



Group strength Local expertise
annual report 2008

Delhaize Group at a Glance

Profile

Delhaize Group is a Belgian international food retailer with activities in seven countries on three continents. Delhaize Group is listed on Euronext Brussels (ticker symbol: DELB) and the New York Stock Exchange (ticker symbol: DEG).

At the end of 2008, Delhaize Group's sales network consisted of 2 673 stores. In 2008, Delhaize Group posted EUR 19 billion in revenues and net profit of EUR 467 million. Delhaize Group employs approximately 141 000 associates.

Delhaize Group has leading positions in food retailing in key markets. Our operating companies have acquired these leading positions through a distinct go-to-market strategy. The Group is committed to offering to its customers a locally differentiated shopping experience, to delivering superior value and to maintaining high social, environmental and ethical standards. Our Group's strength is supported by the close cooperation of its operating companies at the regional and global levels.

2 673

stores at the end of 2008.

EUR 467 million

Group share in net profit in 2008.

EUR 19 billion

in revenues in 2008.

141 000

associates worldwide.



For more info, see also
www.delhaizegroup.com

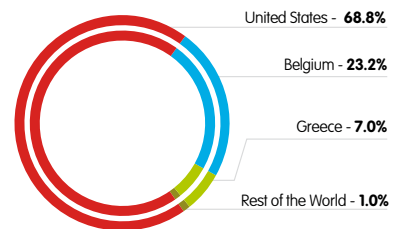


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Key Performance Indicators

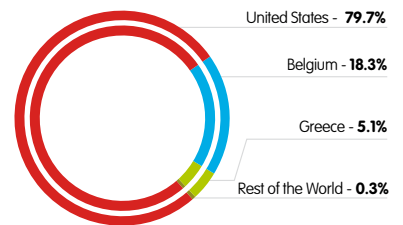
| | (USD in millions except per share amounts) ⁽⁴⁾ | (EUR in millions except per share amounts) | | | Change vs Prior Year | |
|--|---|---|--------|--------|-------------------------|----------|
| | 2008 | 2008 | 2007 | 2006 | 2008 | 2007 |
| Results | | | | | | |
| Revenues | 27 980 | 19 024 | 18 943 | 19 215 | 0.4% | -1.4% |
| Operating profit | 1 330 | 904 | 937 | 947 | -3.5% | -1.0% |
| Net profit from continuing operations | 713 | 485 | 401 | 426 | 21.2% | -5.8% |
| Net profit (Group share) | 687 | 467 | 410 | 352 | 13.9% | 16.5% |
| Free cash flow ⁽¹⁾ | 221 | 150 | 326 | 215 | -54.1% | 51.9% |
| Financial position | | | | | | |
| Total assets | 14 267 | 9 700 | 8 822 | 9 295 | 9.9% | -5.1% |
| Total equity | 6 170 | 4 195 | 3 676 | 3 561 | 14.1% | 3.2% |
| Net debt ⁽¹⁾ | 3 533 | 2 402 | 2 244 | 2 635 | 7.1% | -14.8% |
| Enterprise value ⁽¹⁾⁽³⁾ | 10 074 | 6 849 | 8 281 | 8 726 | -17.3% | -5.1% |
| Per share information (in EUR) | | | | | | |
| Group share in net profit (basic) ⁽²⁾ | 6.91 | 4.70 | 4.20 | 3.71 | 11.9% | 13.2% |
| Group share in net profit (diluted) ⁽²⁾ | 6.75 | 4.59 | 4.04 | 3.55 | 13.6% | 13.8% |
| Free cash flow ⁽¹⁾ | 2.22 | 1.51 | 3.35 | 2.27 | -54.9% | 47.6% |
| Net dividend | 1.63 | 1.11 | 1.08 | 0.99 | 2.8% | 9.1% |
| Shareholders' equity ⁽³⁾ | 60.58 | 41.19 | 36.17 | 36.55 | 13.9% | -1.0% |
| Share price (year-end) | 62.90 | 44.20 | 60.20 | 63.15 | -26.6% | -4.7% |
| Ratios (%) | | | | | | |
| Operating margin | | 4.8% | 4.9% | 4.9% | -19bps | 2bps |
| Net margin | | 2.5% | 2.2% | 1.8% | 29bps | 33bps |
| Net debt to equity ⁽¹⁾ | | 57.3% | 61.0% | 74.0% | -3.8ppt | -13.0ppt |
| Currency information | | | | | | |
| Average EUR per USD rate | 0.6799 | 0.7297 | 0.7964 | | -6.8% | -8.4% |
| EUR per USD rate at year-end | 0.7185 | 0.6793 | 0.7593 | | 5.8% | -10.5% |
| Other information | | | | | | |
| Number of sales outlets | 2 673 | 2 545 | 2 705 | | 5.0% | -5.9% |
| Capital expenditures | 714 | 729 | 700 | | -2.1% | 4.2% |
| Number of associates (thousands) | 141 | 138 | 143 | | 2.3% | -3.3% |
| Full-time equivalents (thousands) | 106 | 104 | 107 | | 2.4% | -2.7% |
| Weighted average number of shares (thousands) | 99 385 | 97 666 | 94 939 | | 1.8% | 2.9% |

Revenues



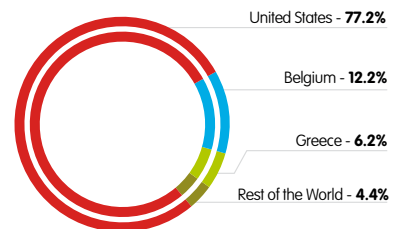
EUR 19 billion

Operating Profit⁽¹⁾



EUR 904 million

Number of Associates



141 000 associates

⁽¹⁾ These are non-GAAP financial measures.

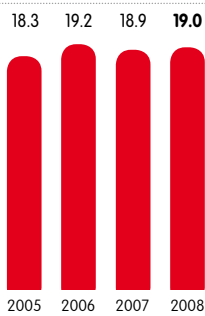
⁽²⁾ Calculated using the weighted average number of shares over the year.

⁽³⁾ Calculated using the total number of shares at the end of the year.

⁽⁴⁾ Calculated using an exchange rate of 1 EUR=1.4708 USD.

⁽¹⁾ Represents contribution to Delhaize Group operating profit. Presentation does not include negative operating profit contribution of Corporate

Revenues (in billions of EUR)

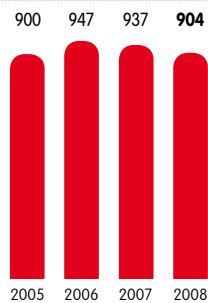


Revenues

Revenues amounted to EUR 19 billion, an increase of 0.4% at actual exchange rates and 5.6% at identical exchange rates. All our operating companies have demonstrated a solid performance in 2008.

+5.6%

Operating Profit (in millions of EUR)

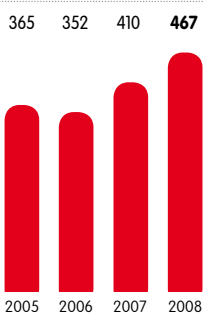


Operating Profit

Operating profit decreased by 3.5% at actual exchange rates and increased by 2.1% at identical exchange rates. This increase is the result of revenue growth, a continued strong gross margin and successful cost savings initiatives.

+2.1%

Group Share in Net Profit (in millions of EUR)



Group Share in Net Profit

Group Share in Net Profit amounted to EUR 467 million, an increase of 13.9% at actual exchange rates and 19.9% at identical exchange rates. Per share, basic net profit was EUR 4.70 and diluted net profit was EUR 4.59.

+19.9%