

Koninklijke Ahold Delhaize N.V.

Q2 2024 Report

Issued on August 7, 2024

Ahold Delhaize reports solid performance in second quarter and reiterates 2024 outlook

- * To support household budgets that continue to be under pressure, our brands delivered value for customers through a continued focus on expanding their high-quality own-brand assortments and supported by increased promotional activity from vendors.
- * We are starting to benefit from structural changes in our business related to the Belgium Future Plan and cost savings initiatives, which are providing a strong backdrop as we begin to implement our new Growing Together strategy.
- * Q2 Group net sales were €22.3 billion, up 0.7% at constant exchange rates and up 1.2% at actual exchange rates. Q2 comparable sales excluding gasoline increased by 0.6% for the Group, with a decrease of 0.4% in the U.S. and an increase of 2.4% in Europe. Comparable sales excluding gasoline were negatively impacted by 1.2 percentage points in the U.S. due to calendar shifts, and net negatively impacted by 2.3 percentage points in Europe due to calendar shifts, tobacco and cycling strikes.
- * Online sales increased by 3.4% in Q2 at constant exchange rates and by 3.9% at actual exchange rates. Online sales were negatively impacted by 8.0 percentage points due to the divestment of FreshDirect. This was offset by double-digit growth at Food Lion, Hannaford, The GIANT Company and Albert Heijn.
- * Q2 underlying operating margin was 4.2%, an increase of 0.1 percentage points due to strong performance in both the U.S. and Europe.
- * Q2 IFRS operating income was €790 million and IFRS diluted EPS was €0.53. IFRS results were €143 million lower than underlying results, largely due to costs related to the Belgium Future Plan.
- * Q2 diluted underlying EPS was €0.65, an increase of 4.5% compared to the prior year at actual rates.
- * 2024 interim dividend is €0.50 (2023: €0.49), based on the Group's interim dividend policy.
- * The Company reiterates its 2024 full-year outlook, including underlying operating margin of $\geq 4.0\%$; underlying EPS at around 2023 levels; free cash flow of around €2.3 billion; and net capital expenditures of around €2.2 billion. The strong performance in H1 2024 provides opportunities to initiate further actions in support of our Growing Together strategy in H2 2024.

Zaandam, the Netherlands, August 7, 2024 – Ahold Delhaize, one of the world's largest food retail groups and a leader in both supermarkets and e-commerce, reports second quarter results today.

Summary of key financial data

	Ahold Delhaize Group			The United States		Europe	
	Q2 2024	% change	% change constant rates ¹	Q2 2024	% change constant rates ¹	Q2 2024	% change constant rates ¹
€ million, except per share data	13 weeks 2024 vs. 13 weeks 2023						
Net sales ²	22,349	1.2 %	0.7 %	13,576	(1.5) %	8,772	4.3 %
Comparable sales growth excluding gasoline ¹	0.6 %			(0.4)%		2.4 %	
Online sales ²	2,223	3.9 %	3.4 %	1,016	(2.9) %	1,207	9.3 %
Net consumer online sales ^{1,2}	2,952	2.7 %	2.3 %	1,016	(2.9) %	1,936	5.2 %
Operating income	790	9.1 %	8.4 %	614	5.8 %	202	52.7 %
Operating margin	3.5 %	0.3 pp	0.3 pp	4.5 %	0.3 pp	2.3 %	0.7 pp
Underlying operating income ¹	933	3.2 %	2.6 %	632	0.4 %	324	22.2 %
Underlying operating margin ¹	4.2 %	0.1 pp	0.1 pp	4.7 %	0.1 pp	3.7 %	0.5 pp
Diluted EPS	0.53	10.4 %	9.7 %				
Diluted underlying EPS ¹	0.65	4.5 %	4.0 %				
Free cash flow ¹	378	(56.3) %	(56.4) %				

1. Comparable sales excluding gasoline, net consumer online sales, underlying operating income and related margin, diluted underlying EPS, free cash flow, and the percentage changes at constant rates are alternative performance measures that are used throughout this report. For a description of alternative performance measures and a reconciliation between percentage changes and percentage changes at constant rates, see [Note 13](#).

2. Comparative amounts have been restated to conform to the current year's presentation (see [Note 2](#)).

	Ahold Delhaize Group			The United States		Europe	
	HY 2024	% change	% change constant rates ¹	HY 2024	% change constant rates ¹	HY 2024	% change constant rates ¹
€ million, except per share data	26 weeks 2024 vs. 26 weeks 2023						
Net sales ²	44,077	0.8 %	1.0 %	26,827	(1.1) %	17,250	4.5 %
Comparable sales growth excluding gasoline ¹	1.1 %			0.2 %		2.6 %	
Online sales ²	4,429	1.3 %	1.4 %	2,015	(6.6) %	2,414	9.1 %
Net consumer online sales ^{1,2}	5,818	0.6 %	0.7 %	2,015	(6.6) %	3,803	5.0 %
Operating income	1,593	3.1 %	3.3 %	1,249	3.7 %	390	17.4 %
Operating margin	3.6 %	0.1 pp	0.1 pp	4.7 %	0.2 pp	2.3 %	0.2 pp
Underlying operating income ¹	1,794	1.4 %	1.7 %	1,246	(1.9) %	592	20.1 %
Underlying operating margin ¹	4.1 %	— pp	— pp	4.6 %	— pp	3.4 %	0.4 pp
Diluted EPS	1.08	1.8 %	2.1 %				
Diluted underlying EPS ¹	1.24	0.8 %	1.1 %				
Free cash flow ¹	754	(14.8) %	(15.1) %				

1. Comparable sales excluding gasoline, net consumer online sales, underlying operating income and related margin, diluted underlying EPS, free cash flow, and the percentage changes at constant rates are alternative performance measures that are used throughout this report. For a description of alternative performance measures and a reconciliation between percentage changes and percentage changes at constant rates, see [Note 13](#).

2. Comparative amounts have been restated to conform to the current year's presentation (see [Note 2](#)).

Comments from Frans Muller, President and CEO of Ahold Delhaize

"I am pleased to report a second quarter performance that places us well on track to achieve our strategic aspirations and financial goals for 2024. It has been a busy quarter, as we launched our refreshed company strategy, 'Growing Together,' internally and externally. As I said in May, we have a strong foundation, and we are ready to set the pace for change in our industry. We believe we have a very compelling set of ambitions, which, on delivery, will yield strong growth for our company and our stakeholders.

"At the same time, we saw strong and improving momentum at our brands in both regions. Group net sales grew 0.7% at constant rates, while comparable sales excluding gasoline increased by 0.6%. Excluding calendar shifts, the latter would have been 1.0 percentage points higher. As inflation moderated and promotional opportunities increased, supported by vendors, our brands continued to deliver great value to customers, leveraging their loyalty programs and broad assortment of national and own-brand products, and offering a seamless shopping experience both online and in-store.

"As growth rates in the industry normalize, our omnichannel ecosystems are proving a major competitive advantage and source of market share gains. In Q2, online sales were again fueled by double-digit growth in online grocery in both Europe and the U.S., excluding the divestment of FreshDirect. Here we are seeing both new customer growth and strong customer retention. At the same time, we are making strides in e-commerce profitability. In the U.S., the shift in demand to more profitable channels and our initiatives to optimize the store-first fulfillment model are paying off. In the Netherlands, Albert Heijn has opened its second fully automated Home Shop Center (HSC) in Zwolle. Our experience with the Barendrecht facility, which is performing above expectations in areas such as order completeness and order window optionality, gives us confidence that we have the right model and technological setup to deliver great customer service in an economical way in the long-term.

"We are also well on track with our Save for Our Customers program for 2024. In addition, we are starting to benefit from structural changes in our business related to the Belgium Future Plan and cost savings initiatives in Europe and the U.S. that were initiated over the past 12 months. Our delivery of an underlying operating margin of 4.2% puts us in a good position to take further steps this year to accelerate growth investments, and comes at a time when we see encouraging volume trends in both regions.

"With the strong operational execution by our teams and associates in the quarter, diluted underlying EPS was €0.65, an increase of 4.5% at actual rates. On an IFRS basis, we delivered operating income of €790

million and diluted EPS of €0.53. IFRS results were negatively impacted by non-recurring costs, largely related to the costs associated with the transition of stores as part of the Belgium Future Plan. As a result, I am pleased to report that we will pay an interim dividend of €0.50 per share, in line with our dividend policy.

“In the U.S., net sales declined by 1.5% at constant rates, while comparable sales growth excluding gasoline declined by 0.4%, negatively impacted by 1.2 percentage points from calendar shifts. Therefore, excluding the impacts of calendar shifts and the divestment of FreshDirect, we saw a sequential improvement in growth rates during the quarter, as volume trends continued on a positive trajectory. By putting increased attention on the value of own-brand products while making it easier to earn loyalty rewards, the U.S. brands are laser-focused on investing in our winning customer value proposition. One example of this is the 'Compare & Save' campaigns at Stop & Shop and Giant Food, which are trending favorably with higher sales, in both dollars and units.

