



Ahold
Delhaize

Annual General Meeting of Shareholders

April 11, 2018



Ahold
Delhaize

Jan Hommen

Vice Chairman Supervisory Board

Agenda item I / Agendapunt I



- Opening

Agenda items 2 – 7 / Agendapunten 2 – 7

- 2: Report of the Management Board for the financial year 2017
- 3: Explanation of corporate governance
- 4: Explanation of policy on additions to reserves and dividends
- 5: Explanation of the implementation of the Management Board remuneration policy
- 6: Proposal to adopt the 2017 financial statements
- 7: Proposal to determine the dividend over financial year 2017

- 2: *Verslag van de Raad van Bestuur over het boekjaar 2017*
- 3: *Toelichting op de Ondernemingsstructuur*
- 4: *Toelichting op het reservering- en dividendbeleid*
- 5: *Toelichting op de uitvoering van het bezoldigingsbeleid van de Raad van Bestuur*
- 6: *Voorstel tot vaststelling van de jaarrekening over het boekjaar 2017*
- 7: *Voorstel tot vaststelling dividend over het boekjaar 2017*

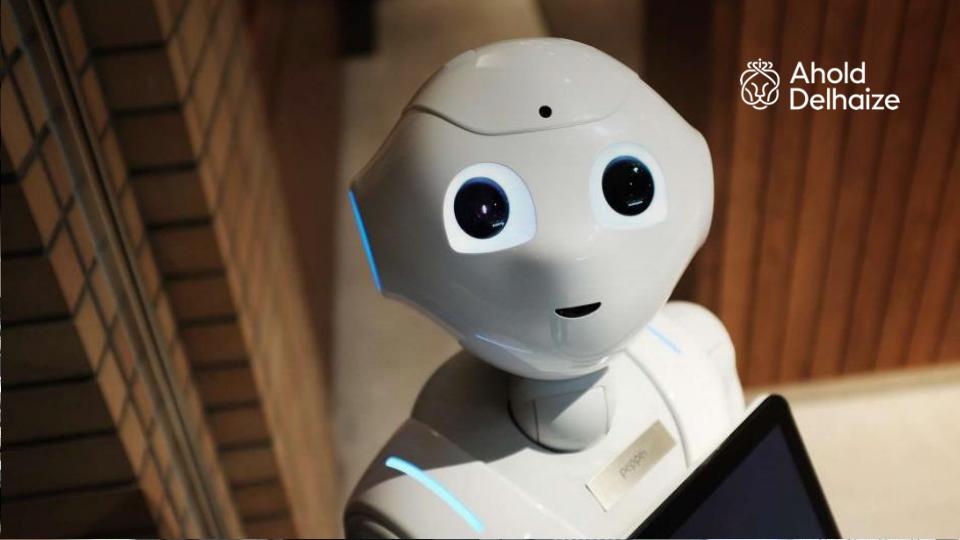


