



DELHAIZE GROUP

Q1 2015 results

April 29, 2015

Forward looking statements

This presentation includes forward-looking statements within the meaning of the U.S. federal securities laws that are subject to risks and uncertainties. Forward-looking statements describe further expectations, plans, options, results or strategies. Actual outcomes and results may differ materially from those projected depending upon a variety of factors, including but not limited to changes in the general economy or the markets of Delhaize Group, in consumer spending, in inflation or currency exchange rates or in legislation or regulation; competitive factors; adverse determination with respect to claims; inability to timely develop, remodel, integrate or convert stores; and supply or quality control problems with vendors. Additional risks and uncertainties that could cause actual results to differ materially from those stated or implied by such forward-looking statements are described in our most recent annual report or Form 20-F and other filings with the Securities and Exchange Commission. Delhaize Group disclaims any obligation to update or revise the information contained in this presentation.

Our principles are designed to keep us a customer centric organisation

Principles

- **Put customers first**
- **Learn to grow**
- **Lead locally**
- **Drive profitable growth today & beyond**

Promises

- **Customers** trust us to provide a great local shopping experience, in stores and on-line
- **Associates** trust us to be a rewarding employer
- **Communities** trust us to be responsible neighbors
- **Shareholders** trust us for value creation

We want to operate our customers' preferred local supermarkets and work together to support that ambition

Highlights – Q1 2015

US

- Positive comparable store sales growth and real growth at both Food Lion and Hannaford
- Continued finetuning of the 76 Easy, Fresh & Affordable stores
- Significantly lower retail inflation

Belgium

- Market share declined by 87 bps although trend gradually improving
- On track with execution of Transformation Plan
- Revenue growth and profitability expected to improve in H2

