining available as of that date was EUR 9,002,006. This authorisation will expire in June 2012, but may be renewed.

The Issuer's shares are admitted for listing on Euronext Brussels under the symbol "DELB".

4.2 Form of the shares

Our ordinary shares may be in dematerialised form, bearer form or registered form. Each shareholder is entitled to one vote for each ordinary share held on each matter submitted to a vote of shareholders. Bearer securities (*titres au porteur / effecten aan toonder*) are securities represented by a certificate which entitle its holder to exercise all rights attached to the security merely by holding it. Dematerialised securities (*titres dématérialisés / gedematerialiseerde effecten*) are securities represented by entries, under the name of their holders, in the book of a depository institution. Registered securities (*titres nominatifs / effecten op naam*) are securities that can only be represented by entries in a shares register held by the company.

On request, our shareholders may convert their shares into another form at their own expense. The ownership of registered shares can be transferred by informing us and returning the certificate of record in the shareholder register to us. Under Belgian law, as from 1 January 2008, bearer shares booked into a securities account have been automatically converted into dematerialised shares. Bearer shares not yet booked in a securities account shall be automatically converted into dematerialised shares as from the time they are booked into a securities account. All remaining bearer shares that shall not have been deposited in a securities account shall be converted at the choice of their holder into dematerialised or registered shares by 31 December 2013.

4.3 Preferential subscription rights

Under Belgian law, our shareholders have preferential subscription rights with respect to the issuance of new Delhaize Group ordinary shares in proportion to the number of Delhaize Group ordinary shares they hold. Shareholders may exercise these subscription rights in consideration for cash contributions. These rights, however, may be limited or removed by a resolution passed at a general meeting of shareholders or by our Board of Directors if our Board of Directors has been authorised to do so by our shareholders at a general meeting. At an extraordinary general meeting of shareholders held on 24 May 2007, the Delhaize Group shareholders approved the proposal to authorise the Delhaize Group Board of Directors to limit or remove these rights in connection with an increase in Delhaize Group's capital of up to EUR 9,678,897 for a period of five years expiring on 18 June 2012. Such authorisation may be renewed through a vote at a general meeting of shareholders. As of the date of this Prospectus, the amount remaining available under this authorisation was EUR 9,002,006.

A4 – 14.1
A4 – 14.1.

4.4 Amendments to our articles of association effective 1 January 2012

At the combined ordinary and extraordinary general meeting of the shareholders held on 26 May 2011, our shareholders approved amendments to articles 29, 30, 31, 32, 34 and 36 of our Articles of Association to conform them to the Belgian law of 20 December 2010 on the exercise of certain rights of shareholders in listed companies. This law, which implements Directive 2007/36/EC of the European Parliament and of the Council of 11 July 2007 on the exercise of certain rights of shareholders in listed companies, will enter into force on 1 January 2012, together with the amendments to our Articles of Association mentioned above. These amendments relate mainly to the requirements regarding the calling and holding of our general meeting of the shareholders, as well as the formalities to be satisfied by the holders of our securities to attend such meeting.

PART XII: USE OF PROCEEDS

The Issuer estimates that the net proceeds from the issue and sale of the Bonds (for a minimum nominal amount of EUR 250,000,000), after deduction of the estimated transaction fees of approximately EUR 215,000, will be approximately EUR 249,765,000. ^{A5-3.2}

The net proceeds from the Public Offer will be applied by the Issuer for the refinancing of some financial indebtedness of members of the Group, including the indebtedness of Delta Maxi following our recent acquisition, as well as for the working capital needs, capital expenditures and general corporate purposes of the Group.

As of the date of this Prospectus, the Issuer cannot predict with certainty all of the particular uses for the balance of proceeds from the Public Offer, or the amounts that it will actually spend or allocate to specific uses. The amounts and timing of actual expenditures will depend upon numerous factors. The Issuer's management will have significant flexibility in applying the balance of net proceeds from the Public Offer and may change the allocation of these proceeds as a result of these and other contingencies.

General

The following summary is a general description of certain Belgian and Luxembourg tax considerations relating to the Bonds and is included herein solely for information purposes. It does not purport to be a complete analysis of all tax considerations relating thereto. This summary does not describe the tax treatment of investors that are subject to special rules, such as banks, insurance companies, or collective investment undertakings.

Prospective purchasers should consult their own tax advisers as to the consequences under the tax laws of their countries of citizenship, residence, ordinary residence or domicile and the tax laws of Belgium and the Grand Duchy of Luxembourg of acquiring, holding and disposing of Bonds and receiving payments of interest, principal and/or other amounts thereunder.

This summary is based upon the laws and regulations in Belgium, respectively the Grand Duchy of Luxembourg, as in effect on the date of this Prospectus and is subject to any change in law that may take effect after such date (or even before with retroactive effect). Investors should appreciate that, as a result of changing law or practice, the tax consequences may be otherwise than as stated below.

Persons considering participating in the offer should therefore consult their own professional advisors as to the effects of state, local or foreign laws and regulations, including the tax laws and regulations in Belgium, respectively the Grand Duchy of Luxembourg, to which they may be subject.

Taxation in Belgium

For the purpose of the summary below, a Belgian resident is (i) an individual subject to Belgian personal income tax (*i.e.*, an individual who has his domicile in Belgium or has his seat of wealth in Belgium, or a person assimilated to a Belgian resident), (ii) a company subject to Belgian corporate income tax (*i.e.*, a company that has its registered office, its main establishment, its administrative seat or its seat of management in Belgium), or (iii) a legal entity subject to Belgian legal entities tax (*i.e.*, an entity other than a company subject to corporate income tax having its registered office, its main establishment, its administrative seat or its seat of management in Belgium).

A non-resident is a person who is not a Belgian resident.

Belgian withholding tax

The interest component of payments on the Bonds made by or on behalf of the Issuer is as a rule subject to Belgian withholding tax, currently at a rate of 15% on the gross amount. For Belgian income tax purposes, interest includes (i) periodic interest income, (ii) any amounts paid by the Issuer in excess of the issue price (upon full or partial redemption whether or not at maturity, or upon purchase by the Issuer) (including the redemption at the option of the Bondholders pursuant to Condition 6.3. in case of a Change of Control), and (iii) if the Bonds qualify as fixed income securities pursuant to Article 2, §1, 8 of the Belgian Income Tax Code 1992 (**ITC 1992**), in case of a sale of the Bonds between interest payment dates to any third party, excluding the Issuer, the pro rata of accrued interest corresponding to the detention period.

