



Annual figures 2003

22 January 2004



Profit and loss account 2003

	2003	2002	In-	2003	2002
	x € mln	x € mln	crease%	%	%
Turnover	1,356	1,299	4.4	100.0	100.0
Gross margin	253	231	9.3	18.6	17.8
Expenses	(158)	(148)	6.6	(11.6)	(11.4)
Other income	3	5	(26.0)	0.2	0.3
Ebitda	98	88	12.0	7.2	6.7
Depreciation	(20)	(18)	12.5	(1.5)	(1.4)
Amortisation	(5)	(4)	10.9	(0.3)	(0.3)
Ebit	73	66	11.9	5.4	5.0
Interest expense	(3)	(8)	(54.3)	(0.3)	(0.6)
Profit before tax	70	58	21.0	5.1	4.4
Taxation	(25)	(21)	21.1	(1.8)	(1.6)
Profit after tax	45	37	21.0	3.3	2.8



Segmented analysis of results

X € Million	Food service		Food retail	
	2003	2002	2003	2002
Net turnover	878	865	478	434
Operating profit ¹⁾	47	44	24	20
Net capital employed ²⁾	155	158	101	78
Operating profit as % of turnover	5.4	5.1	4.9	4.5
Operating profit as % of net capital employed	30.7	27.7	23.3	25.0

1) After amortisation

2) Goodwill included



Segmented analysis of results

X € Million	Retail property		Total	
	2003	2002	2003	2002
Net turnover	-	-	1,356	1,299
Operating profit ¹⁾	2	2	73	66
Net capital employed ²⁾	25	24	281	260
Operating profit as % of turnover	-	-	5.4	5.0
Operating profit as % of net capital employed	8.9	9.1	26.1	25.2

1) After amortisation

2) Goodwill included



Cash flow statement (€ mln)

	2003	2002
From trading activities	96	98
Interest, etc.	(4)	(5)
Corporation tax	(29)	(19)
From operating activities	63	74
Acquisitions	(2)	(51)
Net capital expenditure on fixed assets	(28)	(28)
From investing activities	(30)	(79)
Issue/participating interests	1	1
Bank loans	(26)	5
Dividend	(6)	(1)
From financing activities	(31)	5
Movement in cash	2	0



Summary 2003

Turnover

- Organic turnover growth 1.7% (2002: 4.4%)
 - Food retail 2.8%
 - Food service 1.2%



Summary 2003

Turnover

- Negative growth factors

General	Sharply lower inflation Weakening economy
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Food retail	Turnover from full-service formats under pressure Price war
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Summary 2003

Turnover

- Negative growth factors

Food service Challenging market conditions in the catering sector

Lower sales of tobacco products

Decrease in sales christmas hampers 35%

Effect on organic growth

- Food service (0.9%)

- Total (0.6%)



Summary 2003

Turnover

- Positive growth factors

Food retail Recreation formats

Food service Institutional segment (Van Hoeckel)
Self-service sales for SMEs/business services
Sligro gains market share



Summary 2003

Gross margin from 17.8% to 18.6% of turnover

Positive

- Consolidation EM-TÉ and Smit Vis
- Margin management
- Stronger purchasing position
- Reduced sales of low-margin tobacco products

Negative

- Price war

Costs from 11.4% to 11.6% of turnover

- Consolidation EM-TÉ and Smit Vis
- Non-recurring pre-pension expense of € 6.4 million in 2002



Summary 2003

Operating profit

Before amortisation + 12.8% € 78 million (5.3% to 5.7%)

After amortisation + 11.9% € 73 million (5.0% to 5.4%)



Summary 2003

	<u>Net profit</u>	<u>Earnings per share</u>
Before amortisation	€ 49 million + 20.0%	€ 2.46 + 15.5%
After amortisation	€ 45 million + 21.0%	€ 2.23 + 16.1%



Prospects for 2004

- No organic turnover growth first half-year
 - Challenging market conditions in catering sector
 - Increase in market share
 - Price war
- Pressure on gross margin
 - Price war retail
- Costs under control by improvement programs
- Non-recurring income through real estate transaction
- Profit after tax approximately equal to 2003