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Dick Boer

President & Chief Executive Officer

Our world is changing

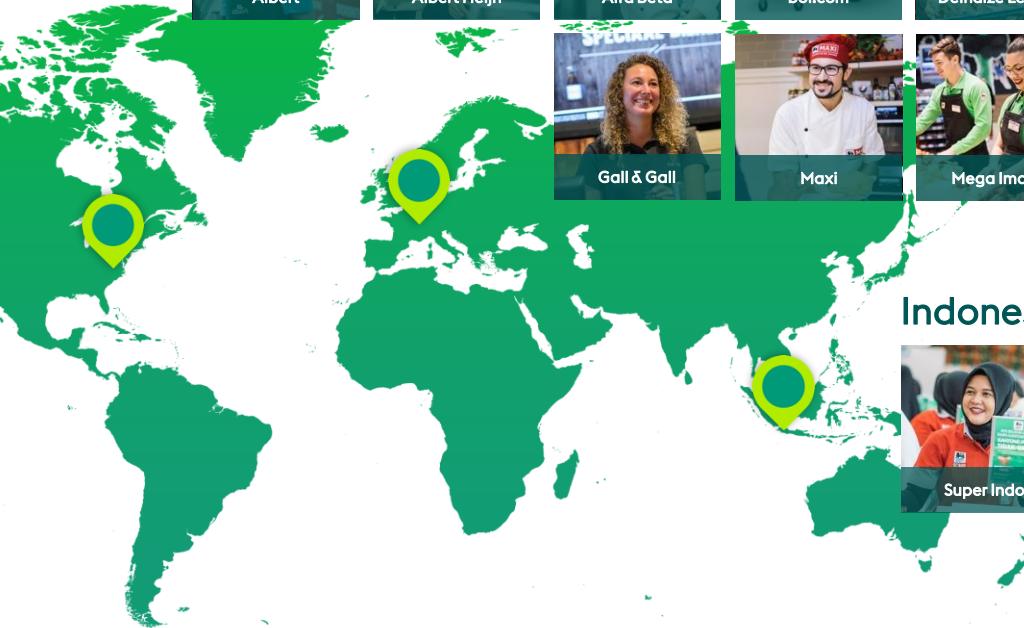


Our world is changing



The most local and personal

United States



Europe



Indonesia



The most local and personal A great store experience



A group of children are gathered around a table, making fruit skewers. They are using wooden sticks to thread various pieces of fruit onto them. In the foreground, a girl in a pink and grey plaid jacket is focused on her skewer. Behind her, another girl in a blue jacket is also working on hers. To the right, a boy in a white t-shirt with a green graphic is looking on. The table is covered with a blue and white patterned cloth and has several trays of pre-cut fruit, including grapes, strawberries, and pineapple. The background shows other people and some event-related signage.

The most local and personal
A great store experience

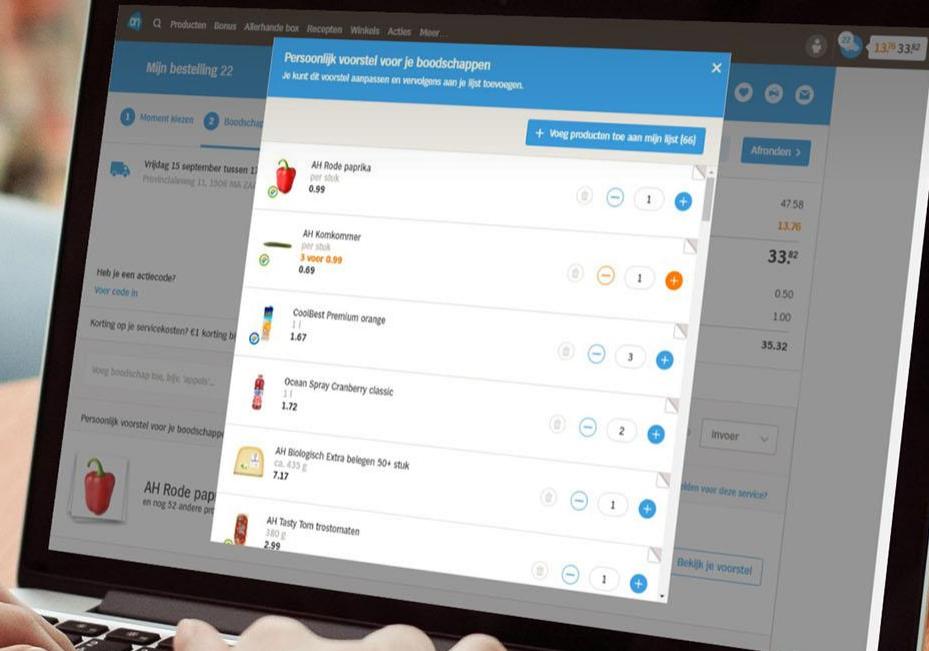
The most local and personal Fresh and healthy