X/N clearing system of the NBB

The holding of the Bonds in the X/N clearing system of the NBB (the **Clearing System**) permits investors to collect interest on their Bonds free of Belgian withholding tax if and as long as at the moment of payment or attribution of interest the Bonds are held by certain investors (the Eligible Investors, see below) in an exempt securities account (**X-account**) that has been opened with a financial institution that is a direct or indirect

participant (a **Participant**) in the Clearing System. Euroclear and Clearstream Luxembourg are directly or indirectly Participants for this purpose.

Holding the Bonds through the Clearing System enables Eligible Investors to receive the gross interest income on their Bonds and to transfer the Bonds on a gross basis.

Eligible Investors are those entities referred to in article 4 of the *Arrêté Royal du 26 mai 1994 relatif à la perception et à la bonification du précompte mobilier* (Belgian Royal Decree of 26 May 1994 on the deduction of withholding tax), which includes:

- (i) Belgian resident corporate investors;
- (ii) Institutions, associations or companies referred to in article 2, §3 of the law of 9 July 1975 on the control of insurance companies other than those referred to in 1° and 3° without prejudice to the application of article 262, 1° and 5° ITC 1992;
- (iii) State regulated institutions (*institutions parastatales / parastatalen*) for social security or institutions equated therewith referred to in article 105, 2° of the Royal Decree implementing ITC 1992 (**RD/ITC 1992**);
- (iv) Non-resident investors whose holding of the Bonds is not connected to a professional activity in Belgium, referred to in article 105, 5° RD/ITC 1992;
- (v) Investment funds recognised in the framework of pension savings, referred to in article 115 RD/ITC 1992;
- (vi) Investors referred to in article 227, 2° ITC 1992, subject to non-resident income tax in accordance with article 233 ITC 1992 and which have used the income generating capital for the exercise of their professional activities in Belgium;
- (vii) The Belgian State, in respect of investments which are exempt from withholding tax in accordance with article 265 ITC 1992;
- (viii) Foreign investment funds (such as *fonds de placement / beleggingsfondsen*) the units of which are not publicly offered or marketed in Belgium;
- (ix) Belgian resident companies, not referred to under (i.), whose activity exclusively or principally exists of granting credits and loans.

Eligible Investors do not include, inter alia, Belgian resident individuals and Belgian non-profit organisations, other than those mentioned under (ii) and (iii) above.

Participants to the Clearing System must keep the Bonds which they hold on behalf of non-Eligible Investors in a non-exempt securities account (**N-Account**). In such instance all payments of interest are subject to withholding tax, currently at a rate of 15%. This withholding tax is withheld by the NBB from the interest payment and paid to the tax authorities.

Transfers of Bonds between an X-account and an N-account give rise to certain adjustment payments on account of withholding tax:

- A transfer from an N-account (to an X-account or N-account) gives rise to the payment by the transferor “non-Eligible Investor” to the NBB of withholding tax on the accrued fraction of interest calculated from the last interest payment date up to the transfer date.

- A transfer from an X-account (or N-account) to an N-account gives rise to the refund by the NBB to the transferee non-Eligible Investor of withholding tax on the accrued fraction of interest calculated from the last interest payment date up to the transfer date.
- Transfers of Bonds between two X-accounts do not give rise to any adjustment on account of withholding tax.

These adjustment mechanics are such that parties trading the Bonds on the secondary market, irrespective of whether they are Eligible or non-Eligible Investors, are in a position to quote prices on a gross basis.

When opening an X-account for the holding of Bonds, an Eligible Investor will be required to certify its eligible status on a standard form approved by the Belgian Minister of Finance and send it to the participant to the Clearing System where this account is kept. This statement needs not be periodically reissued (although Eligible Investors must update their certification should their eligible status change). Participants to the Clearing System are however required to make declarations to the NBB as to the eligible status of each investor for whom they hold Bonds in an X-account during the preceding calendar year.

These identification requirements do not apply to Bonds held with Euroclear or Clearstream, Luxembourg acting as Participants to the Clearing System, provided that they only hold X-accounts and that they are able to identify the holders for whom they hold Bonds in such account.

Interest, capital gains and income tax

Belgian resident individuals

For Belgian resident individuals holding the Bonds as a private investment, the payment of the 15% withholding tax fully discharges them from their tax liability with respect to these interest payments (*précompte mobilier libératoire / bevrijdende roerende voorheffing*), i.e. they do not have to declare the interest obtained on the Bonds in their personal income tax return.

They may nevertheless elect to declare the interest in their personal income tax return. In such a case, interest payments will normally be taxed at a rate of 15%, plus local surcharges, or at the progressive personal tax rate taking into account the taxpayer's other declared income, whichever is lower. If the interest payment is declared, the withholding tax retained by the NBB may be credited and possibly refunded in case of excess.

Capital gains realised on the disposal of the Bonds are as a rule tax exempt, unless these Bonds are held for professional purposes or if the capital gain is realised outside the normal management of one's private estate. Capital losses realised upon the disposal of the Bonds held as non-professional investment are in principle not tax deductible. If the Bonds qualify as fixed income securities pursuant to Article 2, §1, 8 ITC 1992, in case of a sale of the Bonds between interest payment dates to any third party, excluding the Issuer, the pro rata of accrued interest corresponding to the detention period does not constitute a capital gain, but interest, which may be subject to withholding tax (see section "Belgian withholding tax").

Specific tax rules apply to Belgian resident individuals who do not hold the Bonds as a private investment.

Belgian resident companies

Holders of Bonds which are Belgian resident companies will be subject to Belgian corporate income tax on the interest payments made on the Bonds. Capital gains realised in respect of the Bonds will be part of the company's taxable income. Capital losses realised upon the sale of the Bonds are in principle tax deductible.

Belgian legal entities

Belgian legal entities which do not qualify as Eligible Investors (as defined under the section “Belgian withholding tax”) are subject to a withholding tax of 15% on interest payments. The withholding tax constitutes the final taxation.

Belgian legal entities which qualify as Eligible Investors (as defined under the section “Belgian withholding tax”) and which consequently have received gross interest income are required to pay the amount of the Belgian withholding tax themselves.

