

## Ahold Delhaize reports Q1 results significantly impacted by COVID-19

- \* Net sales were €18.2 billion, up 14.7%, or 12.7% at constant exchange rates
- \* In the U.S. and Europe, comp sales growth excluding gas was up 13.8% and 9.8%, respectively
- \* Net consumer online sales grew 37.7% at constant exchange rates
- \* Operating income was €964 million, up 40.0% at constant exchange rates
- \* Underlying operating margin was 5.3%, up 0.9% points from the prior year
- \* Diluted underlying EPS was €0.59, up 49.5%; diluted EPS was €0.59

Zaandam, the Netherlands, May 7, 2020 – Ahold Delhaize, one of the world's largest food retail groups and a leader in both supermarkets and eCommerce, reports first quarter results today.

The Interim report for the first quarter 2020 can be viewed and downloaded at [www.aholddelhaize.com](http://www.aholddelhaize.com).

### Summary of key financial data

€ million, except per share data	Ahold Delhaize Group		The United States		Europe	
	Q1 2020	% change constant rates	Q1 2020	% change constant rates	Q1 2020	% change constant rates
<b>Net sales</b>	<b>18,208</b>	<b>12.7 %</b>	<b>11,315</b>	<b>13.7 %</b>	<b>6,893</b>	<b>11.0 %</b>
<b>Comparable sales growth excl. gas</b>	<b>12.2 %</b>		<b>13.8 %</b>		<b>9.8 %</b>	
Online sales	998	30.0 %	324	42.3 %	674	24.8 %
<b>Net consumer online sales</b>	<b>1,345</b>	<b>37.7 %</b>	<b>324</b>	<b>42.3 %</b>	<b>1,021</b>	<b>36.3 %</b>
Operating margin	5.3 %	1.0 pts	6.6 %	1.8 pts	4.3 %	0.3 pts
<b>Underlying operating margin</b>	<b>5.3 %</b>	<b>0.9 pts</b>	<b>6.7 %</b>	<b>1.7 pts</b>	<b>4.1 %</b>	<b>0.1 pts</b>
Diluted EPS	0.59	51.8 %				
<b>Diluted underlying EPS</b>	<b>0.59</b>	<b>46.5 %</b>				
<b>Free Cash Flow</b>	<b>1,228</b>	<b>NM</b>				

### Comments from Frans Muller, President and CEO of Ahold Delhaize

"I greatly admire the dedication shown by the associates across our brands, who have stepped up to serve their local communities in the face of the immense challenges arising from the COVID-19 crisis. We remain relentlessly committed to protecting the health and safety of associates and customers, and living up to our values, two of which are 'care' and 'teamwork.'

"Clearly, our Q1 sales performance across all geographies was impacted by the unprecedented demand and pressures created by the COVID-19 outbreak. We have responded by implementing additional safety and protective measures, enhancing associate pay and benefits, and making charitable donations to support local communities. The costs related to our efforts will more significantly impact subsequent quarters. Nevertheless, we maintain our full-year outlook that our group underlying operating margin will be broadly in line with 2019.

"Protecting the health and safety of our associates and customers remains our first and foremost priority, along with operating our brands and supply chains smoothly. We will keep monitoring and learning from changes in consumer shopping patterns and behavior. While it is still too early to know which paradigm shifts will emerge from the COVID-19 crisis, we continue to prioritize investments in accelerating our digital and omnichannel capabilities, as well as improving our store fleet, in order to grow our share of wallet.

"Separately, I'd like to welcome Natalie Knight, who was appointed as our CFO on April 8. With her demonstrated leadership in financial discipline and business transformation efforts, she is ideally qualified to help us accelerate our Leading Together strategy."

## Q1 Financial highlights

Group net sales were €18.2 billion, up 14.7%, or 12.7% at constant exchange rates, driven largely by 12.2% comparable sales growth excluding gasoline. Group comparable sales were favorably impacted by 26.9% growth in March due primarily to COVID-19, and unfavorably impacted by -0.3% points due to the net effect of a weather and calendar shift in the quarter. Group net consumer online sales grew 37.7% in Q1 at constant exchange rates. Group underlying operating margin in Q1 was 5.3%, up 0.9% points from the prior year, benefiting largely from the timing of unexpectedly higher sales that preceded the timing of significant investments related to COVID-19. This was a phenomenon that was more pronounced in the U.S. than in Europe, as Europe experienced earlier customer stockpiling in late February, and therefore saw earlier investments related to COVID-19, while the U.S. experienced later stockpiling in March.