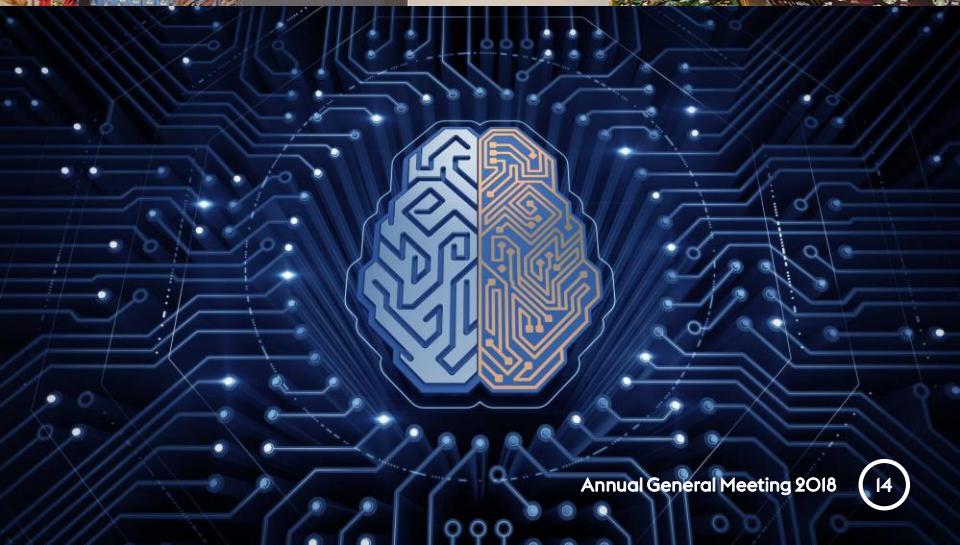
The most local and personal
Fresh and healthy



The most local and personal Personalization through online and digitalization



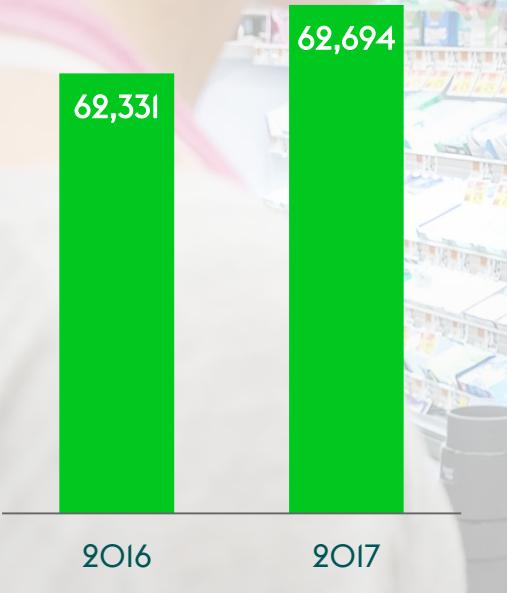
The most local and personal Technology & innovation