Capital gains realised on the disposal of the Bonds are as a rule tax exempt (unless it qualifies as interest on Bonds considered fixed income securities referred to under the section “Belgian withholding tax”). Capital losses are in principle not tax deductible.

Non-residents

Bondholders who are non-residents of Belgium for Belgian tax purposes and are not holding the Bonds through a Belgian establishment and do not invest the Bonds in the course of their Belgian professional activity will not incur or become liable for any Belgian tax on income or capital gains by reason only of the acquisition, ownership or disposal of the Bonds, provided that they qualify as Eligible Investors and hold their Bonds in an X-account.

If the Bonds are not entered into an X-account by the Eligible Investor, withholding tax on the interest is in principle applicable at the current rate of 15%, possibly reduced pursuant to a tax treaty, on the gross amount of the interest.

Tax on stock exchange transactions

Secondary market trades in respect of the Bonds will give rise to a stock exchange tax (*Taxe sur les operation de bourse / Taks op de Beursverrichtingen*) if they are carried out in Belgium through a professional intermediary. The rate applicable for secondary sales and purchases is 0.07%. The tax is due separately from each party to any such transaction, *i.e.*, the seller (transferor) and the purchaser (transferee), both collected by the professional intermediary. The amount of the transfer tax is, however, capped at EUR 500 per transaction per party.

However, the tax referred to above will not be payable by exempt persons acting for their own account including all non-residents of Belgium, subject to the delivery of an affidavit to the financial intermediary in Belgium confirming their non-resident status and certain Belgian institutional investors, as defined in article 126/1, 2° of the Code of various duties and taxes (*Code des droits et taxes divers / Wetboek diverse rechten en taksen*).

European Union directive on taxation of savings income

On 3 June 2003, the Council of the European Union adopted Council Directive 2003/48/EC regarding the taxation of savings income (the **Savings Directive**), which entered into force on 1 July 2005 and which has been implemented in Belgium by the law of 17 May 2004.

Under the Savings Directive, EU Member States are required, as from 1 July 2005, to provide to the tax authorities of another EU Member State, *inter alia*, details of interest payments within the meaning of the EU Savings Directive (interest, premiums or other debt income) made by a paying agent located within their jurisdiction to, or for the benefit of, an individual resident or certain limited types of entity established in that other EU Member State.

The European Commission has proposed certain amendments to the Directive, which may, if implemented, amend or broaden the scope of the requirements described above.

Taxation in the Grand Duchy of Luxembourg

Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy, impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds pour l'emploi*), personal income tax (*impôt sur le revenu*) as well as a temporary crisis contribution (*contribution de crise*) generally. Corporate taxpayers may further be subject to net wealth tax (*impôt sur la fortune*) as well as other duties, levies or taxes. Corporate income tax, municipal business tax as well as the solidarity surcharge invariably apply to most corporate taxpayers resident of Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax, the solidarity surcharge and the temporary crisis contribution. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

Withholding Tax

(i) Non-resident holders of Bonds

Under Luxembourg general tax laws currently in force and subject to the laws of 21 June 2005 (the **Laws**) mentioned below, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Bonds, nor on accrued but unpaid interest in respect of the Bonds, nor is any Luxembourg withholding tax payable upon redemption (including the redemption at the option of the Bondholders pursuant to Condition 6.3. in case of a Change of Control) or repurchase of the Bonds held by non-resident holders of Bonds.

Under the Laws implementing the Council Directive 2003/48/EC of 3 June 2003 on taxation of savings income in the form of interest payments and ratifying the treaties entered into by Luxembourg and certain dependent and associated territories of EU Member States (the **Territories**), payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the immediate benefit of an individual beneficial owner or a residual entity, as defined by the Laws, which are resident of, or established in, an EU Member State (other than Luxembourg) or one of the Territories will be subject to a withholding tax unless the relevant recipient has adequately instructed the relevant paying agent to provide details of the relevant payments of interest or similar income to the fiscal authorities of his/her/its country of residence or establishment, or, in the case of an individual beneficial owner, has provided a tax certificate issued by the fiscal authorities of his/her country of residence in the required format to the relevant paying agent. Where withholding tax is applied, it is currently levied at a rate of 35% (as of 1 July 2011). Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent.

(ii) Resident holders of Bonds

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005, as amended (the Law) mentioned below, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Bonds, nor on accrued but unpaid interest in respect of Bonds, nor is any Luxembourg withholding tax payable upon redemption (including the redemption at the option of the Bondholders pursuant to Condition 6.3. in case of a Change of Control) or repurchase of Bonds held by Luxembourg resident holders of Bonds.

Under the Law payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the benefit of an individual beneficial owner who is resident of Luxembourg will be

subject to a withholding tax of 10%. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Bonds coming within the scope of the Law would be subject to withholding tax of 10%.

Further, a Luxembourg resident individual who acts in the course of the management of his/her private wealth and who is the beneficial owner of an interest payment made by a paying agent established outside Luxembourg in a Member State of the European Union or of the European Economic Area or in a jurisdiction having concluded an agreement with Luxembourg in connection with the Council Directive 2003/48/EC of 3 June 2003, may also opt for a final 10% levy. In such case, the 10% levy is calculated on the same amounts as for the payments made by Luxembourg resident paying agents. The option for the 10% levy must cover all interest payments made by the paying agent to the Luxembourg resident beneficial owner during the entire civil year.

Income Taxation

(i) Non-resident holders of Bonds

A non-resident corporate holder of Bonds or an individual holder of Bonds acting in the course of the management of a professional or business undertaking, who has a permanent establishment or permanent representative in Luxembourg to which such Bonds are attributable, is subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, under the Bonds and on any gains realised upon the sale or disposal, in any form whatsoever, of the Bonds.

(ii) Resident holders of Bonds

A corporate holder of Bonds must include any interest accrued or received, any redemption premium or issue discount, as well as any gain realised on the sale or disposal, in any form whatsoever, of the Bonds, in its taxable income for Luxembourg income tax assessment purposes. The same inclusion applies to an individual holder of Bonds, acting in the course of the management of a professional or business undertaking.

A holder of Bonds that is governed by the law of 11 May 2007 on family wealth management companies, or by the amended laws of 20 December 2002 or the law of 17 December 2010 on undertakings for collective investment, or by the amended law of 13 February 2007 on specialised investment funds, is neither subject to Luxembourg income tax in respect of interest accrued or received, any redemption premium or issue discount, nor on gains realised on the sale or disposal, in any form whatsoever, of the Bonds.