U.S. comparable store sales excluding gasoline grew 13.8%, with all brands generating double-digit comparable sales growth due largely to the COVID-19 outbreak. Comparable sales were favorably impacted by 33.8% growth in March due primarily to COVID-19, and unfavorably impacted by less severe winter weather, which amounted to -0.8% points in the quarter. Online sales in the segment were up 42.3% in constant currency. U.S. underlying operating margin was 6.7%, up 1.7% points from the prior year, driven largely by the aforementioned timing benefit from higher sales preceding material COVID-19-related investments.

Europe's comparable sales excluding gasoline grew 9.8%, to a significant degree due to the COVID-19 crisis. Comparable sales were favorably impacted by 15.9% growth in March due primarily to COVID-19, and were also impacted by a calendar shift benefit of +0.4% points in the quarter. Net consumer online sales in the segment were up 36.3%. All countries in Europe experienced higher than normal demand, though in the central and southeastern European countries, demand grew slightly faster than the overall segment. Underlying operating margin in Europe was 4.1%, up 0.1% points from the prior year. The aforementioned timing benefit from higher sales preceding material COVID-19 investments was less pronounced in Europe, and the benefit was offset partly by higher pension expense in the Netherlands, amounting to €11 million, as well as additional planned investments in digital and omnichannel capabilities.

At bol.com, the online retail platform in the Benelux included within the Europe segment results, net consumer sales grew by 39.5%. Bol.com's third party sales grew 66% in the quarter with nearly 21,000 merchant partners on the platform.

Net income was €645 million, up 48.2%. Diluted EPS was €0.59, up 54.9%, and diluted underlying EPS was €0.59, up 49.5%.

## Outlook

We maintain our full-year outlook, as updated on April 7. While COVID-19 has created uncertainty for the 2020 outlook, COVID-19 related investments became material at the end of Q1 and will become significantly more visible in subsequent quarters. We expect 2020 free cash flow to be above €1.5 billion. The upside is mainly related to strong levels of free cash flow generated in Q1, rather than delays in capital spending, as we had previously indicated. While some capital projects will inevitably be delayed, we are accelerating investments in digital and omnichannel capabilities. We remain committed to our dividend policy and share buyback program, but given the uncertainty caused by COVID-19, we will continue to monitor macroeconomic developments.

Full-year outlook	Underlying operating margin	Underlying EPS	Save for Our Customers	Capital expenditures	Free cash flow <sup>1</sup>	Dividend payout ratio <sup>3</sup>	Share buyback
2020	Broadly in line with 2019	Mid-single-digit growth	€600 million	~ €2.5 billion	> €1.5 billion	40-50%	€1 billion

1. No significant impact to underlying operating margin from the 53rd week, though the 53rd week should benefit net sales for the full year by 1.5-2.0%. Comparable sales growth will be presented on a comparable 53-week basis. As previously communicated, there will be margin dilution related to €45 million in transition expenses from the U.S. supply chain initiative, and an increased non-cash service charge of €45 million for the Netherlands employee pension plan, resulting from lower discount rates in the Netherlands.
2. Excludes M&A
3. Calculated as a percentage of underlying income from continuing operations

**Supplementary information: Sales results in January/February vs. March 2020**
*January/February sales results*

In the combined January and February 2020 period, Group net sales grew 4.1% at constant exchange rates. Group comparable sales excluding gasoline grew 3.4%, or an estimated 3.7% excluding weather and calendar effects. In the U.S., comparable store sales excluding gasoline grew 1.7%, or 2.6% excluding the unfavorable impact of less severe winter weather, which amounted to -0.9% points. In Europe, comparable store sales excluding gasoline grew 6.1%, or an estimated 4.9% excluding an estimated +0.4% points of COVID-19 benefit and a +0.8% point calendar shift benefit.