Sound financials and strong governance

Higher sales

€ in million

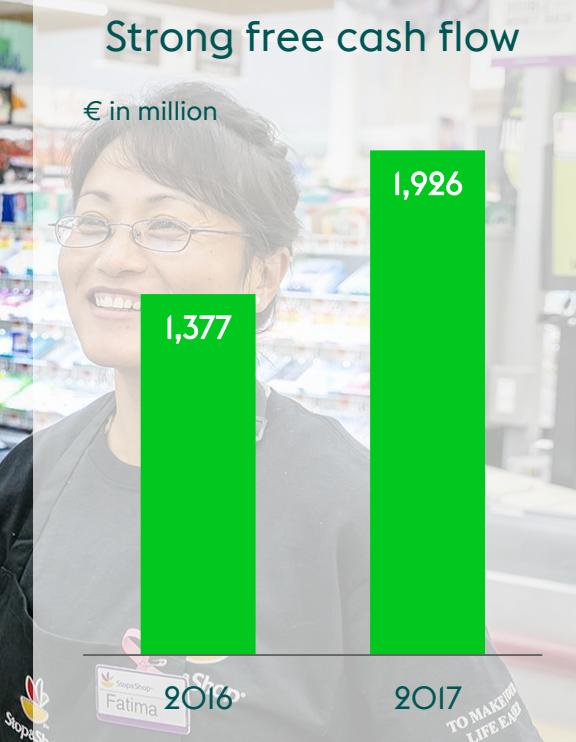


Increased margins



Strong free cash flow

€ in million



Sound financials and strong governance



Kevin Holt
Chief Executive Officer
Ahold Delhaize USA



Wouter Kolk
Chief Operating Officer
the Netherlands and
Belgium

Proposed member
of the
Management Board



Ben Wishart
Global Chief
Information
Officer

The most local and personal







Jan Hommen

Vice Chairman Supervisory Board

Agenda item 3 / Agendapunt 3

3: Explanation of corporate governance

3: Toelichting op de Ondernemingsstructuur



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Dick Boer

President & Chief Executive Officer

Agenda item 3 / Agendapunt 3

3: Explanation of corporate governance

3: Toelichting op de Ondernemingsstructuur



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Frans Muller

Deputy Chief Executive Officer and
Chief Integration Officer



Jan Hommen

Vice Chairman Supervisory Board



Ahola
Delhaize

Jeff Carr

Chief Financial Officer



Group performance

Net sales up 1.7% and margin expanded by 20 bps to 3.9%

€ in million

Full year

	2017	2016	Change actual rates	Change constant rates
Net sales	62,694	62,331	0.6%	1.7%
Net sales excl gas				1.6%
Underlying EBITDA	4,947	4,063	4.5%	5.9%
Underlying EBITDA margin	6.8%	6.5%		
Underlying operating income	2,456	2,298	6.9%	8.4%
Underlying operating margin	3.9%	3.7%		

Group performance

Income from cont. operations up 70%, dividend per share up 10.5%

€ in million	Full year		
	2017	2016	Change actual rates
Underlying operating income	2,456	2,298	6.9%
Restructuring and related charges	178	246	
Other	42	78	
Operating income	2,236	1,974	13.3%
Net financial expenses	(297)	(601)	
Income taxes	(146)	(331)	
Share in income (loss) of joint ventures	35	36	
Income from continuing operations	1,828	1,078	69.6%
Underlying income from continuing operations	1,582	1,486	6.5%
Underlying EPS from continuing operations	1.27	1.17	8.5%
Dividend per share	€0.63¹	€0.57	10.5%
Dividend payout %²	47%	48%	

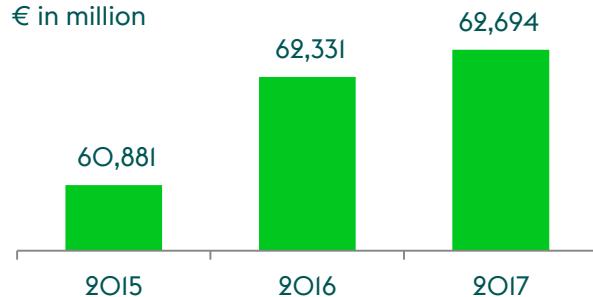
¹ Subject to shareholder approval

² Dividend payout ratio is based on underlying income from continuing operations (on a pro forma basis)

Pro forma numbers unless mentioned otherwise

Ahold Delhaize delivering performance

Net sales increasing



Best-in-class underlying operating margin expanding further



Free cash flow yield¹ increasing and ahead of peers

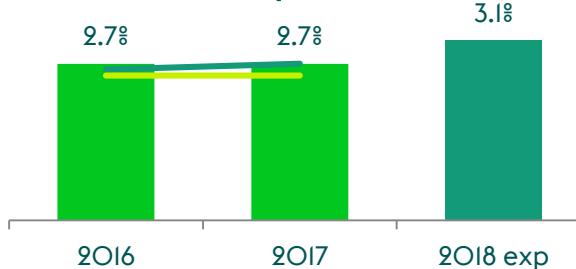


Source: JPMorgan: Peer data based on last 3 years reported

¹ Free cash flow defined as: IFRS Cash flow from operations – capex – interest paid