An individual holder of Bonds, acting in the course of the management of his/her private wealth, is subject to Luxembourg income tax at progressive rates in respect of interest received, redemption premiums or issue discounts, under the Bonds, except if (i) withholding tax has been levied on such payments in accordance with the Law, or (ii) the individual holder of the Bonds has opted for the application of a 10% tax in full discharge of income tax in accordance with the Law, which applies if a payment of interest has been made or ascribed by a paying agent established in a EU Member State (other than Luxembourg), or in a Member State of the European Economic Area (other than a EU Member State), or in a state that has entered into a treaty with Luxembourg relating to the Council Directive 2003/48/EC of 3 June 2003. A gain realised by an individual holder of Bonds, acting in the course of the management of his/her private wealth, upon the sale or disposal, in any form whatsoever, of Bonds is not subject to Luxembourg income tax, provided this sale or disposal took place more than six months after the Bonds were acquired. However, any portion of such gain corresponding to accrued but unpaid interest income is subject to Luxembourg income tax except if tax has been withheld on such interest in accordance with the Law.

A gain realized by a Luxembourg resident individual who acts in the course of the management of his/her private wealth upon the sale of zero coupon Bonds before their maturity must be included in his/her taxable income for Luxembourg income tax assessment purposes.

Net Wealth Taxation

A corporate holder of Bonds, whether it is resident of Luxembourg for tax purposes or, if not, it maintains a permanent establishment or a permanent representative in Luxembourg to which such Bonds are attributable, is subject to Luxembourg wealth tax on such Bonds, except if the holder of Bonds is governed by the law of 11 May 2007 on family wealth management companies, or by the amended laws of 20 December 2002 or the law of 17 December 2010 on undertakings for collective investment, or by the amended law of 13 February 2007 on specialised investment funds, or is a securitisation company governed by the law of 22 March 2004 on securitisation, or is a capital company governed by the law of 15 June 2004 on venture capital vehicles.

An individual holder of Bonds, whether he/she is resident of Luxembourg or not, is not subject to Luxembourg wealth tax on such Bonds.

Other Taxes

Neither the issuance nor the transfer, redemption or repurchase of Bonds will give rise to any Luxembourg stamp duty, value added tax, issuance tax, registration tax, transfer tax or similar taxes or duties.

Where a holder of Bonds is a resident of Luxembourg for tax purposes at the time of his/her death, the Bonds are included in his/her taxable estate for inheritance tax assessment purposes.

Gift tax may be due on a gift or donation of Bonds if embodied in a deed passed in front of a Luxembourg notary or recorded in Luxembourg.

PART XIV: SUBSCRIPTION AND SALE

A5 – 5.1

Fortis Bank NV/SA (having its registered office at Montagne du Parc 3, B-1000 Brussels) (**BNP Paribas Fortis**) and KBC Bank NV (having its registered office at Havenlaan 2, B-1080 Brussels) (**KBC Bank**) (the **Joint Bookrunners**) and ING Belgium SA/NV (having its registered office at Avenue Marnixlaan 24, B-1000 Brussels) (**ING**) and Dexia Bank Belgium SA/NV (having its registered office at Pachecolaan 44, B-1000 Brussels) (**Dexia**) (these two banks together the **Co-Managers**, and together with the Joint Bookrunners, the **Managers**) have, pursuant to a subscription agreement dated on 27 September 2011 (the **Subscription Agreement**), agreed with the Issuer, subject to certain terms and conditions, to use best efforts to place the Bonds in a minimum amount of EUR 250,000,000 with third parties at the Issue Price and at the conditions specified below.

Subscription Period

A5 – 5.1.3

The Bonds will be offered to the public in Belgium and in the Grand Duchy of Luxembourg (the **Public Offer**). The Bonds will be issued on 19 October 2011 (the **Issue Date**). However, in case a supplement to the Prospectus gives rise to withdrawal rights exercisable on or after the Issue Date of the Bonds in accordance with Article 34 of the Belgian Prospectus Law, the Issue Date will be postponed until the first business day following the last day on which the withdrawal rights may be exercised.

The Public Offer will start on 30 September 2011 at 9.00 a.m. (Brussels time) and end on 14 October 2011 at 4.00 p.m. (Brussels time) (the **Subscription Period**), or such earlier date as the Issuer may determine in agreement with the Managers. In this case, such closing date will be announced by or on behalf of the Issuer, on its website within the section addressed to investors (<http://www.delhaizegroup.com/en/InvestorCenter.aspx>), and on the website of the Managers, Fortis Bank NV/SA (www.bnpparibasfortis.be (under "save and invest")), KBC Bank NV (www.kbc.be/obligaties), ING Belgium SA/NV (www.ing.be (under "investir – obligations" / "beleggen – obligaties")) and Dexia Bank Belgium SA/NV (www.dexia.be).

Except in case of oversubscription as set out below under “Over-subscription in the Bonds”, a prospective subscriber will receive 100% of the amount of the Bonds allocated to it during the Subscription Period.

Prospective subscribers will be notified of their allocations of Bonds by the applicable financial intermediary in accordance with the arrangements in place between such financial intermediary and the prospective subscriber.

No dealings in the Bonds on a regulated market for the purposes of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments amending Council Directives 85/611/EEC and 93/6/EEC and Directive 2000/12/EC of the European Parliament and of the Council and repealing Council Directive 93/22/EEC, as amended, may take place prior to the Issue Date.

After having read the entire Prospectus and, on the basis of this, among other things, having decided to subscribe to the Bonds, the investors can subscribe to the Bonds via the branches of the following distributors appointed by the Issuer, using the subscription form provided by the distributor (if any): Fortis Bank NV/SA and BGL BNP Paribas Luxembourg S.A., KBC Bank NV (including CBC S.A.) and KBC Securities NV (through www.bolero.be), ING Belgium SA/NV and ING Luxembourg and Dexia Bank Belgium SA/NV, as well as any relevant other subsidiary in Grand Duchy of Luxembourg of each of the above mentioned banks (as decided by each bank and its subsidiary).

The applications can also be submitted via agents or any other financial intermediaries in Belgium and in the Grand Duchy of Luxembourg. In this case, the investors must obtain information concerning the commission fees that the financial intermediaries can charge. These commission fees are charged to the investors.