*March sales results*

In March 2020, Group net sales grew 26.7% at constant exchange rates. Group comparable sales excluding gasoline grew 26.9%, or an estimated 27.1% excluding weather and calendar effects. In the U.S., comparable store sales excluding gasoline grew 33.8%, or 34.2% excluding the unfavorable impact of less severe winter weather, which amounted to -0.3% points. In Europe, comparable store sales excluding gasoline grew 15.9%, or an estimated 16.0% excluding a +0.1% point calendar shift benefit.

**Group performance**

€ million, except per share data	Q1 2020	Q1 2019	% change	% change constant rates
Net sales	18,208	15,878	14.7 %	12.7 %
Of which: online sales	998	761	31.1 %	30.0 %
Net consumer online sales <sup>1</sup>	1,345	970	38.6 %	37.7 %
Operating income	964	675	42.8 %	40.0 %
Income from continuing operations	644	436	47.9 %	44.9 %
Net income	645	435	48.2 %	45.1 %
Basic income per share from continuing operations (EPS)	0.60	0.39	53.6 %	50.5 %
Diluted income per share from continuing operations (diluted EPS)	0.59	0.38	54.9 %	51.8 %
Underlying EBITDA <sup>1</sup>	1,666	1,356	22.9 %	20.6 %
Underlying EBITDA margin <sup>1</sup>	9.2 %	8.5 %		
Underlying operating income <sup>1</sup>	961	695	38.3 %	35.7 %
Underlying operating margin <sup>1</sup>	5.3 %	4.4 %		
Underlying income per share from continuing operations – basic (underlying EPS) <sup>1</sup>	0.59	0.40	48.2 %	45.2 %
Underlying income per share from continuing operations – diluted (diluted underlying EPS) <sup>1</sup>	0.59	0.40	49.5 %	46.5 %
Free cash flow <sup>1</sup>	1,228	(136)	NM	NM

1. Net consumer online sales, underlying EBITDA, underlying operating income, basic and diluted underlying income per share from continuing operations and free cash flow are alternative performance measures that are used throughout the report. For a description of alternative performance measures, refer to section Alternative performance measures in this press release.

## Performance by segment

### The United States

	Q1 2020	Q1 2019	% change	% change constant rates
\$ million				
Net sales	12,482	10,980	13.7 %	
Of which: online sales	357	251	42.3 %	
€ million				
Net sales	11,315	9,666	17.0 %	13.7 %
Of which: online sales	324	221	46.5 %	42.3 %
Operating income	743	461	61.3 %	56.6 %
Underlying operating income	753	475	58.7 %	54.0 %
Underlying operating margin	6.7 %	4.9 %		
Comparable sales growth	13.4 %	0.9 %		
Comparable sales growth excluding gasoline	13.8 %	1.2 %		

### Europe

	Q1 2020	Q1 2019	% change	% change constant rates
€ million				
Net sales	6,893	6,211	11.0 %	11.0 %
Of which: online sales	674	540	24.8 %	24.8 %
Net consumer online sales	1,021	749	36.3 %	36.3 %
Operating income	297	249	19.5 %	19.6 %
Underlying operating income	284	250	13.6 %	13.7 %
Underlying operating margin	4.1 %	4.0 %		
Comparable sales growth	9.7 %	1.3 %		
Comparable sales growth excluding gasoline	9.8 %	1.4 %		

### Global Support Office

	Q1 2020	Q1 2019	% change	% change constant rates
€ million				
Underlying operating loss	(77)	(30)	152.4 %	150.0 %
Underlying operating loss excluding insurance results	(36)	(31)	14.6 %	13.5 %

In the quarter, underlying Global Support Office costs were €77 million, which was €46 million higher than the prior year, due mainly to the unfavorable impact of €42 million from insurance driven by a significant decline in the discount rate. Underlying costs excluding insurance results were €36 million, compared to €31 million in Q1 2019.