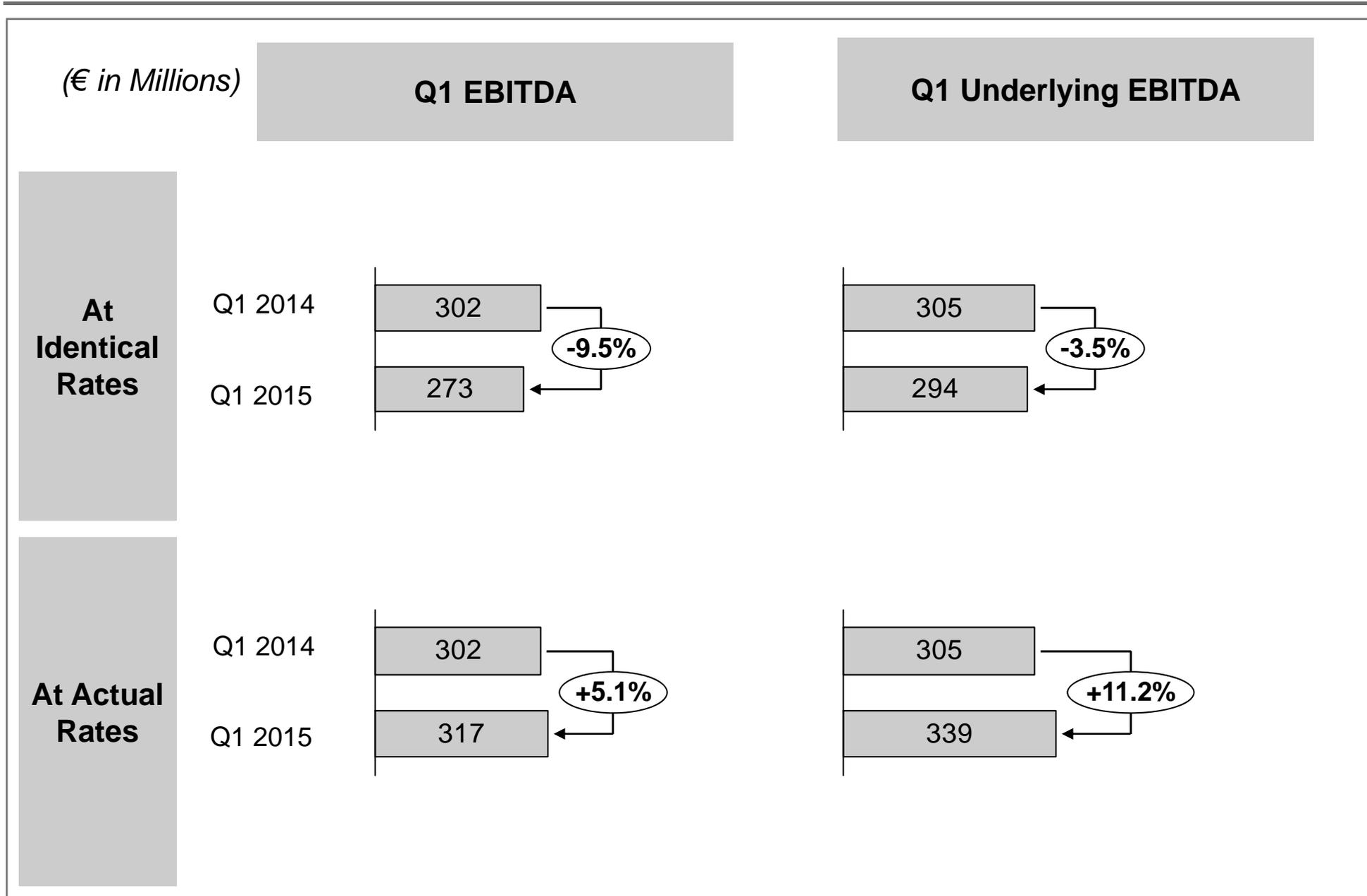
SEE

- Continued market share gains in all 3 countries
- Improving revenue trends in both Serbia and Greece
- Good margin control