Conditions to which the Public Offer is subject

A5 – 5.1.1

The Public Offer and the following issue of the Bonds is subject to a limited number of conditions set out in the Subscription Agreement, which are customary for this type of transaction, and which include, amongst others: (i) the correctness of the representations and warranties made by the Issuer in the Subscription Agreement, (ii) the Subscription Agreement, the Clearing Agreement, the Listing Agreement and the Agency Agreement have been executed by all parties thereto prior to the Closing Date, (iii) the admission to trading of the Bonds on the regulated market of Euronext Brussels has been granted on or prior to the Issue Date, (iv) there having been, as at the Closing Date, no material adverse change (as defined in the Subscription Agreement) affecting the Issuer and no event making any of the representations and warranties contained in the Subscription Agreement untrue or incorrect in any material respect on the Issue Date as if they had been given and made on such date and the Issuer having performed all the obligations to be performed by it under the Subscription Agreement on or before the Issue Date (v) no force majeure can be invoked by the Managers as determined on their discretion and (vi) at the latest on the Issue Date, the Managers having received customary confirmations as to certain legal and financial matters pertaining to the Issuer. These conditions can be waived (in whole or in part) by the Managers. The Subscription Agreement does not entitle the Managers to terminate their obligations prior to payment being made to the Issuer, except in certain limited circumstances.

Issue Price

The issue price will be of 101.867 % (the **Issue Price**).

The investors who are not qualified investors (as defined in the Belgian Prospectus Law and the Luxembourg Law dated 10 July 2005 on prospectuses, the **Qualified Investors**) (the **Retail Investors**) will pay the Issue Price.

The Qualified Investors will pay the Issue Price that includes a distribution commission of 1.875 % less a discount or plus a margin, such resulting price being subject to change during the Subscription Period based among others on (i) the evolution of the credit quality of the Issuer (credit spread), (ii) the evolution of interest rates, (iii) the success (or lack of success) of the placement of the Bonds, and (iv) the amount of Bonds purchased by an investor, each as determined by each Manager in its sole discretion.

The yield of the Bonds is 3.94 % on an annual basis. The yield is calculated as at 27 September 2011 on the basis of the Issue Price. It is not an indication of future yield. A5 – 4.9

The minimum amount of application for the Bonds is EUR 1,000. The maximum amount of application is the Aggregate Nominal Amount. A5 – 5.1.5

Aggregate Nominal Amount

A5 – 5.1.2

The expected minimum nominal amount of the issue amounts to EUR 250,000,000.

As the case may be, upon decision of the Issuer in consultation with the Joint Bookrunners (taking into account the demand from investors), the final aggregate nominal amount may be increased at the end (or upon the early closing) of the Subscription Period up to maximum EUR 400,000,000.

The criteria in accordance with which the final aggregate nominal amount of the Bonds will be determined by the Issuer are the following: (i) the funding needs of the Issuer, which could evolve during the Subscription Period for the Bonds, (ii) the levels of the interest rates and the credit spread of the Issuer on a daily basis, (iii) the level of demand from investors for the Bonds as observed by the Joint Bookrunners on a daily basis, (iv) the occurrence or not of certain events during the Subscription Period of the Bonds giving the possibility to the Issuer and/or the Joint Bookrunners to early terminate the Subscription Period or not to proceed with the offer and the issue in accordance with section "Conditions to which the Public Offer is

subject" and (v) the fact that the Bonds, if issued, will have a minimum aggregate amount of EUR 250,000,000 and a maximum of EUR 400,000,000.

The final aggregate nominal amount shall be published as soon as possible after the end (or the early closing) of the Subscription Period on the website of the Issuer within the section addressed to investors (<http://www.delhaizegroup.com/en/InvestorCenter.aspx>), and on the website of the Managers, Fortis Bank NV/SA (www.bnpparibasfortis.be (under "save and invest")), KBC Bank NV (www.kbc.be/obligaties), ING Belgium SA/NV (www.ing.be (under "investir – obligations" / "beleggen – obligaties")) and Dexia Bank Belgium NV/SA (www.dexia.be). A5 – 5.1.7

Payment date and details

A5 – 5.1.6

The payment date is 19 October 2011. The payment for the Bonds can only occur by means of debiting from a current account.

On the date that the subscriptions are settled, the Clearing System will credit the custody account of the Domiciliary Agent according to the details specified in the rules of the Clearing System.

Subsequently, the Domiciliary Agent, at the latest on the payment date, will credit the amounts of the subscribed securities to the account of the participants for onward distribution to the subscribers, in accordance with the usual operating rules of the Clearing System.

Costs and fees

The net proceeds (before deduction of expenses) will be an amount equal to the aggregate nominal amount of the Bonds issued (the **Aggregate Nominal Amount**) multiplied by the Issue Price expressed in percentage, minus the total selling and distribution commission of 1.875% (borne by the subscribers; see also "Issue Price" above).

The Issue Price shall include the selling and distribution commission described below, such commission being borne and paid by the subscribers.

Expenses specifically charged to the subscribers:

- the Retail Investors will bear a selling and distribution commission of 1.875%, included in the Issue Price; and
- the Qualified Investors will bear a distribution commission of 1.875%, subject to the discount or margin foreseen in this section under "Issue Price" above. The distribution commission paid by the Qualified Investors will range between 1.875% and 0%.

Such commission will be included in the issue price applied to them.

Financial services

The financial services in relation to the Bonds will be provided free of charge by the Managers.

The costs for the custody fee for the Bonds in custody account are charged to the subscribers. Investors must inform themselves about the costs their financial institutions might charge them.

Investors must inform themselves about the costs the other financial institutions might charge them.

In addition, Bondholders should be aware that when they exercise the Change of Control Put via a financial intermediary (other than the Agent) they may have to bear additional costs and expenses that are imposed by such financial intermediary.

Early closure and reduction – allotment / over-subscription in the Bonds

A5 – 5.1.4
A5 – 5.2

Early termination of the Subscription Period will intervene at the earliest the third working day in Belgium, following the day on which the Prospectus has been made available on the websites of the Issuer and the Managers, *i.e.* at the earliest on 30 September 2011 at 5.30 pm (Brussels time) (the minimum Subscription Period is referred to as the **Minimum Sale Period**). Thereafter, early termination can occur at any moment (including in the course of the day). In case of early termination, a notice will be published as soon as possible on the websites of the Issuer and the Managers. This notice will specify the date and hour of the early termination.