## Consolidated income statement

€ million, except per share data	Q1 2020	Q1 2019
Net sales	18,208	15,878
Cost of sales	(13,135)	(11,489)
<b>Gross profit</b>	<b>5,073</b>	<b>4,389</b>
Selling expenses	(3,437)	(3,127)
General and administrative expenses	(672)	(587)
Total operating expenses	(4,109)	(3,714)
<b>Operating income</b>	<b>964</b>	<b>675</b>
Interest income	12	22
Interest expense	(35)	(49)
Net interest expense on defined benefit pension plans	(4)	(4)
Interest accretion to lease liability	(92)	(90)
Other financial expenses	(23)	(5)
Net financial expenses	(142)	(125)
<b>Income before income taxes</b>	<b>822</b>	<b>550</b>
Income taxes	(182)	(119)
Share in income of joint ventures	5	5
<b>Income from continuing operations</b>	<b>644</b>	<b>436</b>
Income (loss) from discontinued operations	—	(1)
<b>Net income attributable to common shareholders</b>	<b>645</b>	<b>435</b>
Net income per share attributable to common shareholders		
Basic	0.60	0.39
Diluted	0.59	0.38
Income from continuing operations per share attributable to common shareholders		
Basic	0.60	0.39
Diluted	0.59	0.38
Weighted average number of common shares outstanding (in millions)		
Basic	1,082	1,124
Diluted	1,087	1,149
Average U.S. dollar exchange rate (euro per U.S. dollar)	0.9065	0.8804

**Consolidated statement of comprehensive income**

€ million	Q1 2020	Q1 2019
<b>Net income</b>	<b>645</b>	<b>435</b>
Remeasurements of defined benefit pension plans		
Remeasurements before taxes – loss	(152)	(24)
Income taxes	37	6
<b>Other comprehensive loss that will not be reclassified to profit or loss</b>	<b>(115)</b>	<b>(19)</b>
Currency translation differences in foreign interests:		
Continuing operations	(24)	199
Income taxes	3	—
Cash flow hedges:		
Transfers to net income	1	—
Non-realized gains (losses) on debt and equity instruments:		
Fair value result for the period	(1)	—
<b>Other comprehensive income (loss) reclassifiable to profit or loss</b>	<b>(20)</b>	<b>199</b>
<b>Total other comprehensive income (loss)</b>	<b>(135)</b>	<b>180</b>
<b>Total comprehensive income attributable to common shareholders</b>	<b>510</b>	<b>615</b>
Attributable to:		
Continuing operations	510	616
Discontinued operations	—	(1)
<b>Total comprehensive income attributable to common shareholders</b>	<b>510</b>	<b>615</b>

## Consolidated balance sheet

€ million	March 29, 2020	December 29, 2019
<b>Assets</b>		
Property, plant and equipment	10,676	10,519
Right-of-use asset	7,448	7,308
Investment property	816	883
Intangible assets	12,065	12,060
Investments in joint ventures and associates	210	229
Other non-current financial assets	637	661
Deferred tax assets	208	213
Other non-current assets	53	49
<b>Total non-current assets</b>	<b>32,112</b>	<b>31,920</b>
Assets held for sale	45	67
Inventories	2,978	3,347
Receivables	1,905	1,905
Other current financial assets	383	317
Income taxes receivable	6	39
Prepaid expenses	332	178
Cash and cash equivalents	5,231	3,717
<b>Total current assets</b>	<b>10,880</b>	<b>9,570</b>
<b>Total assets</b>	<b>42,993</b>	<b>41,490</b>
<b>Equity and liabilities</b>		
<b>Equity attributable to common shareholders</b>	<b>14,268</b>	<b>14,083</b>
Loans	3,548	3,841
Other non-current financial liabilities	8,794	8,716
Pensions and other post-employment benefits	803	677
Deferred tax liabilities	782	786
Provisions	758	724
Other non-current liabilities	68	74
<b>Total non-current liabilities</b>	<b>14,752</b>	<b>14,818</b>
Accounts payable	6,521	6,311
Other current financial liabilities	4,264	3,257
Income taxes payable	159	82
Provisions	364	349
Other current liabilities	2,665	2,591
<b>Total current liabilities</b>	<b>13,973</b>	<b>12,590</b>
<b>Total equity and liabilities</b>	<b>42,993</b>	<b>41,490</b>
Year-end U.S. dollar exchange rate (euro per U.S. dollar)	0.8976	0.8947