“During our Strategy Day in May, we communicated that we would take decisive and deliberate actions to ensure a stable and thriving future for Stop & Shop. We're moving forward confidently in three key areas. First, delighting customers through improvements to the customer value proposition and differentiation. Second, improving the cost structure. And third, optimizing the store portfolio. Regarding the latter, Stop & Shop will close 32 underperforming stores by year end. We expect to recognize a net impact to sales, in 2024, of between \$100 and \$125 million and, in 2025, between \$550 and \$575 million. We also expect to recognize a non-recurring pre-tax charge of between \$160 and \$210 million in Q3 2024. By creating a healthy store base, the team at Stop & Shop will be able to focus attention on the markets that are most important, including those where the brand has strong density, holds a strong market position or has stores that are performing well.

“In Europe, as inflation rates moderate compared to a year ago, our brands are doubling down on their winning strategies to drive market share growth, for example, by offering compelling promotions to drive customer traffic and expanding the assortment of 'Price favorites.' Net sales in Europe grew by 4.3% at constant rates, while comparable sales growth excluding gasoline was 2.4%, despite the end of tobacco sales at Albert Heijn, which had a negative impact of 2.1 percentage points. At Delhaize Belgium, to date, 108 stores have been transitioned to their new owners, and we expect that conversions will be completed in Q4. The improved customer experience has already resulted in Delhaize's market shares exceeding pre-announcement levels. In addition, the higher sales leverage and change in operating model, along with cycling the impact from prior year strikes, have contributed to the recovery of underlying operating margin in Europe, which reached 3.7%.

“Our purpose and commitments go beyond our quarterly financial performance. We remain dedicated to advancing our journey towards healthier communities and planet, a cornerstone of our Growing Together strategy. Together with associates, customers, communities and our supply-chain partners, we are increasing cooperation to drive a positive impact. I am proud that, in July, we started a sponsorship with The Global FoodBanking Network, through which we are playing a crucial role in redirecting surplus, nutritious food to those who need it most. We also published our 2024 Human Rights Report, which provides an update on our progress over the past two years on our Roadmap on Human Rights. The report includes several major updates to our Standards of Engagement for suppliers and highlights of our brands' initiatives to improve conditions for workers across the value chain.

“With positive momentum going into the second half of the year, I am confident that we are more than well on track to achieve our commitments for 2024. The stronger-than-planned performance in the first half of 2024 provides opportunities to already take some further actions in support of our Growing Together strategy and financial long-term ambitions in the second half of 2024, in particular, initiatives such as those we have just announced at Stop & Shop as well as other price investments we outlined in our new strategy. With the economic environment remaining dynamic, focusing on our growth plan and keeping our own house in order will ensure we are well positioned to drive brand strength and market share growth in the coming periods. We are excited by the potential of our plan and the value creation potential we are striving to unlock.”

Group performance

€ million, except per share data	Q2 2024 (13 weeks)	Q2 2023 (13 weeks)	% change	% change constant rates ¹	HY 2024 (26 weeks)	HY 2023 (26 weeks)	% change	% change constant rates ¹
Net sales ²	22,349	22,084	1.2 %	0.7 %	44,077	43,727	0.8 %	1.0 %
Of which: online sales ²	2,223	2,139	3.9 %	3.4 %	4,429	4,371	1.3 %	1.4 %
Net consumer online sales ^{1, 2}	2,952	2,874	2.7 %	2.3 %	5,818	5,781	0.6 %	0.7 %
Operating income	790	724	9.1 %	8.4 %	1,593	1,546	3.1 %	3.3 %
Income from continuing operations	499	468	6.5 %	5.9 %	1,012	1,029	(1.7)%	(1.4)%
Net income	499	468	6.6 %	5.9 %	1,012	1,029	(1.7)%	(1.4)%
Basic income per share from continuing operations (EPS)	0.53	0.48	10.3 %	9.7 %	1.08	1.06	1.7 %	2.0 %
Diluted income per share from continuing operations (diluted EPS)	0.53	0.48	10.4 %	9.7 %	1.08	1.06	1.8 %	2.1 %
Underlying EBITDA ¹	1,811	1,764	2.7 %	2.2 %	3,532	3,499	0.9 %	1.2 %
Underlying EBITDA margin ¹	8.1 %	8.0 %			8.0 %	8.0 %		
Underlying operating income ¹	933	904	3.2 %	2.6 %	1,794	1,769	1.4 %	1.7 %
Underlying operating margin ¹	4.2 %	4.1 %			4.1 %	4.0 %		
Underlying income per share from continuing operations – basic (underlying EPS) ¹	0.65	0.62	4.4 %	3.9 %	1.24	1.23	0.7 %	1.1 %
Underlying income per share from continuing operations – diluted (diluted underlying EPS) ¹	0.65	0.62	4.5 %	4.0 %	1.24	1.23	0.8 %	1.1 %
Free cash flow ¹	378	864	(56.3)%	(56.4)%	754	886	(14.8)%	(15.1)%

1. Net consumer online sales, underlying EBITDA and related margin, underlying operating income and related margin, basic and diluted underlying income per share from continuing operations, free cash flow, and the percentage changes at constant rates are alternative performance measures that are used throughout this report. For a description of alternative performance measures and a reconciliation between percentage changes and percentage changes at constant rates, see [Note 13](#).

2. Comparative amounts have been restated to conform to the current year's presentation (see [Note 2](#)).

Group net sales were €22.3 billion, an increase of 0.7% at constant exchange rates and up 1.2% at actual exchange rates. Group net sales were driven by comparable sales growth excluding gasoline of 0.6% and net store openings, including the conversion of Jan Linders stores. Group net sales growth was partially offset by the divestment of FreshDirect and lower gasoline sales. Q2 Group comparable sales excluding gasoline had a net negative impact of approximately 1.0 percentage point from calendar shifts, related to Easter and the Fourth of July, and a 0.7 percentage-point negative impact from the cessation of tobacco sales at own-operated supermarkets in the Netherlands, which was partially offset by an approximate 0.2 percentage-point positive impact from cycling prior year strikes in Belgium.

In Q2, Group online sales increased by 3.4% at constant exchange rates, negatively impacted by 8.0 percentage points due to the divestment of FreshDirect. This was offset by double-digit growth at Food Lion, Hannaford, The GIANT Company and Albert Heijn.

Group underlying operating margin was 4.2%, an increase of 0.1 percentage points at constant exchange rates due to strong performance in both the U.S. and Europe.

In Q2, Group IFRS operating income was €790 million, representing an IFRS operating margin of 3.5%. IFRS results were €143 million lower than underlying results, largely due to costs related to the Belgium Future Plan.

Diluted EPS was €0.53 and diluted underlying EPS was €0.65, up 4.5% at actual currency rates compared to last year's results.

In the quarter, Ahold Delhaize purchased 10.3 million own shares for €287 million, bringing the total amount to €501 million in the first half of the year. The 2024 interim dividend is €0.50, compared to €0.49 in 2023, and is in line with the Group's interim dividend policy.

Performance by segment

The United States

	Q2 2024 (13 weeks)	Q2 2023 (13 weeks)	% change	% change constant rates ¹	HY 2024 (26 weeks)	HY 2023 (26 weeks)	% change	% change constant rates ¹
\$ million								
Net sales ²	14,617	14,842	(1.5)%		29,006	29,324	(1.1)%	
Of which: online sales	1,094	1,127	(2.9)%		2,178	2,333	(6.6)%	
€ million								
Net sales ²	13,576	13,634	(0.4)%	(1.5)%	26,827	27,130	(1.1)%	(1.1)%
Of which: online sales	1,016	1,034	(1.8)%	(2.9)%	2,015	2,158	(6.6)%	(6.6)%
Operating income	614	574	7.0 %	5.8 %	1,249	1,206	3.6 %	3.7 %
Underlying operating income ¹	632	623	1.4 %	0.4 %	1,246	1,271	(1.9)%	(1.9)%
Underlying operating margin ¹	4.7 %	4.6 %			4.6 %	4.7 %		
Comparable sales growth excluding gasoline ¹	(0.4)%	3.6 %			0.2 %	4.9 %		

1. Underlying operating income and related margin, comparable sales growth excluding gasoline, and the percentage changes in constant rates are alternative performance measures that are used throughout this report. For a description of alternative performance measures and a reconciliation between percentage changes and percentage changes constant rates, see [Note 13](#).

2. Comparative amounts have been restated to conform to the current year's presentation (see [Note 2](#)).

U.S. net sales were €13.6 billion, a decrease of 1.5% at constant exchange rates and down 0.4% at actual exchange rates. U.S. comparable sales excluding gasoline decreased by 0.4%, and there was a net negative impact of approximately 1.2 percentage points from calendar shifts related to the timing of Easter and the Fourth of July. Strong growth in pharmacy was offset by moderating inflation rates, the divestment of FreshDirect and lower gasoline sales. Food Lion and Hannaford continue to lead the U.S. brands' performance, with 47 and 12 consecutive quarters of positive sales growth, respectively.

In Q2, online sales declined 2.9% in constant currency, negatively impacted by 16.9 percentage points due to the divestment of FreshDirect. This was partially offset by double-digit growth at Food Lion, Hannaford and The GIANT Company.

Underlying operating margin in the U.S. was 4.7%, up 0.1 percentage points due to increased vendor allowances and the benefit from cost savings initiatives implemented over the past 12 months, including the divestment of FreshDirect. This was partially offset by higher store labor and hired service costs and lower sales leverage. The strong performance provides us with opportunities to take further actions in support of our Growing Together strategy in the second half of the year.

In Q2, U.S. IFRS operating margin was 4.5%. IFRS results were €18 million lower than underlying results, in part due to restructuring costs related to the reorganization of U.S. support roles.