The Subscription Period may be shortened by the Issuer during the Subscription Period with the consent of the Joint Bookrunners (i) as soon as the total amount of the Bonds reach EUR 250,000,000, or (ii) in the event that a major change in market conditions occurs.

The Issuer may, with the consent of the Joint Bookrunners, decide to limit the Aggregate Nominal Amount of the Bonds if the Subscription Period is closed early in response to a major change in market conditions (among others, but not limited to a change in national or international financial, political or economic circumstances, exchange rates or interest rates) or a material adverse change in the financial condition of the Issuer.

The Issuer has reserved the right not to proceed with the Bond issue if at the end of the subscription period, the aggregate nominal amount of the Bonds that have been subscribed for is lower than EUR 250,000,000.

In addition, the offer is subject to specific conditions negotiated between the Managers and the Issuer that are included in the Subscription Agreement, and in particular, the obligations of the Managers under the Subscription Agreement could terminate, *inter alia*, as set out above.

All subscriptions that have been validly introduced by the Retail Investors with the Managers (*i.e.* (for the avoidance of doubt) the Joint Bookrunners and the Co-Managers) prior to the early termination of the Public Offer will be taken into account when the Bonds are allotted, it being understood that in case of oversubscription, a reduction may apply, *i.e.* the subscriptions will be scaled back. In case of subscriptions in excess of the Aggregate Nominal Amount that shall have been determined by the Issuer, the allocation by the Managers of Bonds to investors that subscribed in the Offer shall occur subject to (a) prior consent by the Issuer in relation to the aggregate number of Bonds to be allocated to Retail Investors (which consent shall not be unreasonably withheld or delayed), and (b) prior consultation in relation to the allocation criteria to be applied to Retail Investors and Qualified Investors. Subject to the foregoing provisions, the intention of the Managers is to apply, insofar as possible, an allotment method whereby priority is given to subscriptions introduced by Retail Investors with the Managers before the early termination (except for the 15% allotted to the Global Coordinator that will be dedicated in priority for the placement towards Qualified Investors) and whereby a proportional reduction is applied in case of oversubscription. The allocation structure between the Managers for the placement of the Bonds on a best effort basis will be the following: (i) the Global Coordinator (for the placement towards third party distributors and other Qualified Investors): 15% of the nominal amount of the Bonds to be issued, (ii) each of the Joint Bookrunners: 27.5% of the nominal amount of the Bonds to be issued and (iii) each of the Co-Managers: 15% of the nominal amount of the Bonds to be issued. Such allotment may vary if one of the Managers is not in a position to place its initial allotment, the balance being then proposed (without any obligation to accept) to the other Managers. The resulting amount of Bonds placed by each Manager and then the possible reduction percentages applied by each of the Managers can be different for each of the Managers, depending on the level of subscriptions received by each of them. Therefore, subscribers may have different reduction percentages applied to them depending on the Manager through which they have subscribed. In this respect, the Issuer will be consulted and involved

by each of the Managers on an ongoing and continued basis during the Subscription Period in respect of the respective subscriptions of each of the Managers and, subsequent hereto, each of the Managers will send to the Issuer the expected final allocations of such respective Manager as is customary for this type of transactions and subject to applicable laws. As soon as a Manager has placed its allotment and any other Bonds which it took over from other Manager(s), after the Minimum Sale Period, it shall publish a notice on its website to inform its clients that it will stop collecting subscriptions and will then send the same notice to the Issuer that will publish it on its website as soon as practicable indicating which other Manager(s) may still collect subscriptions. The Subscription Period will only be early terminated in case all the Managers have placed their allotments of Bonds.

The Managers shall in no manner whatsoever be responsible for the allotment criteria that will be applied by other financial intermediaries.

In case of early termination, the investors will be informed regarding the number of Bonds that have been allotted to them as soon as possible after the date of the early termination of the Subscription Period.

Any payment made by a subscriber to the Bonds in connection with the subscription of Bonds which are not allotted will be refunded within 7 Brussels Business Days (as defined in the Terms and Conditions of the Bonds) after the date of payment in accordance with the arrangements in place between such relevant subscriber and the relevant financial intermediary, and the relevant subscriber shall not be entitled to any interest in respect of such payments.

Results of the Public Offer

A5 – 5.1.7

The results of the offer of the Bonds (including its net proceeds) shall be published as soon as possible after the end of the Subscription Period and on or before the Issue Date on the website of the Issuer, on its website within the section addressed to investors (<http://www.delhaizegroup.com/en/InvestorCenter.aspx>), and on the website of the Managers, Fortis Bank NV/SA (www.bnpparibasfortis.be (under "save and invest")), KBC Bank NV (www.kbc.be/obligaties), ING Belgium SA/NV (www.ing.be (under "investir – obligations" / "beleggen – obligations")) and Dexia Bank Belgium SA/NV (www.dexia.be) and will be communicated to the FSMA .

The same method of publication will be used to inform the investors in case of early termination of the Subscription Period.

Expected timetable of the Public Offer

A5 – 5.1

The main steps of the timetable of the Public Offer can be summarised as follows:

- 28 September 2011: publication of the Prospectus on the website of the Issuer
- 30 September 2011, 9.00 a.m. (Brussels time): opening date of the Subscription Period
- 14 October 2011, 4.00 p.m. (Brussels time): closing date of the Subscription Period (if not closed earlier)
- Between 14 October 2011 and 19 October 2011: expected publication date of the results of the offer of the Bonds (including its net proceeds), unless published earlier in case of early closing
- 19 October 2011: Issue Date and listing of the Bonds on Euronext Brussels and admission to trading of the Bonds on the regulated market of Euronext Brussels.

The dates and times of the Public Offer and periods indicated in the above timetable and throughout this Prospectus may change. Should the Issuer decide to amend such dates, times or periods, it will inform

investors through a publication in the financial press. Any material alterations to this Prospectus are to be approved by the FSMA, and will be, in each case as and when required by applicable law, published in a press release, an advertisement in the financial press, or a supplement to this Prospectus.

Costs

Each subscriber shall make his own enquiries with his financial intermediaries on the related or incidental costs (transfer fees, custody charges, etc.), which the latter may charge him with.