**Consolidated statement of changes in equity**

€ million	Share capital	Additional paid-in capital	Currency translation reserve	Cash flow hedging reserve	Other reserves including retained earnings	Equity attributable to common shareholders
<b>Balance as of December 30, 2018</b>	<b>12</b>	<b>13,999</b>	<b>(80)</b>	<b>(2)</b>	<b>276</b>	<b>14,205</b>
Net income attributable to common shareholders	—	—	—	—	435	<b>435</b>
Other comprehensive income (loss)	—	—	199	—	(19)	<b>180</b>
Total comprehensive income attributable to common shareholders	—	—	199	—	416	<b>615</b>
Share buyback	—	—	—	—	(307)	<b>(307)</b>
Share-based payments	—	—	—	—	14	<b>14</b>
<b>Balance as of March 31, 2019</b>	<b>12</b>	<b>13,999</b>	<b>119</b>	<b>(2)</b>	<b>399</b>	<b>14,527</b>
<b>Balance as of December 29, 2019</b>	<b>11</b>	<b>12,246</b>	<b>159</b>	<b>(3)</b>	<b>1,670</b>	<b>14,083</b>
Net income attributable to common shareholders	—	—	—	—	645	<b>645</b>
Other comprehensive income (loss)	—	—	(20)	1	(115)	<b>(135)</b>
Total comprehensive income (loss) attributable to common shareholders	—	—	(20)	1	530	<b>510</b>
Share buyback	—	—	—	—	(334)	<b>(334)</b>
Share-based payments	—	—	—	—	10	<b>10</b>
Other items	—	—	—	—	(1)	<b>(1)</b>
<b>Balance as of March 29, 2020</b>	<b>11</b>	<b>12,246</b>	<b>138</b>	<b>(3)</b>	<b>1,875</b>	<b>14,268</b>

## Consolidated statement of cash flow

€ million	Q1 2020	Q1 2019
<b>Income from continuing operations</b>	644	436
Adjustments for:		
Net financial expenses	142	125
Income taxes	182	119
Share in income of joint ventures	(5)	(5)
Depreciation, amortization and impairments	714	676
(Gains) losses on leases and the sale of assets / disposal groups held for sale	(26)	(4)
Share-based compensation expenses	11	13
Operating cash flows before changes in operating assets and liabilities	1,662	1,360
Changes in working capital:		
Changes in inventories	371	(22)
Changes in receivables and other current assets	(140)	2
Changes in payables and other current liabilities	405	(374)
Changes in other non-current assets, other non-current liabilities and provisions	37	(24)
Cash generated from operations	2,336	942
Income taxes paid – net	(32)	(226)
Operating cash flows from continuing operations	2,304	717
<b>Net cash from operating activities</b>	<b>2,304</b>	<b>717</b>
Purchase of non-current assets	(708)	(452)
Divestments of assets / disposal groups held for sale	42	10
Acquisition of businesses, net of cash acquired	(4)	(5)
Divestment of businesses, net of cash divested	(1)	(8)
Changes in short-term deposits and similar instruments	(45)	218
Dividends received from joint ventures	—	1
Interest received	8	18
Lease payments received on lease receivables	24	26
Other	7	(1)
Investing cash flows from continuing operations	(676)	(193)
<b>Net cash from investing activities</b>	<b>(676)</b>	<b>(193)</b>
Interest paid	(31)	(38)
Repayments of loans	(414)	(12)
Changes in short-term loans	1,098	1,434
Repayment of lease liabilities	(412)	(417)
Share buyback	(336)	(307)
Other	(1)	—
Financing cash flows from continuing operations	(96)	660
<b>Net cash from financing activities</b>	<b>(96)</b>	<b>660</b>
<b>Net cash from operating, investing and financing activities</b>	<b>1,532</b>	<b>1,183</b>
Cash and cash equivalents at the beginning of the period (excluding restricted cash)	3,701	3,110
Effect of exchange rates on cash and cash equivalents	(16)	50
<b>Cash and cash equivalents at the end of the period (excluding restricted cash)</b>	<b>5,217</b>	<b>4,343</b>
Average U.S. dollar exchange rate (euro per U.S. dollar)	0.9065	0.8804

## Alternative performance measures

This results release includes alternative performance measures (also known as non-GAAP measures). The descriptions of these alternative performance measures are included in *Definitions: Performance measures* in Ahold Delhaize's Annual Report 2019.

As of the first quarter of 2020, both the basic and diluted underlying income per share from continuing operations will be disclosed. The updated definition is provided below.