² EU Peers: Tesco, Carrefour, Metro, Sainsbury's, Casino. US Peers: Kroger, Target, Walmart Pro forma numbers unless mentioned otherwise

Continued commitment to investing in our business (capex³ as % of sales)



Source: JPMorgan: Peer data based on last 3 years reported

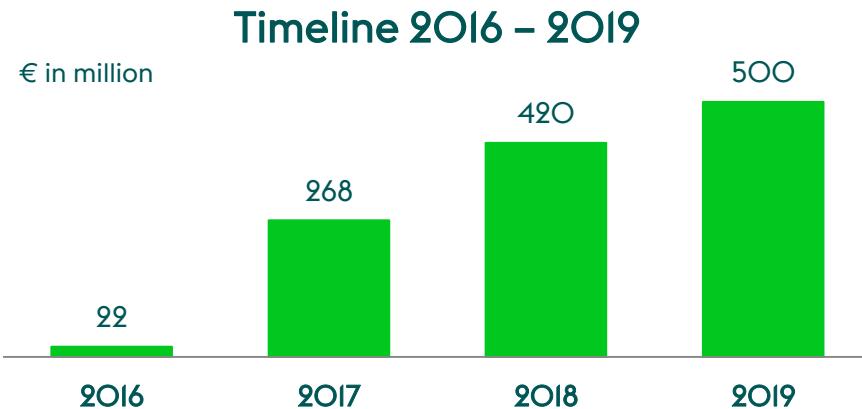
³ Capex represents the combined capital expenditure excl acquisitions of Ahold Delhaize

Synergies delivered ahead of plan

€268 million delivered in 2017

€ in million	Quarter 4		Full year	
	2017	2016	2017	2016
United States	51	8	159	8
Europe	25	7	78	7
GSO*	7	4	31	7
Total	83	19	268	22

* Global Support Office



- Net synergies 2017: €268 million, of which incremental €246 million to 2016
- Net synergies target 2018: €420 million, including synergies realized in 2016 and 2017

€ in million	Q4	Full year	Costs to date	Expected full costs
Integration costs	13	107	275	380
U.S. restructuring costs	10	40	40	70

Tax reform U.S. and Belgium

Tax benefits provide investment options and profitability increases

- One-time tax effect in Q4 2017: €407 million, non cash
- Impact tax reform on 2018:
 - Cash tax benefit of around €200 million
 - Effective tax rate expected to be in the low twenty percent range

€ in million	Full year 2017 (earnings before tax of €1,928 million)		
	Cash Tax	P&L	ETR
2017 Ahold Delhaize consolidated exclusive tax reforms	(480)	(553)	28.6%
U.S. Tax Reform – one time P&L impact (revaluation deferred tax positions)	-	291	(15%)
BE Tax Reform – one time P&L impact (revaluation deferred tax positions)	-	116	(6%)
FY 2017 Ahold Delhaize consolidated including tax reforms	(480)	(146)	7.6%

Free cash flow and working capital *

Exceptionally strong cash flow in 2017, also expected for 2018

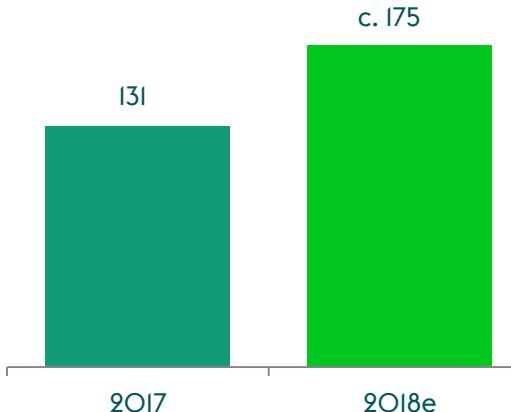
Outstanding free cash flow generation in 2017

€ in million



Working capital improvement well on track for cumulative target of €175 mln 2016-2018