Transfer of the Bonds

Subject to compliance with any applicable selling restrictions, the Bonds are freely transferable. See also “Selling Restrictions” below.

Selling Restrictions

A5 – 4.13

Countries in which the Public Offer is open

The Bonds are being offered only to investors to whom such offer can be lawfully made under any law applicable to those investors. The Issuer has taken necessary actions to ensure that Bonds may lawfully be offered to the public in Belgium and the Grand Duchy of Luxembourg. The Issuer has not taken any action to permit any offering of the Bonds in any other jurisdiction outside of Belgium and the Grand Duchy of Luxembourg.

The distribution of this Prospectus and the subscription for and acquisition of Bonds may, under the laws of certain countries other than Belgium and the Grand Duchy of Luxembourg, be governed by specific regulations or legal and regulatory restrictions. Individuals in possession of this Prospectus, or considering the subscription for, or acquisition of, Bonds, must inquire about those regulations and about possible restrictions resulting from them, and comply with those restrictions. Intermediaries cannot permit the subscription for, or acquisition of, Bonds for clients whose addresses are in a country where such restrictions apply. No person receiving this Prospectus (including trustees and nominees) may distribute it in, or send it to, such countries, except in conformity with applicable law.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities other than the Bonds, or an offer to sell or the solicitation of an offer to buy Bonds in any circumstances in which such offer or solicitation is unlawful. Neither the Issuer nor the Managers have authorised, nor do they authorise, the making of any offer of Bonds (other than in the public offer in Belgium and the Grand Duchy of Luxembourg) in circumstances in which an obligation arises for the Issuer or the Joint Bookrunners to publish a prospectus for such offer.

The following sections set out specific notices in relation to certain countries that, if stricter, shall prevail over the foregoing general notice.

Selling restriction in the EEA

The Issuer has not authorised any offer to the public of Bonds in any Member State of the European Economic Area, other than Belgium and the Grand Duchy of Luxembourg. In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**), an offer to the public of any Bonds may not be made in that Relevant Member State, other than the offer in Belgium and the Grand Duchy of Luxembourg contemplated in this Prospectus once this Prospectus has been approved by the FSMA, passported into the Grand Duchy of Luxembourg, and published in Belgium and the Grand Duchy of Luxembourg in accordance with the Prospectus Directive as implemented in Belgium and the Grand Duchy of Luxembourg, respectively, except that an offer to the

public in that Relevant Member State of any Bonds may be made at any time under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

- to legal entities which are qualified investors as defined under the Prospectus Directive;
- by the Managers to fewer than 100, or, if the Relevant Member State has implemented the relevant provisions of the 2010 PD Amending Directive, 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the relevant dealer; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of the Bonds shall result in a requirement for the Issuer or the Managers to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of the provisions above, the expression an **offer to the public** in relation to any Bonds in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the Public Offer and the Bonds to be offered so as to enable an investor to decide to purchase any Bonds, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State, the expression **Prospectus Directive** means Directive 2003/71/EC (and amendments thereto, including the **2010 PD Amending Directive**, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in each Relevant Member State and the expression **2010 PD Amending Directive** means Directive 2010/73/EU.

United Kingdom

Each Manager has represented and agreed that:

- (i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the **Financial Services and Markets Act**)) received by it in connection with the issue or sale of any Bonds in circumstances in which Section 21(1) of the Financial Services and Markets Act does not apply to the Issuer; and
- (ii) it has complied and will comply with all applicable provisions of the Financial Services and Markets Act with respect to anything done by it in relation to the Bonds in, from or otherwise involving the United Kingdom.

United States

The Bonds have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the **Securities Act**), or the securities laws of any State or other jurisdiction of the United States, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Bonds are being offered and sold solely outside the United States to non-U.S. persons in reliance on Regulation S under the Securities Act (**Regulation S**). Terms used in this paragraph have the meaning given to them in Regulation S.

The Managers have agreed that they will not offer, sell or deliver the Bonds (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the Public Offer and the Closing Date within the United States or to, or for the account or benefit of, U.S. persons, and they will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration (if any) to which they sell Bonds during the distribution compliance period a confirmation or other notice setting forth

the restrictions on offers and sales of the Bonds within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meaning given to them in Regulation S.

In addition, until 40 days after the commencement of the Public Offer, an offer or sale of Bonds within the United States by a dealer (whether or not participating in the Public Offer) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

The Managers have agreed that they have not offered, sold or delivered, and will not offer, sell or deliver, directly or indirectly, the Bonds within the United States or its possessions in connection with their original issuance. Further, in connection with the original issuance of the Bonds, the Managers have not communicated, and will not communicate, directly or indirectly, with a prospective purchaser if either the Managers or the prospective purchaser is within the United States or its possessions or otherwise involve a U.S. office of the Managers in the offer or sale of the Bonds. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and regulations thereunder, including U.S. Treas. Reg. §1.163-5(c)(2)(i)(C).

PART XV: GENERAL INFORMATION

- (1) Application has been made for the Bonds to be listed as from the Issue Date on Euronext Brussels and admitted to trading on the regulated market of Euronext Brussels. BNP Paribas Fortis has been appointed as listing agent for that purpose. The FSMA assumes no responsibility as to the economic and financial soundness of the transaction and the quality or solvency of the Issuer. A5 – 6.1
- (2) The issue of the Bonds was authorised by resolutions passed by the Board of Directors of the Issuer on 3 August 2011 and on 9 September 2011. A5 – 4.11
- (3) Except as disclosed in this Prospectus, there has been no significant change in the financial or trading position of the Issuer and no material adverse change in the prospects of the Issuer since 31 December 2010.
- (4) Except as disclosed in section 8 “Legal Proceedings” of Part VII (*Description of the Issuer*) of this Prospectus, neither the Issuer, nor any of its Material Subsidiaries, has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the 12 months preceding the date of this Prospectus which may have or has had in the recent past significant effects on the financial position or profitability of the Issuer.
- (5) The Bonds have been accepted for clearance through the clearing system of the National Bank of Belgium. The Common Code of the Bonds is 068640776. The International Securities Identification Number (ISIN) of the Bonds is BE0002178441. The address of the National Bank of Belgium is Boulevard de Berlaimont 14, B-1000 Brussels. A5 – 4.1
- (6) Save as disclosed herein, so far as the Issuer is aware, no person involved in the Public Offer has any interest, including conflicting ones, that is material to the Public Offer, save for any fees payable to the Managers. Each Manager is a creditor of the Issuer in the framework of its banking operations. A5 – 3.1
- (7) Save as disclosed herein, neither the Issuer nor any member of its group has entered into any contracts which could result in the Issuer being under an obligation or entitlement that would be material to its ability to meet its obligations towards holders of the Bonds.
- (8) Where information in this Prospectus has been sourced from third parties, this information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain, to its reasonable knowledge, from the information published by such third parties no facts have been omitted which would render the reproduced information inaccurate or misleading in any material respect. The source of third party information is identified where used.
- (9) During the Subscription Period and during the life of the Bonds, copies of the following documents will be available, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection at the registered office of the Issuer: A4 – 17
 - the Articles of Association (*statuts/statuten*) of the Issuer, in French and in Dutch;
 - a copy of the Cross Guarantee Agreement (as amended or supplemented from time to time);
 - the published annual report and audited accounts of the Issuer for the year ended on 31 December 2009 and for the year ended on 31 December 2010;
 - a copy of this Prospectus together with any Supplement to this Prospectus; and