Europe

€ million	Q2 2024 (13 weeks)	Q2 2023 (13 weeks)	% change	% change constant rates ¹	HY 2024 (26 weeks)	HY 2023 (26 weeks)	% change	% change constant rates ¹
Net sales ²	8,772	8,451	3.8 %	4.3 %	17,250	16,597	3.9 %	4.5 %
Of which: online sales ²	1,207	1,105	9.3 %	9.3 %	2,414	2,213	9.1 %	9.1 %
Net consumer online sales ^{1,2}	1,936	1,840	5.2 %	5.2 %	3,803	3,623	5.0 %	5.0 %
Operating income	202	134	50.6 %	52.7 %	390	336	16.1 %	17.4 %
Underlying operating income ¹	324	267	21.3 %	22.2 %	592	497	19.2 %	20.1 %
Underlying operating margin ¹	3.7 %	3.2 %			3.4 %	3.0 %		
Comparable sales growth excluding gasoline ^{1,2}	2.4 %	6.1 %			2.6 %	6.1 %		

1. Net consumer online sales, underlying operating income and related margin, comparable sales growth excluding gasoline, and the percentage changes in constant rates are alternative performance measures that are used throughout this report. For a description of alternative performance measures and a reconciliation between percentage changes and percentage changes constant rates, see [Note 13](#).

2. Comparative amounts have been restated to conform to the current year's presentation (see [Note 2](#)).

European net sales were €8.8 billion, an increase of 4.3% at constant exchange rates and 3.8% at actual exchange rates. The higher net sales were largely due to an increase in comparable sales of 2.4% and net store openings, including the conversion of Jan Linders stores. Europe's comparable sales excluding gasoline included a net negative impact of 2.1 percentage points resulting from the cessation of tobacco sales at own-operated supermarkets in the Netherlands and net negative impact of 0.7 percentage points from calendar shifts related to Easter, which offset the positive impact of 0.5 percentage points from cycling prior year strikes in Belgium.

In Q2, online sales increased by 9.3%, driven by double-digit growth in grocery online sales.

Underlying operating margin in Europe was 3.7%, up 0.5 percentage points. The increase was driven by performance recovery in Belgium, due to cycling prior year strikes and the change in operating model, as well as lower energy costs across the region. It was partially offset by higher labor costs, primarily at Albert Heijn, and an increase in the non-cash service charge for the Netherlands' employee pension plan. Europe's Q2 IFRS operating margin was 2.3%. IFRS results were €122 million lower than underlying results, largely due to costs associated with the Belgium Future Plan.

Global Support Office

€ million	Q2 2024 (13 weeks)	Q2 2023 (13 weeks)	% change	% change constant rates ¹	HY 2024 (26 weeks)	HY 2023 (26 weeks)	% change	% change constant rates ¹
Operating income (expense)	(26)	16	NM ²	NM ²	(47)	3	NM ²	NM ²
Underlying operating income (expense)	(23)	14	NM ²	NM ²	(44)	1	NM ²	NM ²
Insurance results	17	42	(59.5)%	(59.8)%	36	60	(40.4)%	(40.7)%
Underlying operating income (expense) excluding insurance results ¹	(40)	(28)	43.7 %	43.0 %	(79)	(58)	35.8 %	35.8 %

1. Underlying operating income (expense), underlying operating income (expense) excluding insurance results, and the percentage changes in constant rates are alternative performance measures that are used throughout this report. For a description of alternative performance measures and a reconciliation between percentage changes and percentage changes constant rates, see [Note 13](#).

2. Not meaningful, as the result is an expense in 2024, compared to an income in 2023.

In Q2, Global Support Office underlying operating expense was €23 million, compared to an income of €14 million in the prior year. Underlying operating expense excluding insurance results increased by €12 million due to higher technology costs. Insurance results decreased by €25 million, driven primarily by a decrease in interest rates.

Outlook

Ahold Delhaize reiterates the Group's 2024 outlook, which we announced when we published our Q4 2023 results. Underlying operating margin is expected to be 4.0% or higher, in line with the Company's historical profile. Underlying EPS is expected to be at around 2023 levels at current exchange rates. Free cash flow is expected to be around €2.3 billion. Net capital expenditures are expected to total around €2.2 billion, lower than the prior year, mainly due to divestments of facilities in the U.S. Overall, we continue to maintain strong levels of investments into our brands' store networks, the further rollout of omnichannel capabilities, and advancing our healthy and sustainable initiatives.

The following are changes in the business that will impact comparable performance for 2024 and that have been incorporated into our Outlook:

- The divestment of FreshDirect, which will reduce the amount of 2024 reported net sales and online sales for the U.S. segment by \$600 million.
- The cessation of tobacco sales, which will impact Albert Heijn's net sales. Albert Heijn stopped selling tobacco in its own-operated supermarkets on January 1, 2024 and in all supermarkets on July 1, 2024. This will have around a two to three percentage-point impact on reported and comparable store sales in Europe in 2024.

The closure of 32 underperforming Stop & Shop stores is anticipated to be completed on or before the end of the year. The estimated net impact to 2024 reported net sales from these closures is between \$100 and \$125 million. There is also expected to be a non-recurring pre-tax charge between \$160 and \$210 million, which will not have an impact on underlying operating margin. The impact of this decision can be absorbed within our 2024 Outlook; therefore, there is no change to our 2024 Outlook as a result of the announced closures.

The acquisition of Profi is expected to close in Q4 2024, and will double the size of our operations in Romania. As the timing of the closing is uncertain, our 2024 Outlook excludes any impact from this transaction.

	Full-year outlook	Underlying operating margin	Underlying EPS	Save for Our Customers	Net capital expenditures	Free cash flow ¹	Dividend payout ^{2,3}	Share buyback ³
Outlook	2024	≥ 4.0%	Around 2023 levels	≥ €1 billion	Around €2.2 billion	Around €2.3 billion	YOY growth in dividend per share	€1 billion

1. Excludes M&A.

2. Calculated as a percentage of underlying income from continuing operations.

3. Management remains committed to our share buyback and dividend programs, but, given the uncertainty caused by the wider macro-economic consequences due to increased geopolitical unrest, will continue to monitor macro-economic developments. The program is also subject to changes resulting from corporate activities, such as material M&A activity.

Financial review

Q2 2024 (compared to Q2 2023)

Underlying operating income increased by €29 million to €933 million, and was adjusted for the following items, which impacted reported IFRS operating income:

- Impairments of €31 million (Q2 2023: €161 million)
- (Gains) and losses on leases and the sale of assets of €77 million (Q2 2023: €(19) million)
- Restructuring and related charges and other items of €35 million (Q2 2023: €38 million)

The impairments mainly relate to intangible assets in Europe. The (gains) and losses on leases and the sale of assets mainly relate to losses recognized on the sale of stores to franchisees in Belgium. The restructuring and related charges and other items largely relate to the reorganization of U.S. support roles. Including these items, IFRS operating income increased by €66 million to €790 million.

Income from continuing operations was €499 million, representing an increase of €31 million compared to last year. This was mainly driven by a €66 million increase in operating income and lower net financial expenses of €11 million, partially offset by higher income taxes of €40 million and a lower share in income of joint ventures of €6 million.

Free cash flow was €378 million, which represents a decrease of €486 million compared to Q2 2023. This was due to an unfavorable difference of €381 million in cash flows related to income taxes driven by an incidental tax refund in the prior year, a negative development in working capital of €212 million due to timing differences, higher net lease repayments of €7 million, increased net investments of €5 million and higher net interest paid of €3 million, partially offset by higher other operating cash flows in the aggregate of €121 million.

Net debt increased by €510 million to €14.7 billion compared to Q1 2024. This was mainly due to the dividends paid of €573 million, the share buyback of €287 million and the foreign exchange impact on net debt of €49 million, partially offset by the free cash flow of €378 million and the decrease in lease liabilities of €23 million.

Half year 2024 (compared to half year 2023)

Underlying operating income increased by €26 million to €1,794 million, and was adjusted for the following items, which impacted reported IFRS operating income:

- Impairments of €47 million (HY 2023: €174 million)
- (Gains) and losses on leases and the sale of assets of €112 million (HY 2023: €(17) million)
- Restructuring and related charges and other items of €42 million (HY 2023: €67 million)

The impairments largely relate to intangible assets in Europe. The (gains) and losses on leases and the sale of assets mainly relate to losses recognized on the sale of stores to franchisees in Belgium. The restructuring and related charges and other items largely relate to the Belgium Future Plan. Including these items, IFRS operating income increased by €47 million to €1,593 million.

Income from continuing operations was €1,012 million, representing a decrease of €18 million compared to last year. This was driven by higher income taxes of €48 million, higher net financial expenses of €13 million and a lower share in income from joint ventures of €4 million, partially offset by a €47 million increase in operating income.

Free cash flow was €754 million, which represents a decrease of €131 million compared to last year. This was due to an unfavorable difference of €328 million in cash flows related to income taxes driven by an incidental tax refund in the prior year and higher net lease repayments of €11 million, partially offset by lower net investments of €94 million, higher other operating cash flows in the aggregate of €56 million, a positive development in working capital of €55 million and lower net interest paid of €4 million.