€ in million



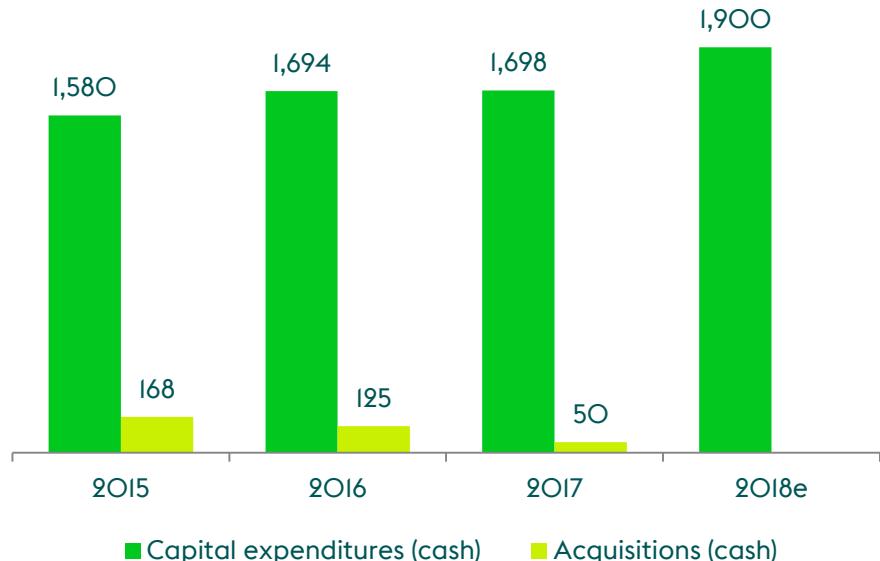
*Free cash flow included for Delhaize Group pre-merger

Uses of cash

Strong cash flow used for higher investments and increasing returns

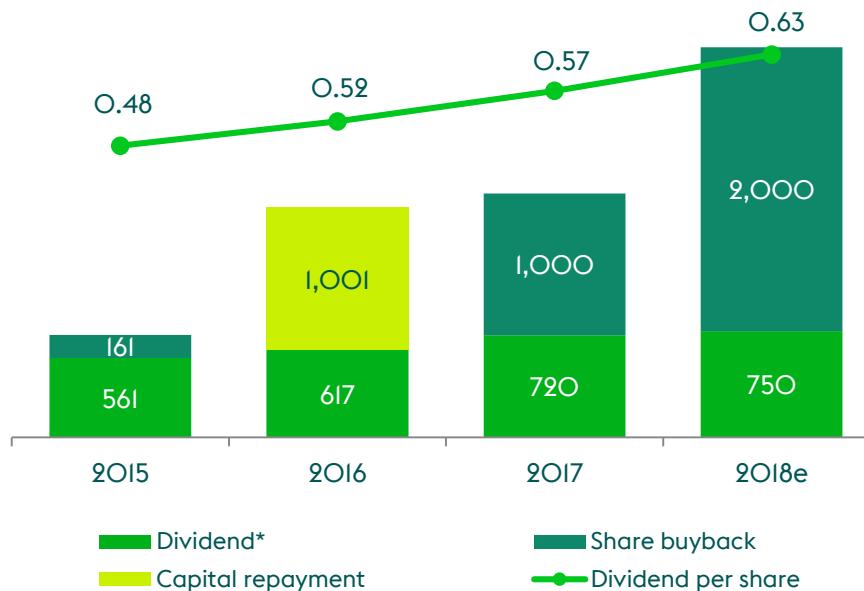
Higher capital expenditure planned

€ in million



Increasing shareholder returns

€ in million, dividend per share in €



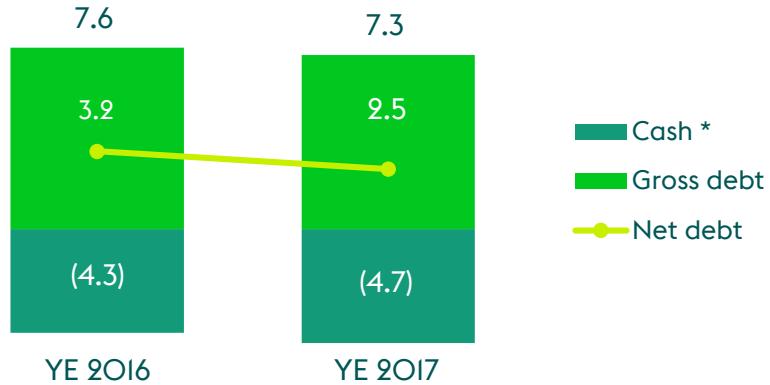
* Dividend amounts are combined for Ahold and Delhaize Group prior to the merger