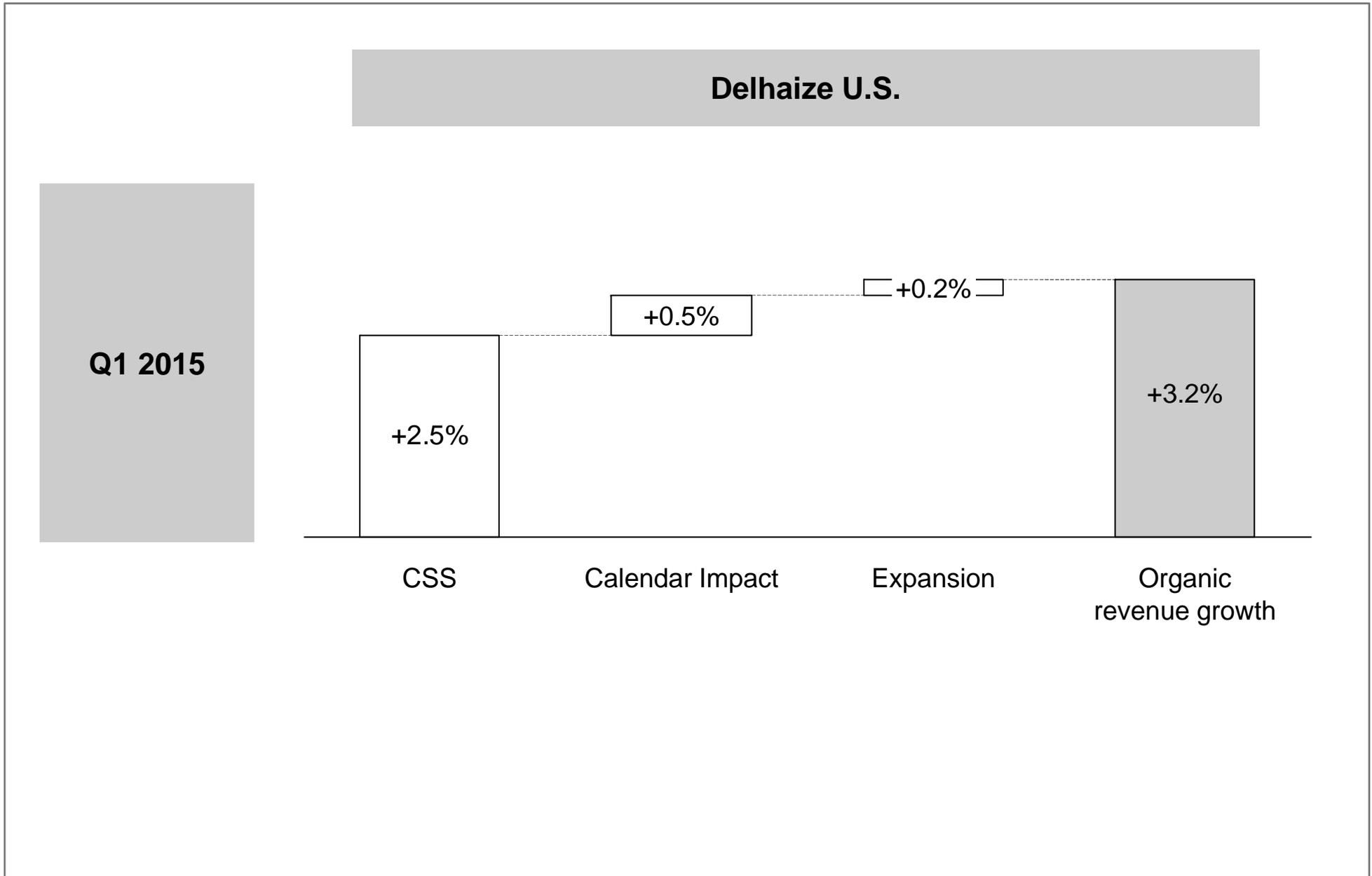
Financial results – Q1 2015

<i>(€ in Millions)</i>	Q1		% Growth	
	2014	2015	Actual Rates	Identical Rates
Revenues	5,025	5,820	15.8%	2.2%
Gross Margin	24.1%	24.4%	27 bps	3 bps
SG&A as % of revenues	21.3%	21.9%	56 bps	44 bps
Underlying Operating Profit / Margin	166 3.3%	173 3.0%	4.4% (33 bps)	(11.2%) (43 bps)
Net finance costs	44	96	116.1%	99.0%
Income tax expenses	25	13	(44.7%)	(60.4%)
Group share in Net Profit	80	28	(64.9%)	(79.8%)
Operating Free Cash Flow	46	(107)	N/A	N/A