For 2024, the interim dividend is €0.50 per common share, compared to the 2023 interim dividend of €0.49 per common share. The 2024 interim dividend will be paid on August 29, 2024. The interim dividend is equal to 40% of the year-to-date underlying income per share from continuing operations (see [Note 13](#) for a reconciliation of income from continuing operations to underlying income from continuing operations).

Store portfolio

Store portfolio (including franchise and affiliate stores):

	End of Q2 2023	Opened / acquired	Closed / sold	End of Q2 2024
The United States	2,048	4	(4)	2,048
Europe ¹	5,548	217	(78)	5,687
Total	7,596	221	(82)	7,735

1. The number of stores at the end of Q2 2024 includes 1,144 specialty stores (Etos and Gall & Gall); (end of Q2 2023: 1,123).

	End of Q4 2023	Opened / acquired	Closed / sold	End of Q2 2024
The United States	2,048	3	(3)	2,048
Europe ¹	5,668	62	(43)	5,687
Total	7,716	65	(46)	7,735

1. The number of stores at the end of Q2 2024 includes 1,144 specialty stores (Etos and Gall & Gall); (end of Q4 2023: 1,151).

Risks and uncertainties

Ahold Delhaize's enterprise risk management program provides executive management with a periodic and holistic 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, compliance and ESG risk categories. Our principal risks have not changed significantly compared to those disclosed within the Annual Report 2023. The business environment in which we currently operate is challenging and competitive. It is characterized by cost-of-living pressures, persistently elevated inflation, continued economic uncertainty and evolving consumer and stakeholder expectations. Geopolitical tensions, conflicts, cyber-attacks and polarizing narratives continue to erode trust and increase insecurity. An integrated comprehensive analysis of the principal risks faced by Ahold Delhaize is included in the Risks and Opportunities section of Ahold Delhaize's Annual Report 2023, which was published on February 28, 2024.

Independent auditor's involvement

The contents of this interim report have not been audited or reviewed by an independent external auditor.

Declarations

The members of Ahold Delhaize's Management Board hereby declare that, to the best of their knowledge, the half-year financial statements included in this interim report, which have been prepared in accordance with IAS 34 "Interim Financial Reporting," give a true and fair view of Ahold Delhaize's assets, liabilities, financial position and profit or loss and the undertakings included in the consolidation taken as a whole, and the half-year management report included in this interim report includes a fair review of the information required pursuant to section 5:25d, subsections 8 and 9, of the Dutch Act on Financial Supervision "Wet op het financieel toezicht."

Consolidated income statement

€ million, except per share data	Note	Q2 2024	Q2 2023 restated	HY 2024	HY 2023 restated
Net sales	4/5	22,349	22,084	44,077	43,727
Cost of sales		(16,366)	(16,209)	(32,270)	(32,003)
Gross profit		5,982	5,875	11,807	11,724
Other income		114	150	224	300
Selling expenses		(4,332)	(4,329)	(8,586)	(8,633)
General and administrative expenses		(974)	(972)	(1,852)	(1,846)
Operating income	4	790	724	1,593	1,546
Interest income		63	42	110	74
Interest expense		(98)	(90)	(174)	(160)
Net interest expense on defined benefit pension plans		(5)	(4)	(10)	(8)
Interest accretion to lease liability		(105)	(94)	(208)	(185)
Other financial income (expense)		3	(5)	(3)	8
Net financial expenses		(141)	(152)	(285)	(272)
Income before income taxes		649	572	1,308	1,274
Income taxes	6	(153)	(113)	(303)	(255)
Share in income of joint ventures		3	9	6	11
Income from continuing operations		499	468	1,012	1,029
Loss from discontinued operations		—	—	—	—
Net income		499	468	1,012	1,029
Attributable to:					
Common shareholders		499	468	1,012	1,029
Non-controlling interests		—	—	—	—
Net income		499	468	1,012	1,029
Net income per share attributable to common shareholders:					
Basic		0.53	0.48	1.08	1.06
Diluted		0.53	0.48	1.08	1.06
Income from continuing operations per share attributable to common shareholders:					
Basic		0.53	0.48	1.08	1.06
Diluted		0.53	0.48	1.08	1.06
Weighted average number of common shares outstanding (in millions):					
Basic		934	967	938	970
Diluted		936	970	941	974
Average U.S. dollar exchange rate (euro per U.S. dollar)		0.9289	0.9185	0.9249	0.9252

 Comparative amounts have been restated to conform to the current year's presentation (see [Note 2](#)).

Consolidated statement of comprehensive income

€ million	Note	Q2 2024	Q2 2023	HY 2024	HY 2023
Net income		499	468	1,012	1,029
Remeasurements of pension plans:					
Remeasurements before taxes – income (loss)		222	(72)	102	(98)
Income taxes		(57)	19	(26)	26
Non-realized gains (losses) on debt and equity instruments:					
Fair value result for the period		(28)	—	(27)	—
Income taxes		7	—	7	—
Other comprehensive income (loss) that will not be reclassified to profit or loss		144	(53)	56	(73)
Currency translation differences in foreign interests:					
Continuing operations		93	(89)	354	(222)
Cumulative translation differences from divestments transferred to net income		—	—	—	—
Income taxes		—	1	1	(1)
Cash flow hedges:					
Fair value result for the period		—	—	5	—
Transfers to net income		—	—	1	—
Income taxes		—	—	(2)	—
Non-realized gains (losses) on debt and equity instruments:					
Fair value result for the period		—	—	—	—
Income taxes		—	—	—	—
Other comprehensive loss of joint ventures – net of income taxes:					
Share of other comprehensive loss from continuing operations		—	—	—	—
Other comprehensive income (loss) reclassifiable to profit or loss		93	(88)	359	(222)
Total other comprehensive income (loss)		237	(141)	415	(295)
Total comprehensive income		736	327	1,427	734
Attributable to:					
Common shareholders		736	327	1,427	734
Non-controlling interests		—	—	—	—
Total comprehensive income		736	327	1,427	734
Attributable to:					
Continuing operations		736	327	1,427	734
Discontinued operations		—	—	—	—
Total comprehensive income		736	327	1,427	734

Consolidated balance sheet

€ million	Note	June 30, 2024	December 31, 2023
Assets			
Property, plant and equipment		11,717	11,647
Right-of-use asset		9,604	9,483
Investment property		585	591
Intangible assets		13,215	12,998
Investments in joint ventures and associates		260	268
Other non-current financial assets		927	949
Deferred tax assets		187	196
Other non-current assets		245	228
Total non-current assets		36,739	36,358
Assets held for sale	7	80	205
Inventories		4,784	4,583
Receivables		2,454	2,488
Other current financial assets		312	302
Income taxes receivable		104	68
Prepaid expenses and other current assets		391	332
Cash and cash equivalents	9	5,832	3,484
Total current assets		13,959	11,463
Total assets		50,698	47,821
Equity and liabilities			
Equity attributable to common shareholders	8	15,133	14,755
Loans		5,751	4,137
Other non-current financial liabilities		10,879	10,801
Pensions and other post-employment benefits		679	792
Deferred tax liabilities		952	925
Provisions		925	764
Other non-current liabilities		38	37
Total non-current liabilities		19,224	17,456
Accounts payable		8,276	8,278
Other current financial liabilities		4,361	3,275
Income taxes payable		183	114
Provisions		497	492
Other current liabilities		3,024	3,451
Total current liabilities		16,341	15,610
Total equity and liabilities		50,698	47,821
Year-end U.S. dollar exchange rate (euro per U.S. dollar)		0.9334	0.9059

Consolidated statement of changes in equity

€ million	Note	Share capital	Additional paid-in capital	Currency translation reserve	Cash flow hedging reserve	Other reserves including retained earnings ¹	Equity attributable to common shareholders
Balance as of January 1, 2023		10	9,603	595	(1)	5,198	15,405
Net income attributable to common shareholders		—	—	—	—	1,029	1,029
Other comprehensive income attributable to common shareholders		—	—	(223)	—	(73)	(295)
Total comprehensive income attributable to common shareholders		—	—	(223)	—	956	734
Dividends		—	—	—	—	(574)	(574)
Share buyback		—	—	—	—	(561)	(561)
Cancellation of treasury shares		—	(622)	—	—	623	—
Share-based payments		—	—	—	—	31	31
Balance as of July 2, 2023		10	8,980	373	(1)	5,673	15,035
Balance as of December 31, 2023		10	8,413	173	(9)	6,168	14,755
Net income attributable to common shareholders		—	—	—	—	1,012	1,012
Other comprehensive income attributable to common shareholders		—	—	355	4	56	415
Total comprehensive income attributable to common shareholders		—	—	355	4	1,067	1,427
Dividends	8	—	—	—	—	(573)	(573)
Share buyback	8	—	—	—	—	(501)	(501)
Cancellation of treasury shares		—	(226)	—	—	226	—
Share-based payments		—	—	—	—	25	25
Balance as of June 30, 2024		9	8,187	528	(4)	6,412	15,133