“Trading update” 15 April 2004



IFRS Preliminary conclusions

- Prudence principle
- Capital Differences
- Result Differences



IFRS Capital Differences

Key items

	€ million
Investment property, IAS 40	4
Inventory, IAS 2	1
Pensions, IAS 19	5
	10
Deferred corporation tax	3.5
Higher shareholders' equity under IFRS	6.5



IFRS Result Differences

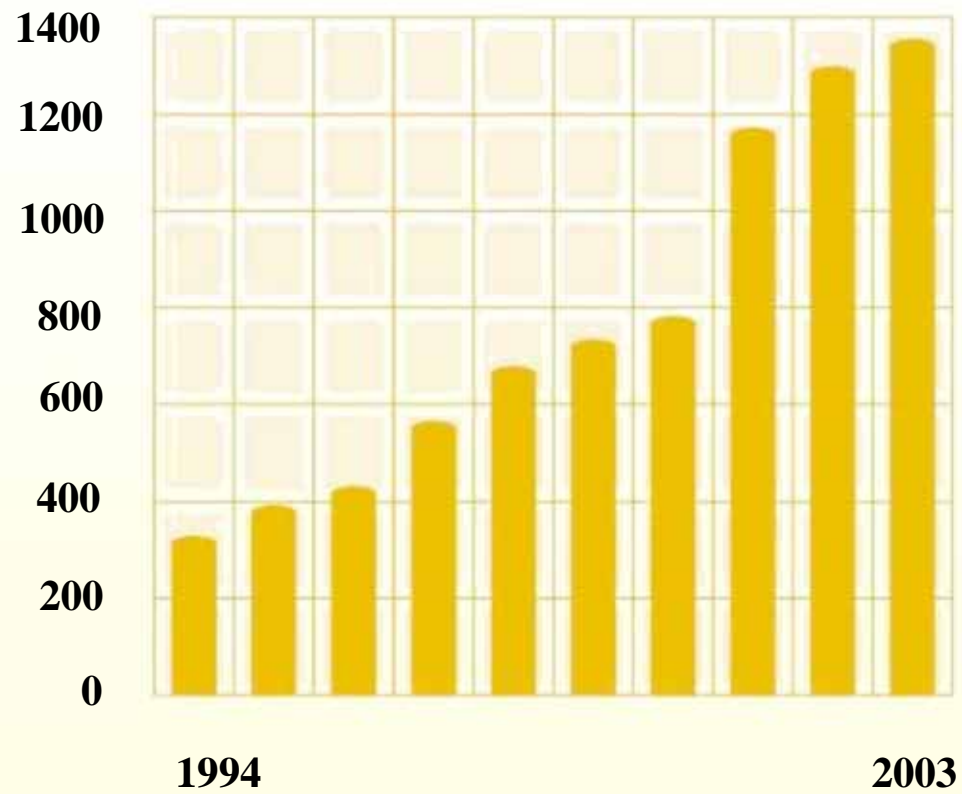
Key items

	€ million
Internally developed software, IAS 38 ¹⁾	1
Investment property, IAS 40	
Depreciation and indexation	1
Pensions, IAS 19	
Costs not charged to provisions	(2)
Result differences	0
Possible change in IAS 22 goodwill amortisation	4