### Basic and diluted underlying income per share from continuing operations

Underlying income per share from continuing operations is calculated as underlying income from continuing operations, divided by the weighted average number of shares outstanding, also referred to as "underlying earnings per share" or "underlying EPS." Diluted underlying income per share from continuing operations is calculated as diluted underlying income from continuing operations, divided by the diluted weighted average number of common shares outstanding, also referred to as "diluted underlying EPS." To determine the diluted underlying income from continuing operations, the underlying income from continuing operations is adjusted by the expense for preferred dividends on the cumulative preferred financing shares.

### Free cash flow

€ million	Q1 2020	Q1 2019
Operating cash flows from continuing operations before changes in working capital and income taxes paid	1,700	1,337
Changes in working capital	636	(394)
Income taxes paid – net	(32)	(226)
Purchase of non-current assets	(708)	(452)
Divestments of assets / disposal groups held for sale	42	10
Dividends received from joint ventures	—	1
Interest received	8	18
Interest paid	(31)	(38)
Lease payments received on lease receivables	24	26
Repayment of lease liabilities	(412)	(417)
<b>Free cash flow</b>	<b>1,228</b>	<b>(136)</b>

Free cash flow was €1,228 million, which represents an increase of €1,364 million compared to Q1 2019. The main drivers for this improvement are the increased cash generated from operations of €1,394 million and lower income taxes paid of €194 million, partially offset by higher net investments of €224 million. The increase in cash generated from operations was mainly driven by the impact of the COVID-19 outbreak on the profit and working capital balances at the end of the quarter, which resulted in low inventories and higher accounts payable balances.

**Net debt**

€ million	March 29, 2020	December 29, 2019
Loans	3,548	3,841
Lease liabilities	8,551	8,484
Non-current portion of long-term debt	12,099	12,325
Short-term borrowings and current portion of long-term debt	4,114	3,119
Gross debt	16,214	15,445
Less: Cash, cash equivalents, short-term deposits and similar instruments <sup>1</sup> and short-term portion of investments in debt instruments <sup>1, 2, 3, 4</sup>	5,432	3,863
<b>Net debt</b>	<b>10,782</b>	<b>11,581</b>

1. Short-term deposits and similar instruments include investments with a maturity of between three and 12 months. The balance of these instruments at March 29, 2020, was €60 million (December 29, 2019: €15 million) and is presented within Other current financial assets in the consolidated balance sheet.
2. Included in the short-term portion of investments in debt instruments is a U.S. Treasury investment fund in the amount of €141 million (December 29, 2019: €130 million).
3. Book overdrafts, representing the excess of total issued checks over available cash balances within the Group cash concentration structure, are classified in accounts payable and do not form part of net debt. This balance at March 29, 2020, was €295 million (December 29, 2019: €277 million).
4. Cash and cash equivalents include an amount held under a notional cash pooling arrangement of €1,979 million (December 29, 2019: €1,391 million). This cash amount is fully offset by an identical amount included under Short-term borrowings and current portion of long-term debt.

Net debt decreased in Q1 2020 by €800 million to €10,782 million, mainly as a result of the free cash flow of €1,228 million, partially offset by the share buyback of €336 million.

**Underlying EBITDA**

€ million	Q1 2020	Q1 2019
<b>Underlying operating income</b>	<b>961</b>	<b>695</b>
Depreciation and amortization <sup>1</sup>	705	661
<b>Underlying EBITDA</b>	<b>1,666</b>	<b>1,356</b>

1. The €7 million difference between the total amount of depreciation and amortization for Q1 2019 of €668 million and the €661 million mentioned here relates to an item that was excluded from underlying operating income.

Operating income increased by €289 million to €964 million. Operating income, after adjusting for impairments of €8 million (Q1 2019: €8 million); gains and losses on leases and the sale of assets of €25 million (Q1 2019: €5 million); and restructuring and related charges and other items of €14 million (Q1 2019: €16 million), resulted in underlying operating income of €961 million (up €266 million over Q1 2019).