1. Other reserves include, among others, the remeasurements of defined benefit plans.

Consolidated statement of cash flows

€ million	Note	Q2 2024	Q2 2023	HY 2024	HY 2023
Income from continuing operations		499	468	1,012	1,029
Adjustments for:					
Net financial expenses		141	152	285	272
Income taxes		153	113	303	255
Share in income of joint ventures		(3)	(9)	(6)	(11)
Depreciation, amortization and impairments		909	1,020	1,785	1,904
(Gains) losses on leases and the sale of assets / disposal groups held for sale		78	(19)	113	(19)
Share-based compensation expenses		14	14	25	26
Operating cash flows before changes in operating assets and liabilities		1,791	1,739	3,515	3,456
Changes in working capital:					
Changes in inventories		(99)	(20)	(106)	(248)
Changes in receivables and other current assets		(83)	(104)	(1)	137
Changes in payables and other current liabilities		7	161	(457)	(508)
Changes in other non-current assets, other non-current liabilities and provisions		(11)	(80)	(108)	(105)
Cash generated from operations		1,605	1,696	2,842	2,732
Income taxes paid – net		(224)	157	(267)	61
Operating cash flows from continuing operations		1,382	1,853	2,575	2,793
Operating cash flows from discontinued operations		—	—	—	—
Net cash from operating activities		1,382	1,853	2,575	2,793
Purchase of non-current assets		(554)	(559)	(1,112)	(1,087)
Divestments of assets / disposal groups held for sale		6	16	169	50
Acquisition of businesses, net of cash acquired	3	(19)	(20)	(24)	(22)
Divestment of businesses, net of cash divested		18	—	43	—
Dividends received from joint ventures		18	17	18	18
Interest received		56	40	97	69
Lease payments received on lease receivables		32	29	63	57
Other		(8)	—	(10)	3
Investing cash flows from continuing operations		(451)	(477)	(756)	(912)
Investing cash flows from discontinued operations		—	—	—	—
Net cash from investing activities		(451)	(477)	(756)	(912)
Proceeds from long-term debt		—	499	1,594	499
Interest paid		(99)	(81)	(132)	(108)
Repayments of loans		(5)	(196)	(23)	(215)
Changes in short-term loans		(216)	24	1,019	854
Repayment of lease liabilities		(462)	(452)	(924)	(907)
Dividends paid on common shares	8	(573)	(574)	(573)	(574)
Share buyback	8	(287)	(355)	(501)	(561)
Other cash flows from derivatives		—	—	—	—
Other		2	(5)	(6)	(3)
Financing cash flows from continuing operations		(1,640)	(1,140)	453	(1,014)
Financing cash flows from discontinued operations		—	—	—	—
Net cash from financing activities		(1,640)	(1,140)	453	(1,014)
Net cash from operating, investing and financing activities		(710)	237	2,272	866
Cash and cash equivalents at the beginning of the period (excluding restricted cash)		6,508	3,656	3,475	3,054
Effect of exchange rates on cash and cash equivalents		25	(9)	76	(36)
Cash and cash equivalents at the end of the period (excluding restricted cash)	9	5,823	3,884	5,823	3,884
Average U.S. dollar exchange rate (euro per U.S. dollar)		0.9289	0.9185	0.9249	0.9252

Notes to the summarized financial information

1. The Company and its operations

The principal activity of Koninklijke Ahold Delhaize N.V. ("Ahold Delhaize" or the "Company" or "Group" or "Ahold Delhaize Group"), a public limited liability company with its registered seat and head office in Zaandam, the Netherlands, is the operation of retail food stores and e-commerce primarily in the United States and Europe.

The information in these condensed consolidated interim financial statements ("financial statements") is unaudited.

2. Accounting policies

Basis of preparation

This summarized financial information has been prepared in accordance with IAS 34 "Interim Financial Reporting." The accounting policies applied in these financial statements are consistent with those applied in Ahold Delhaize's 2023 financial statements, except as otherwise indicated below under "New and revised IFRSs effective in 2024."

Historical cost is used as the measurement basis unless otherwise indicated. The financial statements have been prepared on the basis of the going concern assumption.

All amounts disclosed are in millions of euros (€), unless otherwise stated. Due to rounding, numbers presented may not add up precisely to the totals provided.

Ahold Delhaize's financial year is a 52- or 53-week period ending on the Sunday nearest to December 31 for our European operations and the Saturday nearest to December 31 for our operations in the United States. The financial year 2024 and the comparative financial year 2023 are based on a 4/4/5-week calendar, with four equal quarters of 13 weeks that end on Sunday for our European operations and on Saturday for our operations in the United States.

Seasonality

Under normal economic conditions, Ahold Delhaize's net sales are impacted by seasonal fluctuations, typically resulting in higher net sales and income in the days leading up to national holidays, such as Christmas and Easter, as well as the Fourth of July in the U.S.

New and revised IFRSs effective in 2024

The following amendments and revisions to existing standards became effective for Ahold Delhaize's consolidated financial statements as of January 1, 2024:

- Amendments to IAS 1, "Classifications of Liabilities as Current or Non-current" and "Non-current Liabilities with Covenants"
- Amendments to IFRS 16, "Lease Liability in a Sale and Leaseback"
- Amendments to IAS 7 and IFRS 7, "Supplier Finance Arrangement"

These amendments do not have an impact on the Company's interim condensed consolidated financial statements.

New accounting policies not yet effective for 2024

The International Accounting Standards Board (IASB) has issued a new standard and revisions to standards, that are not yet effective in 2024, but will become effective in coming years.

IFRS 18, "Presentation and Disclosure in Financial Statements"

In April 2024, the IASB issued a new Standard, IFRS 18, Presentation and Disclosure in Financial Statements, which replaces IAS 1, Presentation of Financial Statements. The new Standard carries forward many requirements from IAS 1 unchanged. IFRS 18 is the culmination of the IASB's Primary Financial

Statements project and introduces three sets of new requirements to improve companies' reporting of financial performance and give investors a better basis for analyzing and comparing companies:

- Improved comparability in the statement of profit or loss (income statement)
- Enhanced transparency of management-defined performance measures
- More useful grouping of information in the financial statements

IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, with earlier application permitted. The Company is currently assessing the impact on its consolidated financial statements.

Amendments to IAS 21, "Lack of exchangeability"

In August 2023, the IASB issued amendments to IAS 21. The amendments specify when a currency is exchangeable into another currency and when it is not, and how an entity determines the exchange rate to apply when a currency is not exchangeable. The amendments also require additional information to be disclosed when a currency is not exchangeable. The amendments are effective for annual periods beginning on or after January 1, 2025. The Company does not anticipate that the application of these amendments will have a significant effect on the future consolidated financial statements.

Changes in presentation

As of 2024, media and data income that was previously presented as part of Other income is presented as part of Net sales, as a result of increased media and data activities at Ahold Delhaize. This change results in reclassifications within the income statement. The reclassifications to Ahold Delhaize's 2023 comparative amounts for the changes in presentation are as follows:

Consolidated income statement

€ million	Q2 2023, as reported	Changes in presentation	Q2 2023, restated	HY 2023, as reported	Changes in presentation	HY 2023, restated
Net sales	22,068	16	22,084	43,692	35	43,727
Cost of sales	(16,209)	—	(16,209)	(32,003)	—	(32,003)
Gross profit	5,859	16	5,875	11,689	35	11,724
Other income	166	(16)	150	335	(35)	300
Selling expenses	(4,329)	—	(4,329)	(8,633)	—	(8,633)
General and administrative expenses	(972)	—	(972)	(1,846)	—	(1,846)
Operating income	724	—	724	1,546	—	1,546

Segment reporting (Note 4) and Net sales (Note 5)

\$ million	The United States					
	Q2 2023, as reported	Changes in presentation	Q2 2023, restated	HY 2023, as reported	Changes in presentation	HY 2023, restated
Net sales	14,825	17	14,842	29,289	35	29,324
Of which: online sales	1,127	—	1,127	2,333	—	2,333
Operating income	625	—	625	1,304	—	1,304

€ million	The United States					
	Q2 2023, as reported	Changes in presentation	Q2 2023, restated	HY 2023, as reported	Changes in presentation	HY 2023, restated
Sales from owned stores	12,535	—	12,535	24,839	—	24,839
Sales to and fees from franchisees and affiliates	—	—	—	—	—	—
Online sales	1,034	—	1,034	2,158	—	2,158
Wholesale sales	49	—	49	99	—	99
Other sales	—	15	15	—	33	33
Net sales	13,618	15	13,634	27,097	33	27,130

€ million	Europe					
	Q2 2023, as reported	Changes in presentation	Q2 2023, restated	HY 2023, as reported	Changes in presentation	HY 2023, restated
Sales from owned stores	5,360	—	5,360	10,541	—	10,541
Sales to and fees from franchisees and affiliates	1,939	—	1,939	3,758	—	3,758
Online sales	1,124	(19)	1,105	2,248	(36)	2,213
Wholesale sales	26	—	26	48	—	48
Other sales	—	20	20	—	38	38
Net sales	8,450	1	8,451	16,595	2	16,597

€ million	Ahold Delhaize Group					
	Q2 2023, as reported	Changes in presentation	Q2 2023, restated	HY 2023, as reported	Changes in presentation	HY 2023, restated
Sales from owned stores	17,895	—	17,895	35,380	—	35,380
Sales to and fees from franchisees and affiliates	1,939	—	1,939	3,758	—	3,758
Online sales	2,158	(19)	2,139	4,406	(36)	4,371
Wholesale sales	76	—	76	147	—	147
Other sales	—	35	35	—	71	71
Net sales	22,068	16	22,084	43,692	35	43,727

3. Business combinations and intangible assets

The allocation of the fair values of the identifiable assets acquired, liabilities assumed and goodwill arising from the acquisitions through Q2 2024 is as follows:

€ million	Total acquisitions
Property, plant and equipment	5
Other intangible assets	1
Inventories	2
Cash and cash equivalents	—
Net identifiable assets acquired	7
Goodwill	18
Total purchase consideration	25
Purchase consideration in kind	(1)
Cash acquired (excluding restricted cash)	—
Acquisition of businesses, net of cash acquired	24

A reconciliation of Ahold Delhaize's goodwill balance is as follows:

€ million	Goodwill
As of December 31, 2023	
At cost	7,796
Accumulated impairment losses	(8)
Opening carrying amount	7,788
Acquisitions through business combinations	18
Transfers to / from assets held for sale	(1)
Exchange rate differences	146
Closing carrying amount	7,951
As of June 30, 2024	
At cost	7,959
Accumulated impairment losses	(8)
Closing carrying amount	7,951

4. Segment reporting

Ahold Delhaize's retail operations are presented in two reportable segments. In addition, Ahold Delhaize's Global Support Office is presented separately. Ahold Delhaize's unconsolidated joint ventures JMR – Gestão de Empresas de Retalho, SGPS, S.A. ("JMR") and P.T. Lion Super Indo ("Super Indo") are excluded from the segment information below.