** Dividend per share for Delhaize is adjusted for the exchange ratio of 4.75 related to the merger

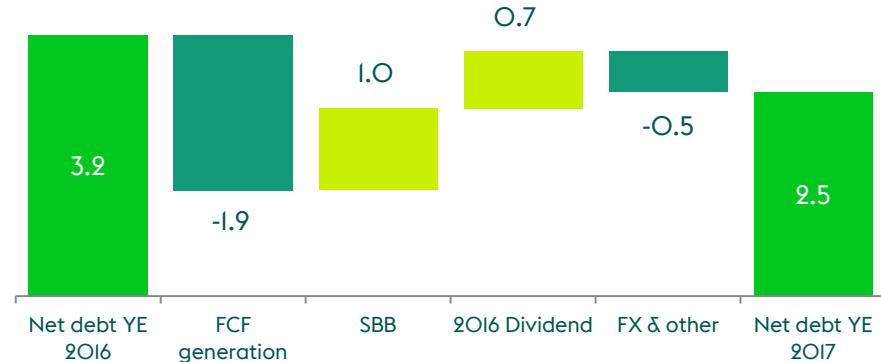
Capital structure

Reduced net debt, strong capital structure continued

€ in billion



€ in billion



- 2017 full year leverage ratio of S&P Lease adj. net debt/EBITDA at 2.0x
- €2 billion share buyback commenced in January 2018
- Moody's upgraded Ahold Delhaize to Ba1; outlook stable in February 2018

* Cash, cash equivalents and short-term deposits and similar instruments and current portion of available-for-sale financial assets

Important dates

Timetable dividend

- April 13, 2018 Ex-dividend date
- April 16, 2018 Dividend record date
- April 26, 2018 Payment date

Timetable quarterly results

- Ahold Delhaize Q1 2018 results May 9, 2018
- Ahold Delhaize Q2 2018 results August 8, 2018
- Ahold Delhaize Q3 2018 results November 7, 2018
- Ahold Delhaize Q4/FY 2018 results February 27, 2019

Summary 2017 and outlook 2018

Reflecting on successful 2017, confident about outlook 2018

- 2017 has been a successful year for Ahold Delhaize
- Net sales of €62.7 billion in 2017, up 1.7% at constant exchange rates
- Close to €3 billion in net consumer online sales, growth of 21.8% in 2017
- Margins expanded thanks to continued synergy delivery, ahead of plan
- Exceptionally strong free cash flow at €1.9 billion, similar 2018 FCF expected
- Increasing capex in 2018 to €1.9 billion, to improve stores, online offerings and digital capabilities
- Continuing our €2 billion share buyback program commenced in January 2018
- Pleased to propose a dividend of €0.63, an increase of 10.5% compared to last year



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Jan Hommen

Vice Chairman Supervisory Board



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Bill McEwan

Chairman of the Remuneration Committee

FOCUSING
ON FRESH



Explanation of the implementation of the Management Board Remuneration Policy

Internal Pay Ratio

Pay ratio between the Total Remuneration of the respective Management Board members and the average remuneration of all Ahold Delhaize associates over 2016 and 2017

Pay ratio	2017	2016
CEO	114	119
Deputy CEO ¹	135	-
CFO	71	71
CEO AD USA ¹	74	-

External Context

Pay ratio Ahold Delhaize CEO compared to pay ratios of other CEOs in the peer group (2016 figures)

Ahold Delhaize	Average AEX peers	Average European peers	Average U.S. peers
119	115	179	238
	104%	67%	50%

¹ Since the Deputy CEO and the CEO Ahold Delhaize USA joined the Company on July 24, 2016, full year numbers for 2016 are not available.