**Underlying income from continuing operations**

€ million, except per share data	Q1 2020	Q1 2019
<b>Income from continuing operations</b>	<b>644</b>	<b>436</b>
Adjustments to operating income	(3)	19
Tax effect on adjusted and unusual items	1	(5)
<b>Underlying income from continuing operations</b>	<b>642</b>	<b>450</b>
Effect of dilutive potential common shares – reversal of preferred dividend	—	4
<b>Underlying income from continuing operations for the purpose of diluted earnings per share</b>	<b>642</b>	<b>454</b>
Basic income per share from continuing operations <sup>1</sup>	0.60	0.39
Diluted income per share from continuing operations <sup>2</sup>	0.59	0.38
Underlying income per share from continuing operations – basic <sup>1</sup>	0.59	0.40
Underlying income per share from continuing operations – diluted <sup>2</sup>	0.59	0.40

1. Basic and underlying earnings per share from continuing operations are calculated by dividing the (underlying) income from continuing operations attributable to equity holders by the average numbers of shares outstanding. The weighted average number of shares used for calculating the basic and underlying earnings per share for Q1 2020 is 1,082 million (Q1 2019: 1,124 million).
2. The diluted income per share from continuing operations and diluted underlying EPS is calculated by dividing the diluted (underlying) income from continuing operations by the diluted weighted average number of shares outstanding. The diluted weighted average number of shares used for calculating the diluted underlying EPS for Q1 2020 is 1,087 million (Q1 2019: 1,149 million).

Income from continuing operations was €644 million, which was €209 million higher than last year. This follows mainly from the increase in operating income of €289 million, offset by higher net financial expenses of €16 million and higher income taxes of €63 million.

**Segment reporting**
**Q1 2020**

€ million	The United States	Europe	Global Support Office	Ahold Delhaize Group
Net sales	11,315	6,893	—	<b>18,208</b>
Of which: online sales	324	674	—	<b>998</b>
Operating income (loss)	743	297	(77)	<b>964</b>
Impairment losses and reversals – net	6	2	—	<b>8</b>
(Gains) losses on leases and the sale of assets – net	(6)	(20)	—	<b>(25)</b>
Restructuring and related charges and other items	10	4	—	<b>14</b>
<i>Adjustments to operating income</i>	<i>11</i>	<i>(13)</i>	<i>—</i>	<i><b>(3)</b></i>
Underlying operating income (loss)	753	284	(77)	<b>961</b>

**Q1 2019**

€ million	The United States	Europe	Global Support Office	Ahold Delhaize Group
Net sales	9,666	6,211	—	<b>15,878</b>
Of which: online sales	221	540	—	<b>761</b>
Operating income (loss)	461	249	(34)	<b>675</b>
Impairment losses and reversals – net	6	2	—	<b>8</b>
(Gains) losses on leases and the sale of assets – net	(3)	(1)	—	<b>(5)</b>
Restructuring and related charges and other items	11	—	4	<b>16</b>
<i>Adjustments to operating income</i>	<i>14</i>	<i>1</i>	<i>4</i>	<i><b>19</b></i>
Underlying operating income (loss)	475	250	(30)	<b>695</b>

**Additional information**

Results in local currency for the United States are as follows:

\$ million	Q1 2020	Q1 2019
Net sales	12,482	10,980
Of which: online sales	357	251
Operating income	819	523
Underlying operating income	831	539

**Store portfolio**

Store portfolio (including franchise and affiliate stores)

	End of Q1 2019	Opened / acquired	Closed / sold	End of Q1 2020
The United States	1,963	18	(10)	1,971
Europe <sup>1</sup>	4,822	249	(40)	5,031
<b>Total</b>	<b>6,785</b>	<b>267</b>	<b>(50)</b>	<b>7,002</b>

1. The number of stores at the end of Q1 2020 includes 1,121 specialty stores (Etos and Gall & Gall); (end of Q1 2019: 1,134).

	End of Q4 2019	Opened / acquired	Closed / sold	End of Q1 2020
The United States	1,973	1	(3)	1,971
Europe <sup>1</sup>	4,994	53	(16)	5,031
<b>Total</b>	<b>6,967</b>	<b>54</b>	<b>(19)</b>	<b>7,002</b>

1. The number of stores at the end of Q1 2020 includes 1,121 specialty stores (Etos and Gall & Gall); (end of Q4 2019: 1,127).