The accounting policies used for the segments are the same as the accounting policies used for this summarized financial information, as described in [Note 2](#).

All reportable segments sell a wide range of perishable and non-perishable food and non-food consumer products.

Reportable segment	Operating segments included in the reportable segment
The United States	Stop & Shop, Food Lion, The GIANT Company, Hannaford and Giant Food
Europe	Albert Heijn (including the Netherlands and Belgium) Delhaize ("Delhaize Le Lion" including Belgium and Luxembourg) bol (including the Netherlands and Belgium) Albert (Czech Republic) Alfa Beta (Greece) Mega Image (Romania) Delhaize Serbia (Republic of Serbia) Etos (the Netherlands) Gall & Gall (the Netherlands)
Other	Included in Other
Other retail	Unconsolidated joint ventures JMR (49%) and Super Indo (51%)
Global Support Office	Global Support Office staff (the Netherlands, Belgium, Switzerland and the United States)

Q2 2024

€ million	The United States	Europe	Global Support Office	Ahold Delhaize Group
Net sales	13,576	8,772	—	22,349
Of which: online sales	1,016	1,207	—	2,223
Operating income (expense)	614	202	(26)	790
Impairment losses and reversals – net	6	26	—	31
(Gains) losses on leases and the sale of assets – net ²	(2)	79	—	77
Restructuring and related charges and other items	14	18	3	35
Adjustments to operating income ¹	18	122	3	143
Underlying operating income (expense)	632	324	(23)	933

1. Included in General and administrative expenses in the consolidated income statement.

2. (Gains) losses on leases and the sale of assets - net is mainly driven by losses on the sale of stores to franchisees in Belgium.

Q2 2023 (restated)

€ million	The United States	Europe	Global Support Office	Ahold Delhaize Group
Net sales ²	13,634	8,451	—	22,084
Of which: online sales ²	1,034	1,105	—	2,139
Operating income (expense)	574	134	16	724
Impairment losses and reversals – net	47	114	—	161
(Gains) losses on leases and the sale of assets – net	(9)	(9)	—	(19)
Restructuring and related charges and other items	11	29	(2)	38
Adjustments to operating income ¹	49	133	(2)	180
Underlying operating income (expense)	623	267	14	904

1. Included in General and administrative expenses in the consolidated income statement.
2. Comparative amounts have been restated to conform to the current year's presentation (see [Note 2](#)).

Half year 2024

€ million	The United States	Europe	Global Support Office	Ahold Delhaize Group
Net sales	26,827	17,250	—	44,077
Of which: online sales	2,015	2,414	—	4,429
Operating income	1,249	390	(47)	1,593
Impairment losses and reversals – net	8	39	—	47
(Gains) losses on leases and the sale of assets – net ²	(16)	128	—	112
Restructuring and related charges and other items	4	35	3	42
Adjustments to operating income ¹	(3)	202	3	201
Underlying operating income	1,246	592	(44)	1,794

1. Included in General and administrative expenses in the consolidated income statement.
2. (Gains) losses on leases and the sale of assets - net is mainly driven by losses on the sale of stores to franchisees in Belgium.

Half year 2023 (restated)

€ million	The United States	Europe	Global Support Office	Ahold Delhaize Group
Net sales ²	27,130	16,597	—	43,727
Of which: online sales ²	2,158	2,213	—	4,371
Operating income (expense)	1,206	336	3	1,546
Impairment losses and reversals – net	49	125	—	174
(Gains) losses on leases and the sale of assets – net	(9)	(8)	—	(17)
Restructuring and related charges and other items	25	44	(2)	67
Adjustments to operating income ¹	64	161	(2)	223
Underlying operating income (expense)	1,271	497	1	1,769

1. Included in General and administrative expenses in the consolidated income statement.
2. Comparative amounts have been restated to conform to the current year's presentation (see [Note 2](#)).

Additional information

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

\$ million	Q2 2024	Q2 2023 restated	HY 2024	HY 2023 restated
Net sales ¹	14,617	14,842	29,006	29,324
Of which: online sales	1,094	1,127	2,178	2,333
Operating income	661	625	1,351	1,304
Underlying operating income	680	678	1,347	1,373

1. Comparative amounts have been restated to conform to the current year's presentation (see [Note 2](#)).

5. Net sales

€ million	Q2 2024			Q2 2023 restated		
	The United States	Europe	Ahold Delhaize Group	The United States	Europe	Ahold Delhaize Group
Sales from owned stores	12,493	5,007	17,500	12,535	5,360	17,895
Sales to and fees from franchisees and affiliates	—	2,502	2,502	—	1,939	1,939
Online sales ¹	1,016	1,207	2,223	1,034	1,105	2,139
Wholesale sales	51	22	73	49	26	76
Other sales ¹	17	34	51	15	20	35
Net sales¹	13,576	8,772	22,349	13,634	8,451	22,084

1. Comparative amounts have been restated to conform to the current year's presentation (see [Note 2](#)).

€ million	HY 2024			HY 2023 restated		
	The United States	Europe	Ahold Delhaize Group	The United States	Europe	Ahold Delhaize Group
Sales from owned stores	24,680	9,988	34,669	24,839	10,541	35,380
Sales to and fees from franchisees and affiliates	—	4,737	4,737	—	3,758	3,758
Online sales ¹	2,015	2,414	4,429	2,158	2,213	4,371
Wholesale sales	104	46	150	99	48	147
Other sales ¹	27	65	93	33	38	71
Net sales¹	26,827	17,250	44,077	27,130	16,597	43,727

1. Comparative amounts have been restated to conform to the current year's presentation (see [Note 2](#)).

6. Income taxes

The income tax expense and the effective tax rate for Q2 and HY 2024 are higher compared to Q2 and HY 2023, mainly due to a changed mix of earnings between jurisdictions and one-time events.

7. Assets and liabilities held for sale

Assets held for sale and related liabilities consist primarily of non-current assets and associated liabilities of retail locations. The decrease compared to last year is driven by the sale of two meat-processing facilities in the United States.

8. Equity attributable to common shareholders

Dividend on common shares

On April 10, 2024, the General Meeting of Shareholders approved the dividend over 2023 of €1.10 per common share. The interim dividend for 2023 of €0.49 per common share was paid on August 31, 2023. The final dividend of €0.61 per common share was paid on April 25, 2024.

Share buyback

On January 2, 2024, the Company commenced the €1 billion share buyback program that was announced on November 8, 2023. The program is expected to be completed before the end of 2024.

In the first half of the year, 18,296,323 of the Company's own shares were repurchased at an average price of €27.30 per share. The share buyback program resulted in a net transactional fee of €2 million.

The number of outstanding common shares as of June 30, 2024, was 929,945,662 (December 31, 2023: 946,013,323).

9. Cash

The following table presents the reconciliation between the cash and cash equivalents as presented in the statement of cash flows and on the balance sheet:

€ million	June 30, 2024	December 31, 2023
Cash and cash equivalents as presented in the statement of cash flows	5,823	3,475
Restricted cash	9	10
Cash and cash equivalents as presented on the balance sheet	5,832	3,484

Cash and cash equivalents include an amount held under a notional cash pooling arrangement of €1,754 million (December 31, 2023: €767 million), which is fully offset by an identical amount included under Other current financial liabilities.

10. Financial instruments

On March 4, 2024, Ahold Delhaize announced that it successfully launched and priced a €1.6 billion multi-tranche EUR transaction. The three maturities include a €400 million two-year floating-rate note (FRN) tranche, a €500 million seven-year green tranche, and a €700 million 12-year sustainability-linked tranche. The two-year tranche is priced at three-month Euribor +30 basis points, the seven-year tranche is priced at 99.297 and carries an annual coupon of 3.375%, and the 12-year tranche is priced at 99.651 and carries an annual coupon of 3.875%. The settlement of the bond issue took place on March 11, 2024.

The green bond proceeds will be applied to finance or refinance, in whole or in part, new or existing eligible green projects, in accordance with the Green Finance Framework dated March 6, 2023.