- all reports, letters and other documents, balance sheets, valuations and statements by any expert any part of which is included or referred to in this Prospectus.
- (10) The statutory auditor Deloitte Reviseurs d'Entreprises/Bedrijfsrevisoren, Registered Auditors, represented by Mr. Michel Denayer (member of the *Institut des Réviseurs/Instituut der Bedrijfsrevisoren*) has audited, and rendered unqualified audit reports on, the accounts of the Issuer for the years ended 31 December 2009 and 31 December 2010.
- (11) No rating has been assigned to the Bonds. The Issuer's rating from Standard & Poor's and Moody's is BBB- stable and Baa3 stable investment grades, respectively. A rating is not a recommendation to buy, sell or hold debt, inasmuch as the rating does not comment as to market price or suitability for a particular investor. A rating may be subject to revision or withdrawal at any time by the assigning rating agency. A5 – 7.5

FORM OF CHANGE OF CONTROL PUT EXERCISE NOTICE

Important: the present notice shall not be sent directly to the Issuer or to the Agent but shall be deposited with the bank or Financial Intermediary through which the Bondholder holds Bonds, as foreseen under Condition 6.3(a).

Addressee	Copy to the Agent
Etablissement Delhaize Frères et Cie "Le Lion" (Groupe Delhaize) SA/NV (the Issuer) Square Marie Curie 40 B-1070 Brussels Attn : Investors Relations Fax: +32 2 412 29 76	BNP Paribas Fortis (the Agent) Montagne du Parc 3 B-1000 Brussels Attn : Debt Capital Markets Desk

Reference is made to the listing and offering Prospectus dated 27 September 2011 (the **Prospectus**), in respect of the public offer in Belgium and Grand Duchy of Luxembourg of 4.250 % fixed rate Bonds due 2018, ISIN Code BE0002178441 (the **Bonds**).

Terms not otherwise defined herein shall have the meaning assigned to them in the Prospectus.

By sending this duly completed Change of Control Put Exercise Notice to the Issuer with a copy to the Agent for the above mentioned Bonds, the undersigned Bondholder irrevocably exercises its option to have the Bonds early redeemed in accordance with Condition 6.3. on the Put Date for an aggregate nominal amount of EUR [].⁽¹⁾ for which the undersigned Bondholder hereby confirms that (i) he/she holds this amount of Bonds and (ii) he/she hereby commits not to sell or transfer this amount of Bonds until the Put Date.

Contact details of the Bondholder requesting the early redemption⁽²⁾:

Name and first name:.....

Address:

Payment Instructions⁽³⁾:

Please make payment in respect of the above-mentioned Bonds by transfer to the following bank account:

Name of the bank:

Branch Address:

Account Number:

I hereby confirm that the payment will be done against debit of my securities account N° [] with the bank [] for the above mentioned nominal amount of the Bonds in dematerialised form.

Signature of the holder: Signature Date:

¹ Complete as appropriate
² Complete as appropriate
³ Complete as appropriate

NOTE: The Agent will not in any circumstances be liable to any Bondholder or any other person for any loss or damage arising from any act, default or omission of such Agent in relation to the said Bonds or any of them unless such loss or damage was caused by the fraud or negligence of such Agent.

This Put Exercise Notice is not valid unless (i) all of the paragraphs requiring completion are duly completed and (ii) it is duly signed and sent. Once validly given this Put Exercise Notice is irrevocable.

Registered/Head Office of the Issuer

Etablissement Delhaize Frères et Cie 'Le Lion' (Groupe Delhaize) SA/NV
rue Osseghemstraat 53
B-1080 Brussels

Domiciliary and Paying Agent

A5 – 5.4

Fortis Bank NV/SA acting under the commercial name of BNP Paribas Fortis
3 Montagne du Parc
B-1000 Brussels

Listing Agent

Fortis Bank NV/SA acting under the commercial name of BNP Paribas Fortis
3 Montagne du Parc
B-1000 Brussels

Global Coordinator

A5 – 5.4

Fortis Bank NV/SA acting under the commercial name of BNP Paribas Fortis
Montagne du Parc, 3
B-1000 Brussels

Joint Bookrunners

A5 – 5.4

Fortis Bank NV/SA acting under the commercial
name of BNP Paribas Fortis
Montagne du Parc, 3
B-1000 Brussels

KBC Bank NV
2, Havenlaan
B-1082 Brussels

Co-Managers

Dexia Bank Belgium SA/NV
Pachecolaan 44
B-1000 Brussel

ING Belgium SA/NV
Avenue Marnixlaan 24
B-1000 Brussel

Legal Advisers

A5 – 7.1

to the Issuer

Freshfields Bruckhaus Deringer LLP
Place du Champ de Mars/Marsveldplein 5
B-1050 Brussels

to the Managers

Allen & Overy LLP
Uitbreidingstraat 80
B-2600 Antwerp

Auditors of the Issuer

A5 – 2.1

Deloitte Bedrijfsrevisoren/Reviseurs d'Entreprises
BV o.v.v.e. CVBA/SC s.f.d. SCRL
Represented by Michel Denayer
Berkenlaan 8B
B-1831 Diegem