EBITDA

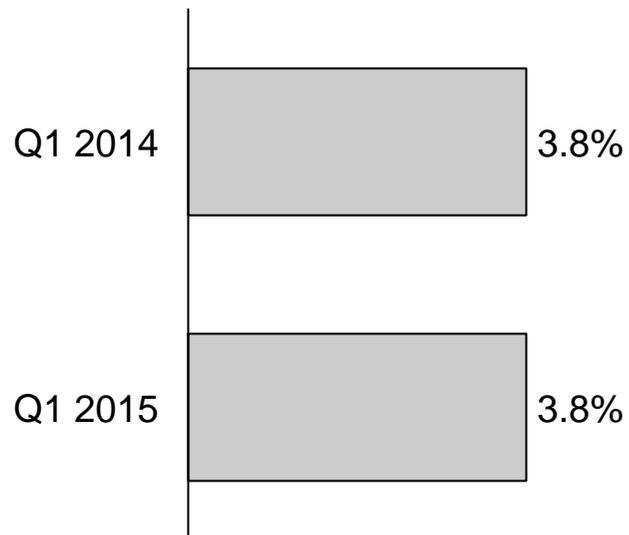


Delhaize U.S. – comparable store sales growth and revenue growth



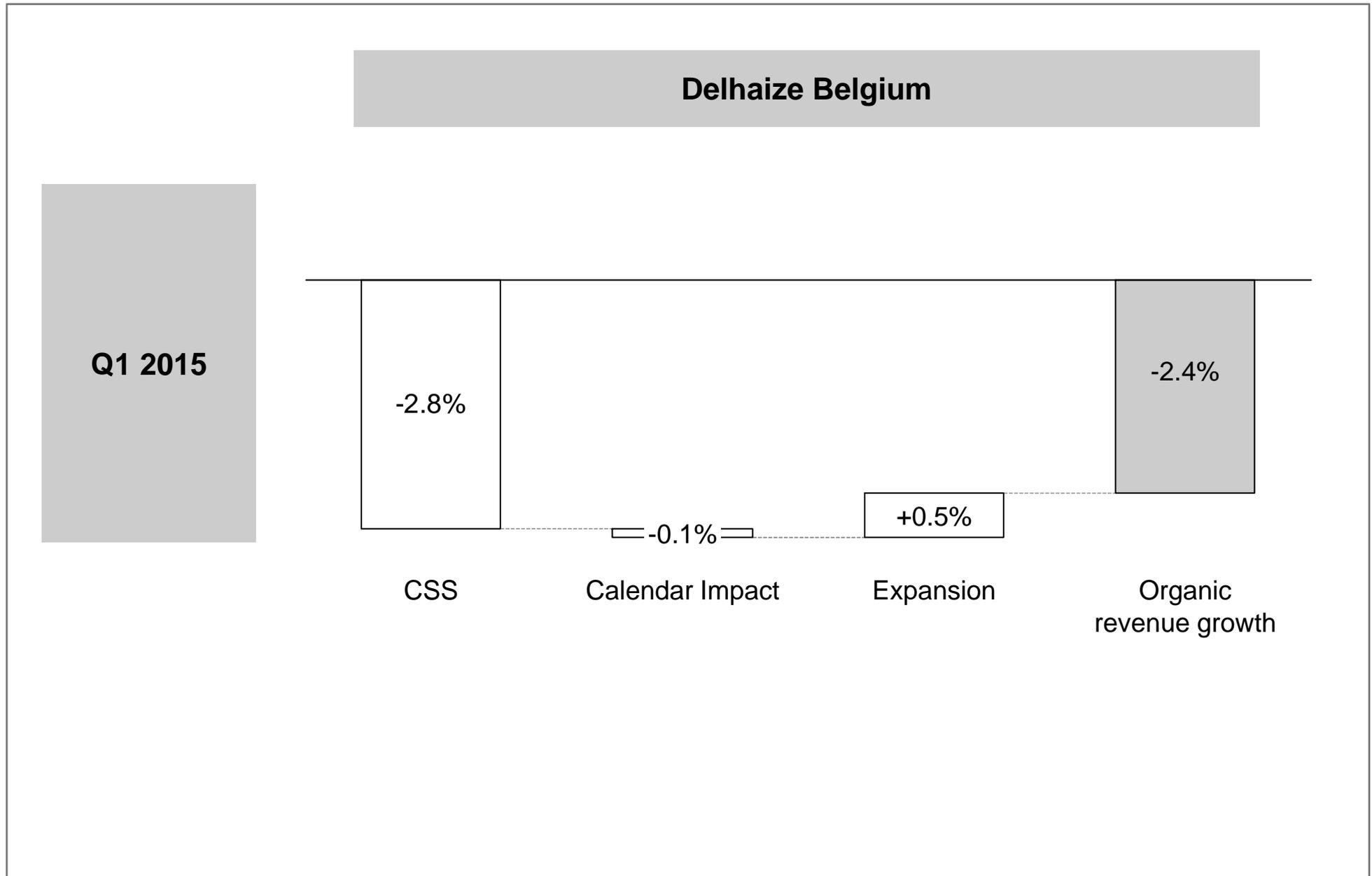
Delhaize U.S. – underlying operating margin