The sustainability-linked tranche is linked to Ahold Delhaize achieving targets in 2030 on the following KPIs:

- 50% reduction in absolute scope 1 and 2 greenhouse gas (GHG) emissions
- 30.3% and 42% reduction in absolute scope 3 forest, land and agriculture (FLAG) and energy and industrial sector (E&I) (non-FLAG) GHG emissions, respectively
- 50% reduction food waste

The sustainability-linked feature will result in a coupon adjustment of +25 basis points if Ahold Delhaize's performance does not achieve one or more of the stated KPIs. The sustainability performance reference date is December 29, 2030. Any adjustment to the rate of interest, if applicable, shall take effect and accrue from the interest payment date immediately following March 11, 2032 (i.e., prospectively).

The one-year €1.2 billion committed, unsecured and syndicated bridge facility, as entered into on November 23, 2023, was cancelled on March 18, 2024.

The following table presents the fair value of financial instruments, based on Ahold Delhaize's categories of financial instruments, including current portions, compared to the carrying amount at which these instruments are included on the balance sheet. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

The carrying amount of trade and other (non-)current receivables, cash and cash equivalents, accounts payable, short-term deposits and similar instruments, and other current financial assets and liabilities approximate their fair values because of the short-term nature of these instruments and, for receivables, because any expected recoverability loss is reflected in an impairment loss.

€ million	June 30, 2024		December 31, 2023	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets at amortized cost				
Loans receivable	151	142	129	130
Lease receivable	557	549	529	505
Financial assets at fair value through profit or loss				
Reinsurance contract asset	327	327	327	327
Investments in debt instruments	12	12	11	11
Financial assets at fair value through other comprehensive income				
Investments in equity instruments	—	—	27	27
Derivative financial instruments				
Derivatives	1	1	—	—
Financial liabilities at amortized cost				
Notes	(6,366)	(6,206)	(4,758)	(4,617)
Financing obligations	(158)	(71)	(163)	(80)
Other financial liabilities	(57)	(57)	(58)	(59)
Financial liabilities at fair value through profit or loss				
Reinsurance contract liability	(282)	(282)	(283)	(283)
Derivative financial instruments				
Derivatives	(26)	(26)	(32)	(32)

Of Ahold Delhaize's categories of financial instruments, only derivatives, investments in debt and certain equity instruments and reinsurance assets (liabilities) are measured and recognized on the balance sheet at fair value. These fair value measurements are categorized within Level 2 of the fair value hierarchy. A description of the valuation techniques and inputs used to develop the measurements is included in Note 30 of Ahold Delhaize's 2023 financial statements, as included in the Annual Report 2023, published on February 28, 2024.

Ahold Delhaize posted deposits as collateral in the net amount of €29 million as of June 30, 2024 (December 31, 2023: €33 million). The counterparties have an obligation to repay the deposits to Ahold Delhaize upon settlement of the contracts.

11. Related party transactions

Ahold Delhaize has entered into arrangements with a number of its subsidiaries and affiliated companies in the course of its business. These arrangements relate to service transactions and financing agreements. Furthermore, Ahold Delhaize considers transactions with key management personnel to be related party transactions. As of the balance sheet date, June 30, 2024, there have been no significant changes in the related party transactions from those described in Ahold Delhaize's Annual Report 2023.

12. Commitments and contingencies

A comprehensive overview of commitments and contingencies as of December 31, 2023, is included in Note 34 of Ahold Delhaize's 2023 financial statements, as included in the Annual Report 2023.

13. Alternative performance measures

This interim report includes alternative performance measures (also known as non-GAAP measures). The descriptions of these alternative performance measures are included under *Definitions and abbreviations* in Ahold Delhaize's Annual Report 2023, and an updated list of all our alternative performance measures is published on our website at www.aholddelhaize.com. For the calculation methods of percentages, we refer to the descriptions of these alternative performance measures published on our website.

Free cash flow

€ million	Q2 2024	Q2 2023	HY 2024	HY 2023
Operating cash flows from continuing operations	1,382	1,853	2,575	2,793
Purchase of non-current assets	(554)	(559)	(1,112)	(1,087)
Divestments of assets / disposal groups held for sale	6	16	169	50
Dividends received from joint ventures	18	17	18	18
Interest received	56	40	97	69
Interest paid	(99)	(81)	(132)	(108)
Lease payments received on lease receivables	32	29	63	57
Repayment of lease liabilities	(462)	(452)	(924)	(907)
Free cash flow	378	864	754	886

Net debt

€ million	June 30, 2024	March 31, 2024	December 31, 2023
Loans	5,751	5,747	4,137
Lease liabilities	10,679	10,657	10,545
Non-current portion of long-term debt	16,430	16,404	14,682
Short-term borrowings and current portion of long-term debt and lease liabilities	4,122	4,323	3,085
Gross debt	20,552	20,727	17,766
Less: cash, cash equivalents, short-term deposits and similar instruments ^{1, 2, 3}	5,848	6,533	3,500
Net debt	14,704	14,194	14,267

1. Short-term deposits and similar instruments include investments with a maturity of between three and 12 months. The balance of these instruments at June 30, 2024, was €16 million (March 31, 2024: €16 million and December 31, 2023: €15 million) and is presented within Other current financial assets in the consolidated balance sheet.
2. 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 June 30, 2024, was €397 million (March 31, 2024: €367 million and December 31, 2023: €335 million).
3. Cash and cash equivalents include an amount held under a notional cash pooling arrangement of €1,754 million (March 31, 2024: €1,984 million and December 31, 2023: €767 million). This cash amount is fully offset by an identical amount included under Short-term borrowings and current portion of long-term debt.

Underlying EBITDA

The reconciliation from IFRS operating income (expenses) to underlying operating income (expenses) is included in [Note 4](#).

€ million	Q2 2024	Q2 2023	HY 2024	HY 2023
Underlying operating income	933	904	1,794	1,769
Depreciation and amortization	878	859	1,738	1,730
Underlying EBITDA	1,811	1,764	3,532	3,499

Underlying income from continuing operations

€ million, except per share data	Q2 2024	Q2 2023	HY 2024	HY 2023
Income from continuing operations	499	468	1,012	1,029
Adjustments to operating income (see Note 4)	143	180	201	223
Tax effect on adjustments to operating income	(35)	(47)	(50)	(58)
Underlying income from continuing operations	606	601	1,162	1,194
Underlying income from continuing operations for the purpose of diluted earnings per share	606	601	1,162	1,194
Basic income per share from continuing operations ¹	0.53	0.48	1.08	1.06
Diluted income per share from continuing operations ²	0.53	0.48	1.08	1.06
Underlying income per share from continuing operations – basic ¹	0.65	0.62	1.24	1.23
Underlying income per share from continuing operations – diluted ²	0.65	0.62	1.24	1.23

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 Q2 2024 is 934 million (Q2 2023: 967 million).
2. The diluted earnings per share from continuing operations and diluted underlying EPS are 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 earnings per share from continuing operations and diluted underlying EPS for Q2 2024 is 936 million (Q2 2023: 970 million).

Online sales

The difference between online sales and net consumer online sales is third-party online sales, as shown below. Comparative amounts have been restated to conform to the current year's presentation (see [Note 2](#)).

Group

€ million	Q2 2024	Q2 2023 restated	% change	HY 2024	HY 2023 restated	% change
Grocery online sales	1,527	1,481	3.1 %	3,038	3,067	(1.0)%
Other online sales	696	658	5.7 %	1,391	1,303	6.7 %
Online sales	2,223	2,139	3.9 %	4,429	4,371	1.3 %
Third-party online sales	729	735	(0.8)%	1,389	1,410	(1.5)%
Net consumer online sales	2,952	2,874	2.7 %	5,818	5,781	0.6 %

The United States

€ million	Q2 2024	Q2 2023 restated	% change	HY 2024	HY 2023 restated	% change
Grocery online sales	1,016	1,034	(1.8)%	2,015	2,158	(6.6)%
Other online sales	—	—	— %	—	—	— %
Online sales	1,016	1,034	(1.8)%	2,015	2,158	(6.6)%
Third-party online sales	—	—	— %	—	—	— %
Net consumer online sales	1,016	1,034	(1.8)%	2,015	2,158	(6.6)%

Europe

€ million	Q2 2024	Q2 2023 restated	% change	HY 2024	HY 2023 restated	% change
Grocery online sales	511	447	14.4 %	1,023	909	12.5 %
Other online sales	696	658	5.7 %	1,391	1,303	6.7 %
Online sales	1,207	1,105	9.3 %	2,414	2,213	9.1 %
Third-party online sales	729	735	(0.8)%	1,389	1,410	(1.5)%
Net consumer online sales	1,936	1,840	5.2 %	3,803	3,623	5.0 %

Comparable sales

Comparable sales reconciles to net sales, as shown below. Comparative amounts have been restated to conform to the current year's presentation (see [Note 2](#)).