Cautionary Notice

This communication includes forward-looking statements. All statements other than statements of historical facts may be forward-looking statements. Words such as ambition, to be, will, always, continue, predict, never, later, future, forever, remaining, can, goal, intend, 2020, target, expect, this summer, plans, results, sustainable, consistency, is, are, going forward, maintain, on our way, develop, provides, confident, outlook, or other similar words or expressions are typically used to identify forward-looking statements.

Forward-looking statements are subject to risks, uncertainties and other factors that are difficult to predict and that may cause actual results of Koninklijke Ahold Delhaize N.V. (the "Company") to differ materially from future results expressed or implied by such forward-looking statements. Such factors include, but are not limited to the risk factors set forth in the Company's public filings and other disclosures. Forward-looking statements reflect the current views of the Company's management and assumptions based on information currently available to the Company's management. Forward-looking statements speak only as of the date they are made and the Company does not assume any obligation to update such statements, except as required by law.



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Vice Chairman Supervisory Board

Agenda items 2 – 7 / Agendapunten 2 – 7

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Questions & Answers

Voting procedure / Stemprocedure

- Register your vote by pressing 1, 2 or 3
- *Om te stemmen, druk 1, 2 of 3*

1 = for	<i>voor</i>
2 = against	<i>tegen</i>
3 = abstention	<i>onthouding</i>

- To correct a vote, please make your choice again. Your last choice will be registered.
- *Om een stem te corrigeren, dient u opnieuw een keuze te maken.
Uw laatste keuze geldt.*



Agenda item 6 / Agendapunt 6

- Proposal to adopt the 2017 financial statements
- *Voorstel tot vaststelling van de jaarrekening over het boekjaar 2017*

Agenda item 7 / Agendapunt 7

- Proposal to determine the dividend over financial year 2017
- *Voorstel tot vaststelling dividend over het boekjaar 2017*

Agenda item 8 / Agendapunt 8

- Proposal for discharge of liabilities of the members of the Management Board
- *Voorstel tot het verlenen van décharge aan de leden van de Raad van Bestuur*

Agenda item 9 / Agendapunt 9

- Proposal for discharge of liabilities of the members of the Supervisory Board
- *Voorstel tot het verlenen van décharge aan de leden van de Raad van Commissarissen*



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Wouter Kolk

Chief Operating Officer the Netherlands and
Belgium

Proposed member of the Management Board

Agenda item 10 / Agendapunt 10

- Proposal to appoint Wouter Kolk as member of the Management Board
- *Voorstel tot benoeming van Wouter Kolk tot de Raad van Bestuur*

Agenda item II / Agendapunt II

- Proposal to re-appoint René Hooft Graafland as member of the Supervisory Board
- *Voorstel tot herbenoeming van René Hooft Graafland voor een nieuwe termijn van de Raad van Commissarissen*

Agenda item 12 / Agendapunt 12

- Proposal to appoint PricewaterhouseCoopers Accountants N.V. as external auditor for financial year 2018
- *Voorstel tot benoeming van PricewaterhouseCoopers Accountants N.V. als externe accountant voor het boekjaar 2018*

Agenda item 13 / Agendapunt 13

- Authorization to issue shares
- *Machtiging tot uitgifte van aandelen*

Agenda item I4 / Agendapunt I4

- Authorization to restrict or exclude pre-emptive rights
- *Machtiging tot het beperken of uitsluiten van voorkeursrechten*

Agenda item 15 / Agendapunt 15

- Authorization to acquire shares
- *Machtiging tot inkoop van eigen aandelen*

Agenda item 16 / Agendapunt 16

- Cancellation of common shares
- *Intrekking van gewone aandelen*

Agenda item 17 / Agendapunt 17

- Closing
- *Sluiting*



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Questions & Answers



Thank you