Delhaize U.S. Underlying Operating Margin



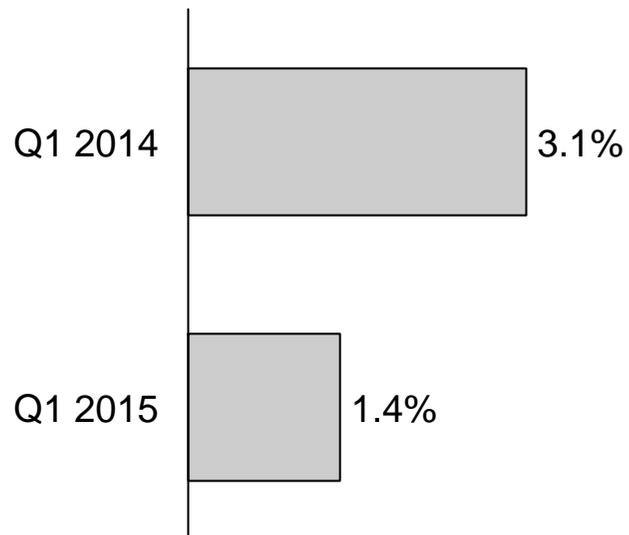
- Q1 margin impacted by:
 - (-) Increased benefits
 - (-) Higher shrink
 - (-) IT expenses, Easy, Fresh & Affordable one-off costs and snow storm related expenses
 - (+) Good sales momentum at both banners

Delhaize Belgium – comparable store sales growth and revenue growth



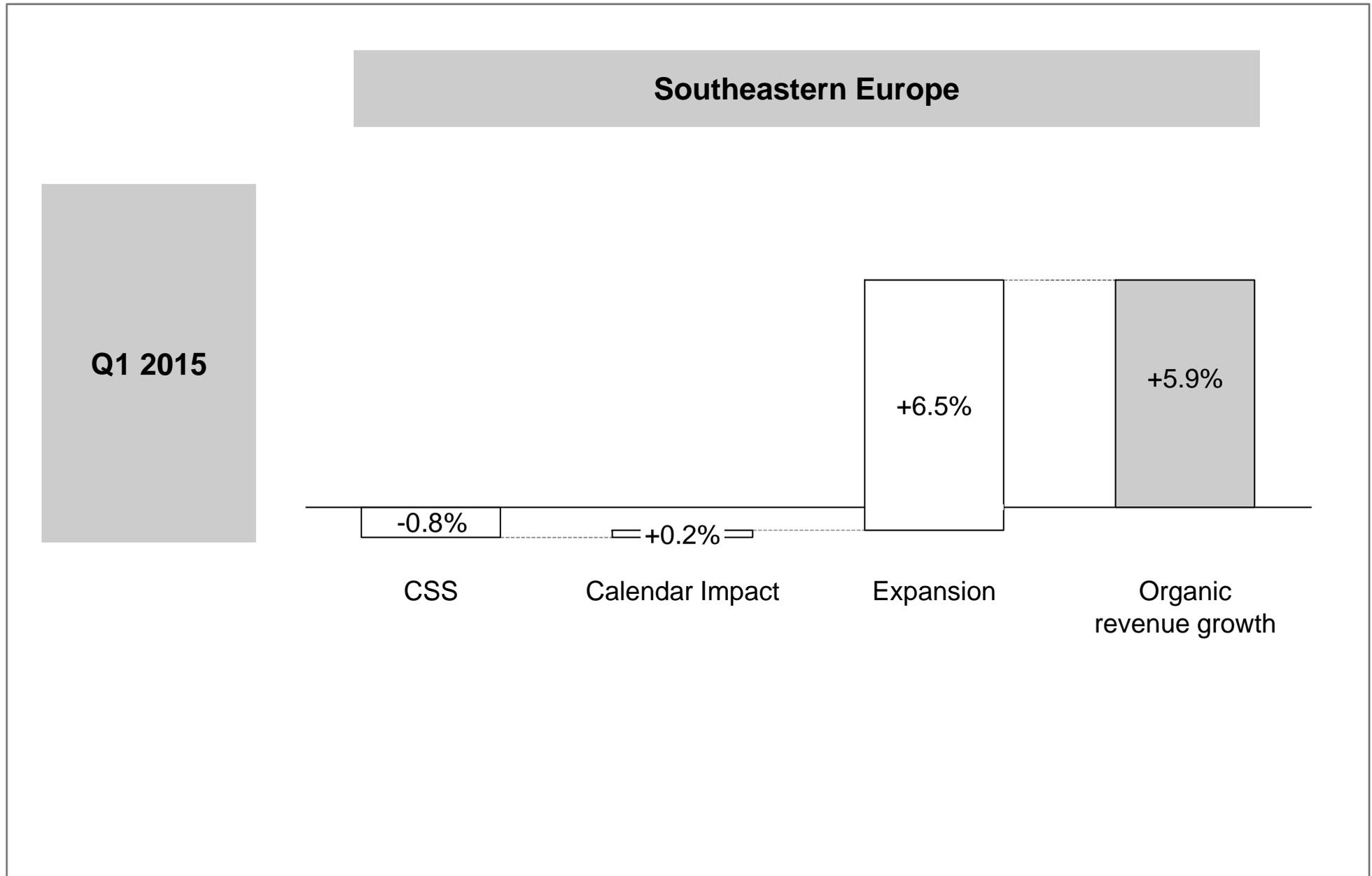
Delhaize Belgium – underlying operating margin