## Financial calendar

Ahold Delhaize's financial year consists of 52 or 53 weeks and ends on the Sunday nearest to December 31. Ahold Delhaize's 2020 financial year consists of 53 weeks and ends on January 3, 2021.

The key publication dates for 2020 are as follows:

August 5            Results Q2 2020

November 4       Results Q3 2020

## Risks and uncertainties

Ahold Delhaize's enterprise risk management program provides the Company with a periodic and comprehensive understanding of Ahold Delhaize's key business risks and the management practices, policies and procedures in place to mitigate these risks. Ahold Delhaize recognizes strategic, operational, financial and compliance / regulatory risk categories. Whilst our principal risks have not changed as compared to those disclosed within the 2019 Annual Report, the COVID-19 outbreak has directly impacted our business operations and increased our overall risk profile, particularly with respect to the "business continuity" principal risk. The company has initiated several actions to mitigate the impact of the outbreak on our business, with a focus on protecting our employees and customers, and ensuring the continuity of our operations. The impact of this risk is being monitored and any required actions will be reassessed as necessary.

## Cautionary notice

This press release contains information that qualifies as inside information within the meaning of Article 7(1) of the EU Market Abuse Regulation.

This communication includes forward-looking statements. All statements other than statements of historical facts may be forward-looking statements. Words and expressions such as 2020, remain, committed, subsequent quarters, maintain, full-year, outlook, will be, remains, monitoring, changes, will, emerge, continue to, to grow, strategy, become, expect, to be, be delayed, monitor, developments, growth, should, continuing operations, long-term, plan, change, to mitigate, focus on, continuity 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 the 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, risks relating to the Company's inability to successfully implement its strategy, manage the growth of its business or realize the anticipated benefits of acquisitions; risks relating to competition and pressure on profit margins in the food retail industry; the impact of economic conditions on consumer spending; turbulence in the global capital markets; natural disasters and geopolitical events; climate change; raw material scarcity and human rights developments in the supply chain; disruption of operations and other factors negatively affecting the Company's suppliers; the unsuccessful operation of the Company's franchised and affiliated stores; changes in supplier terms and the inability to pass on cost increases to prices; risks related to corporate responsibility and sustainable retailing; food safety issues resulting in product liability claims and adverse publicity; environmental liabilities associated with the properties that the Company owns or leases; competitive labor markets, changes in labor conditions and labor disruptions; increases in costs associated with the Company's defined benefit pension plans; the failure or breach of security of IT systems; the Company's inability to successfully complete divestitures and the effect of contingent liabilities arising from completed divestitures; antitrust and similar legislation; unexpected outcomes in the Company's legal proceedings; additional expenses or capital expenditures associated with compliance with federal, regional, state and local laws and regulations; unexpected outcomes with respect to tax audits; the impact of the Company's outstanding financial debt; the Company's ability to generate positive cash flows; fluctuation in interest rates; the change in reference interest rate; the impact of downgrades of the Company's credit ratings and the associated increase in the Company's cost of borrowing; exchange rate fluctuations; inherent limitations in the Company's control systems; changes in accounting standards; adverse results arising from the Company's claims against its self-insurance program; the Company's inability to locate appropriate real estate or enter into real estate leases on commercially acceptable terms; and other factors discussed 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.

For more information:

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YouTube: @AholdDelhaize  
LinkedIn: @Ahold-Delhaize

Ahold Delhaize is one of the world's largest food retail groups and a leader in both supermarkets and eCommerce. Its family of great, local brands serves 54 million customers each week in Europe, the United States, and Indonesia. Together, these brands employ 380,000 associates in 6,967 grocery and specialty stores and include the top online retailer in the Benelux and the leading online grocers in the Benelux and the United States. Ahold Delhaize brands are at the forefront of sustainable retailing, sourcing responsibly, supporting local communities and helping customers make healthier choices. Headquartered in Zaandam, the Netherlands, Ahold Delhaize is listed on the Euronext Amsterdam and Brussels stock exchanges (ticker: AD) and its American Depository Receipts are traded on the over-the-counter market in the U.S. and quoted on the OTCQX International marketplace (ticker: ADRNY). For more information, please visit [www.aholdelhaize.com](http://www.aholdelhaize.com).



Proud companies of  Ahold Delhaize