

Delhaize Group U.S. Private Brand



Analyst Field Trip

Mike Vail, President & COO - Sweetbay

Beth Newlands-Campbell, EVP - Hannaford

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» Private Brand - a Growth Opportunity

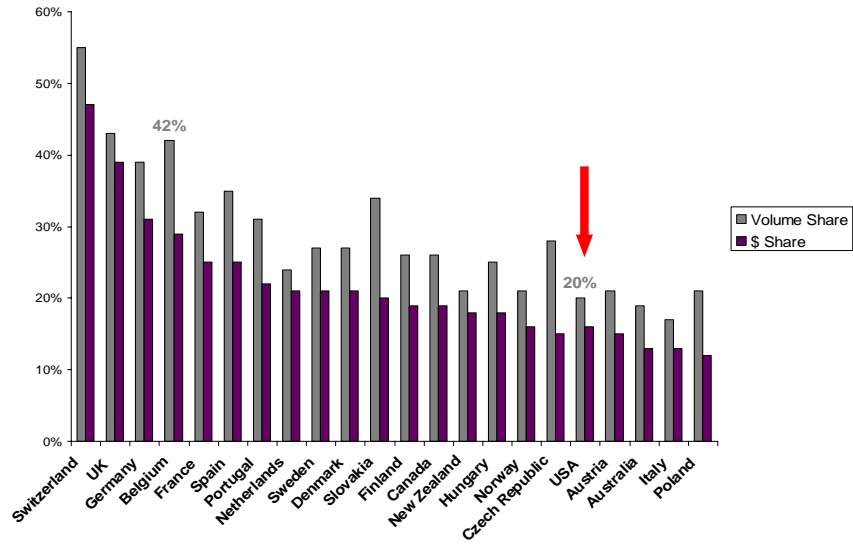
- » Consumers are looking for Private Brand
 - Lifestyle
 - Economy

- » Private Brand supports profitability and business growth
 - Differentiation from competitors
 - Higher gross margin
 - Flexibility with vendor sourcing and distribution
 - Expanded variety
 - Customization of products

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» Global Private Brand Presence

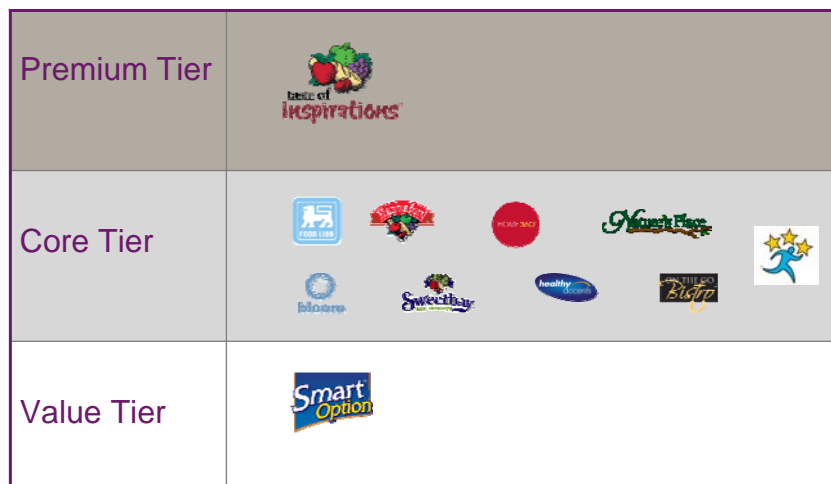


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Source: AC Nielsen September 2008

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» Delhaize Group US Private Brands – Three Tiered Strategy



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» Premium Tier



- » Delicious, Innovative, Highest Quality
- » Unique - low cannibalization of other items
- » Competes with restaurant sector and specialty food shops



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» Core Tier



- » National Brand Equivalent - equal or better than the leading national brands, but at lower prices
- » A smart way to reduce household spending at the supermarket
- » Products in food, health/beauty, home meal solutions, and general merchandise



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» Core Tier



- » High quality certified natural and organic products at affordable prices
- » Consumers no longer need to shop at natural food stores

Nature's Place



- » Delicious, chilled, ready-to-heat meals
- » Highest quality, wholesome ingredients
- » Competes with restaurant takeout

ON THE GO
Bistro



- » Stylish and innovative general merchandise
- » Equal to or better than the national brand but at lower prices.

HOME 360

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» Value Tier

**Smart
Option**

- » High Acceptable quality at unbeatable prices
- » Keeps customers in our stores with items they would traditionally purchase at Aldi, Save-A-Lot or Wal-Mart
- » Enhances price image and value proposition



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» Key initiatives to drive Private Brand growth

» Innovation

- New products & contemporary design
- New ready-to-heat meal solutions
- Reduced resin in water bottles by 30% in June 2008
- First to market
- New products



» Support

- Marketing initiatives
- Sampling

» Guiding Stars - Health and Wellness

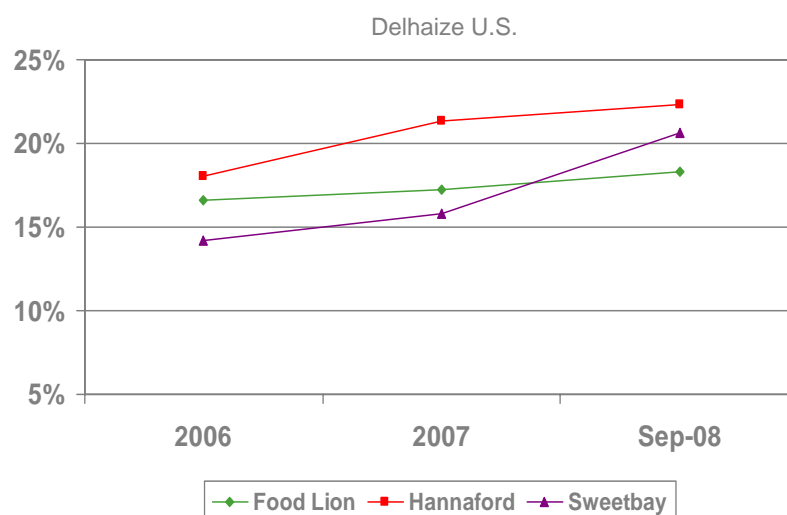
- Front of package star rating
- Private Brand as an engine for increasing star ratings



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» Private Brand Sales Growth



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» Results

- » Increased penetration of private brand
- » Outpacing market in private brand growth
- » Improved consumer images
- » Improved gross margin
- » Improved cost structure due to negotiating as one
- » Increased loyalty