Delhaize Belgium Underlying Operating Margin



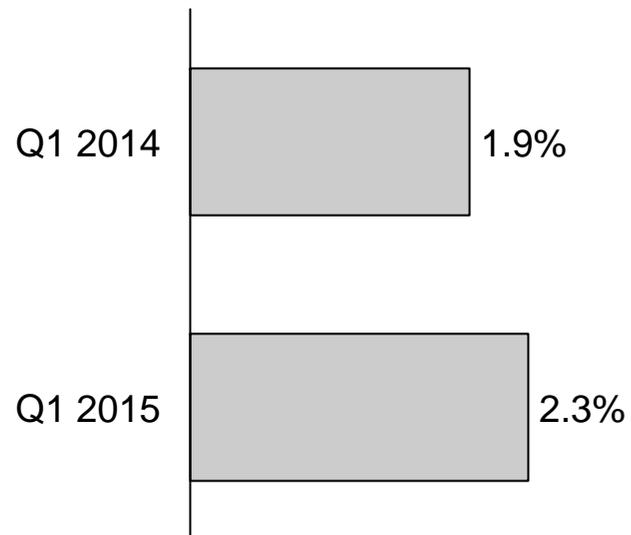
- Q1 margin impacted by:
 - (-) Price investments, promotions and deflation
 - (-) Higher advertising expenses
 - (-) Higher supply chain costs
 - (-) Accelerated depreciation due to increased remodelings