Group

€ million	Q2 2024	Q2 2023 restated	% change	HY 2024	HY 2023	% change
Net sales	22,349	22,084	1.2 %	44,077	43,727	0.8 %
Gas sales	(267)	(272)	(1.6)%	(500)	(527)	(5.1)%
Adjustments to comparable sales	(753)	(615)	22.4 %	(1,326)	(1,404)	(5.5)%
Comparable sales (ex gas)	21,329	21,198	0.6 %	42,251	41,796	1.1 %

The United States

€ million	Q2 2024	Q2 2023 restated	% change	HY 2024	HY 2023	% change
Net sales	13,576	13,634	(0.4)%	26,827	27,130	(1.1)%
Gas sales	(267)	(272)	(1.6)%	(500)	(527)	(5.1)%
Adjustments to comparable sales	(45)	(42)	7.2 %	(78)	(405)	(80.8)%
Comparable sales (ex gas)	13,264	13,320	(0.4)%	26,248	26,197	0.2 %

Europe

€ million	Q2 2024	Q2 2023 restated	% change	HY 2024	HY 2023	% change
Net sales	8,772	8,451	3.8 %	17,250	16,597	3.9 %
Gas sales	—	—	— %	—	—	— %
Adjustments to comparable sales	(707)	(573)	23.5 %	(1,248)	(998)	25.0 %
Comparable sales (ex gas)	8,065	7,878	2.4 %	16,002	15,599	2.6 %

Constant exchange rates

In the tables below, we show the movements at actual exchange rates versus the movements at constant exchange rates. Comparative amounts have been restated to conform to the current year's presentation (see [Note 2](#)).

Group

% movement	Q2 2024 vs. Q2 2023			HY 2024 vs HY 2023		
	At actual exchange rates	Impact of exchange differences	At constant exchange rates	At actual exchange rates	Impact of exchange differences	At constant exchange rates
Net sales	1.2 %	(0.5)pp	0.7 %	0.8 %	0.2 pp	1.0 %
Online sales	3.9 %	(0.6)pp	3.4 %	1.3 %	— pp	1.4 %
Net consumer online sales	2.7 %	(0.4)pp	2.3 %	0.6 %	— pp	0.7 %
Operating income	9.1 %	(0.7)pp	8.4 %	3.1 %	0.3 pp	3.3 %
Operating margin	0.3 pp	— pp	0.3 pp	0.1 pp	— pp	0.1 pp
Income from continuing operations	6.5 %	(0.6)pp	5.9 %	(1.7) %	0.3 pp	(1.4) %
Net income	6.6 %	(0.6)pp	5.9 %	(1.7) %	0.3 pp	(1.4) %
Underlying operating income	3.2 %	(0.6)pp	2.6 %	1.4 %	0.2 pp	1.7 %
Underlying operating margin	0.1 pp	— pp	0.1 pp	— pp	— pp	— pp
Basic EPS from continuing operations	10.3 %	(0.6)pp	9.7 %	1.7 %	0.4 pp	2.0 %
Diluted EPS from continuing operations	10.4 %	(0.6)pp	9.7 %	1.8 %	0.4 pp	2.1 %
Basic EPS from all operations	10.3 %	(0.6)pp	9.7 %	1.7 %	0.4 pp	2.0 %
Diluted EPS from all operations	10.4 %	(0.6)pp	9.8 %	1.8 %	0.4 pp	2.1 %
Underlying EPS	4.4 %	(0.5)pp	3.9 %	0.7 %	0.3 pp	1.1 %
Diluted underlying EPS	4.5 %	(0.5)pp	4.0 %	0.8 %	0.3 pp	1.1 %
Free cash flow	(56.3) %	(0.1)pp	(56.4) %	(14.8) %	(0.2)pp	(15.1) %
Grocery online sales	3.1 %	(0.8)pp	2.3 %	(1.0) %	— pp	(0.9) %

The United States

% movement	Q2 2024 vs. Q2 2023			HY 2024 vs HY 2023		
	At actual exchange rates	Impact of exchange differences	At constant exchange rates	At actual exchange rates	Impact of exchange differences	At constant exchange rates
Net sales	(0.4) %	(1.1)pp	(1.5) %	(1.1) %	— pp	(1.1) %
Online sales	(1.8) %	(1.1)pp	(2.9) %	(6.6) %	— pp	(6.6) %
Net consumer online sales	(1.8) %	(1.1)pp	(2.9) %	(6.6) %	— pp	(6.6) %
Operating income	7.0 %	(1.1)pp	5.8 %	3.6 %	0.1 pp	3.7 %
Operating margin	0.3 pp	— pp	0.3 pp	0.2 pp	— pp	0.2 pp
Underlying operating income	1.4 %	(1.0)pp	0.4 %	(1.9) %	0.1 pp	(1.9) %
Underlying operating margin	0.1 pp	— pp	0.1 pp	— pp	— pp	— pp
Grocery online sales	(1.8) %	(1.1)pp	(2.9) %	(6.6) %	— pp	(6.6) %

Europe

% movement	Q2 2024 vs. Q2 2023			HY 2024 vs HY 2023		
	At actual exchange rates	Impact of exchange differences	At constant exchange rates	At actual exchange rates	Impact of exchange differences	At constant exchange rates
Net sales	3.8 %	0.5 pp	4.3 %	3.9 %	0.5 pp	4.5 %
Online sales	9.3 %	— pp	9.3 %	9.1 %	— pp	9.1 %
Net consumer online sales	5.2 %	— pp	5.2 %	5.0 %	— pp	5.0 %
Operating income	50.6 %	2.1 pp	52.7 %	16.1 %	1.3 pp	17.4 %
Operating margin	0.7 pp	— pp	0.7 pp	0.2 pp	— pp	0.2 pp
Underlying operating income	21.3 %	0.9 pp	22.2 %	19.2 %	0.9 pp	20.1 %
Underlying operating margin	0.5 pp	— pp	0.5 pp	0.4 pp	— pp	0.4 pp
Grocery online sales	14.4 %	— pp	14.5 %	12.5 %	— pp	12.5 %

Global Support Office

% movement	Q2 2024 vs. Q2 2023			HY 2024 vs HY 2023		
	At actual exchange rates	Impact of exchange differences	At constant exchange rates	At actual exchange rates	Impact of exchange differences	At constant exchange rates
Operating income (expense)	NM ¹	NM ¹	NM ¹	NM ¹	NM ¹	NM ¹
Underlying operating income (expense)	NM ¹	NM ¹	NM ¹	NM ¹	NM ¹	NM ¹
Insurance results	(59.5)%	(0.3)pp	(59.8)%	(40.4)%	(0.3)pp	(40.7)%
Underlying operating income (expense) excluding insurance results	43.7 %	(0.7)pp	43.0 %	35.8 %	— pp	35.8 %

1. Not meaningful, as the result is an expense in 2024, compared to an income in 2023.

Net capital expenditures

€ million	HY 2024	HY 2023	Change	% of sales
The United States	1,033	972	61	3.8%
Europe	641	795	(154)	3.7%
Global Support Office	9	9	—	
Total regular capital expenditures	1,683	1,776	(93)	3.8%
Acquisition capital expenditures	24	21	3	0.1%
Total capital expenditures	1,707	1,797	(90)	3.9%
Total regular capital expenditures	1,683	1,776	(93)	3.8%
Right-of-use assets	(668)	(852)	184	(1.5)%
Change in property, plant and equipment payables (and other non-cash adjustments)	96	163	(66)	0.2%
Total cash capital expenditure (CapEx)	1,112	1,087	25	2.5%
Divestment of assets/disposal groups held for sale	(169)	(50)	(119)	(0.4)%
Net capital expenditure	943	1,037	(94)	2.1 %

14. Subsequent events

On July 12, 2024, Ahold Delhaize's U.S. brand, Stop & Shop, announced the next steps in its plans to position the company for profitable growth. In addition to continuing to make investments in price and the customer experience as part of its growth strategy in its markets, Stop & Shop will close 32 underperforming stores by year-end. Following the closures, Stop & Shop will continue to have a strong presence across its five-state footprint with more than 350 stores. Stop & Shop associates at impacted locations will be offered other opportunities within the company.

As a result of the announcement, Ahold Delhaize expects to recognize a pre-tax expense in the range of \$160-\$210 million (€150-€200 million) in Q3 2024.

Zaandam, the Netherlands, August 6, 2024

Management Board

Frans Muller (President and Chief Executive Officer)

Jolanda Poots-Bijl (Chief Financial Officer)

JJ Fleeman (Chief Executive Officer Ahold Delhaize USA)

Wouter Kolk (Chief Executive Officer Ahold Delhaize Europe and Indonesia)

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 2024 financial year consists of 52 weeks and ends on December 29, 2024.

The key publication dates for 2024 are as follows: November 6 – Results Q3 2024

Cautionary notice

This communication 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. Forward-looking statements can be identified by certain words, such as "anticipate," "intend," "plan," "goal," "seek," "believe," "project," "estimate," "expect," "strategy," "future," "likely," "may," "should," "will" and similar references to future periods.

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, including high levels of inflation, on consumer spending; changes in consumer expectations and preferences; turbulence in the global capital markets; political developments, natural disasters and pandemics; wars and geopolitical conflicts; climate change; energy supply issues; 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 environmental, social and governance matters (including performance) 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; ransomware and other cybersecurity issues relating to 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; inability to obtain effective levels of insurance coverage; 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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About Ahold Delhaize

Ahold Delhaize is one of the world's largest food retail groups and a leader in both supermarkets and e-commerce. Its family of great local brands serves 63 million customers each week, both in stores and online, in the United States, Europe and Indonesia. Together, these brands employ more than 400,000 associates in 7,716 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. The company's focus on four growth drivers – drive omnichannel growth, elevate healthy and sustainable, cultivate best talent and strengthen operational excellence – is helping to fulfil its purpose, achieve its vision and prepare its brands and businesses for tomorrow. Headquartered in Zaandam, the Netherlands, Ahold Delhaize is listed on the Euronext Amsterdam and Brussels stock exchanges (ticker: AD) and its American Depositary 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.aholddelhaize.com.