Southeastern Europe – comparable store sales growth and revenue growth



Southeastern Europe – underlying operating margin

Southeastern Europe Underlying Operating Margin



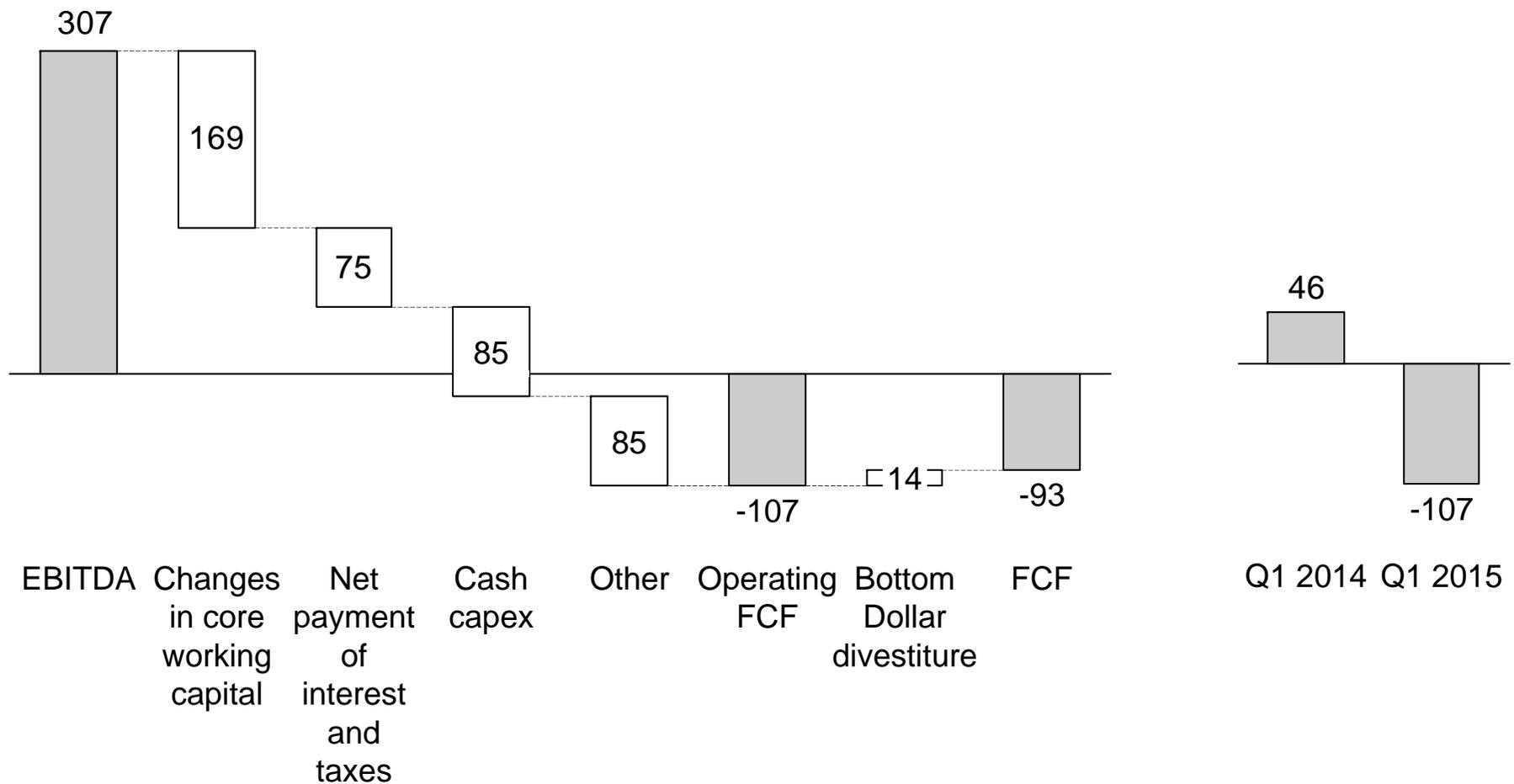
- Q1 margin impacted by:
 - (+) Improvements in Serbia
 - (+) Higher gross margin resulting from improved procurement terms

Free Cash Flow generation

(€ in Millions)

Free Cash Flow evolution

Operating Free Cash Flow



Delhaize Group strategic priorities

Delhaize America

- Continue fine-tuning the first 76 Easy, Fresh & Affordable stores and prepare for remodeling of approximately 160 additional stores in H2 2015 at Food Lion
- Further implement banner-wide initiatives at Food Lion
- Hannaford: leverage strength in Fresh and customer service
- Reinforce competitive pricing at both banners

Delhaize Belgium

- Started implementation of Transformation Plan
- Preparing for New Store Organisation
- Affiliation of 9 stores
- Increased remodelings

Southeastern Europe

- Pursue market share expansion in all 3 countries
- Network expansion in Greece and Romania
- Increase remodelings in Serbia

2015 outlook

- Two important strategic initiatives underway
 - Food Lion « Easy, Fresh and Affordable » strategy
 - Transformation Plan in Belgium
- U.S.
 - Focused on maintaining sales momentum and profitability at both Food Lion and Hannaford
- Belgium
 - Expect positive market share and CSS evolution in H2 in Belgium, with gradual improvement in profitability
- SEE
 - Greece and Romania continue expansion, sales improvement in Serbia coupled with good profitability level
- Healthy Free Cash Flow generation
- Cash capex of approximately €700 million⁽¹⁾