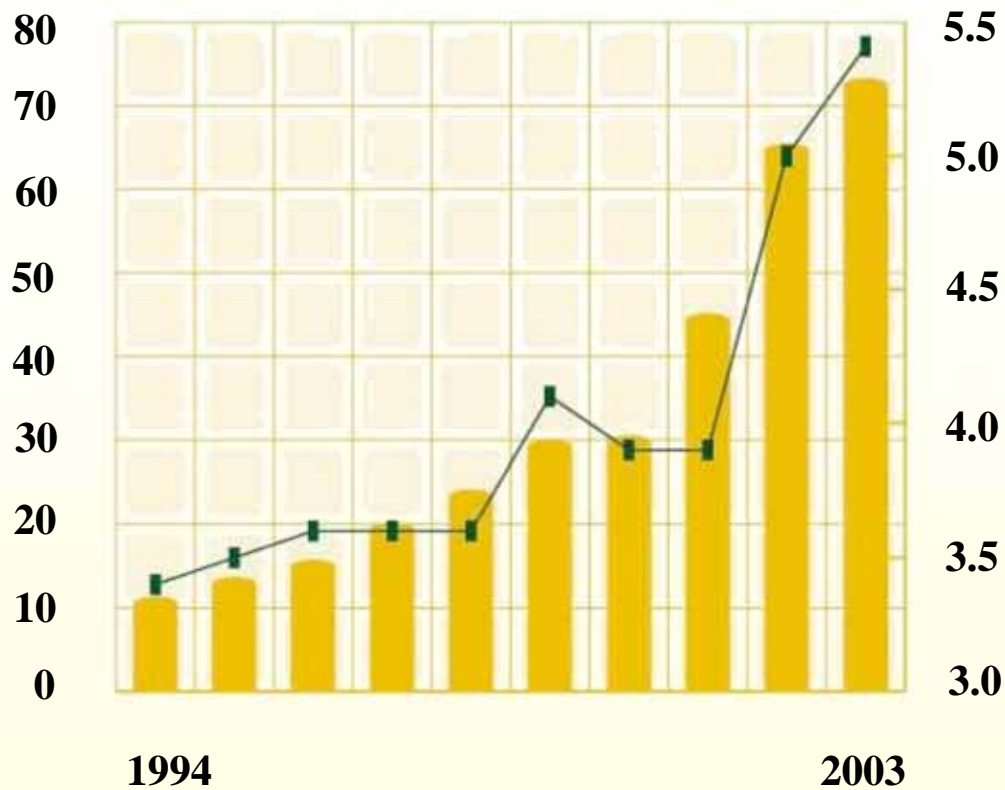
1) Average



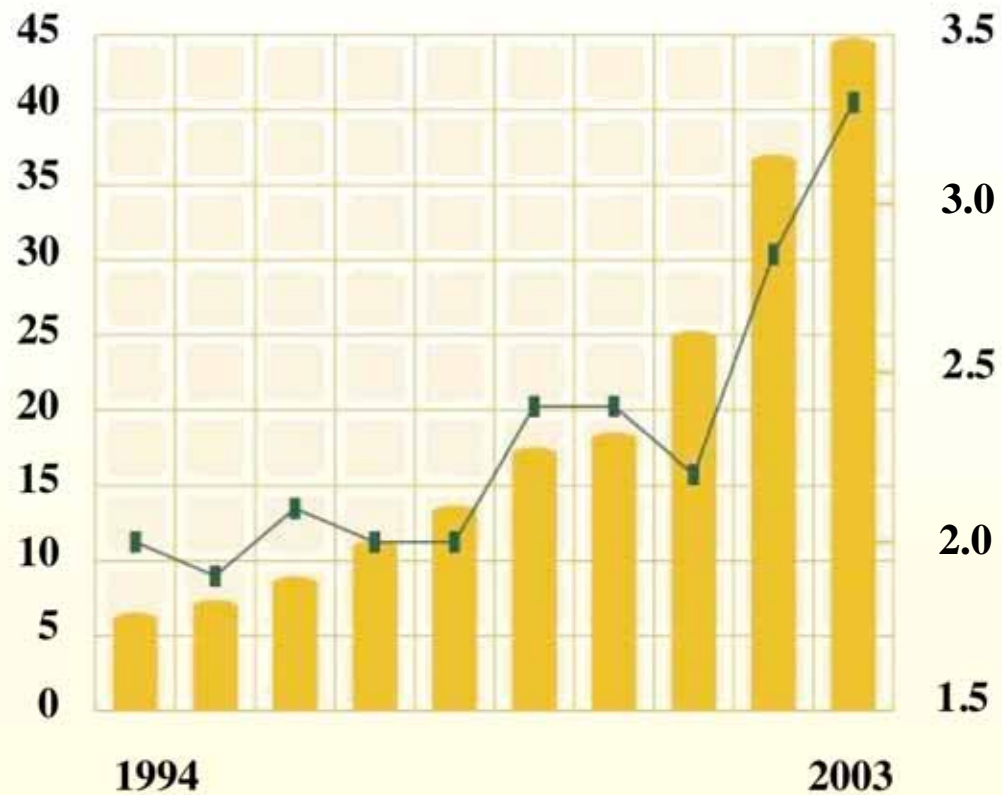
Turnover x € million



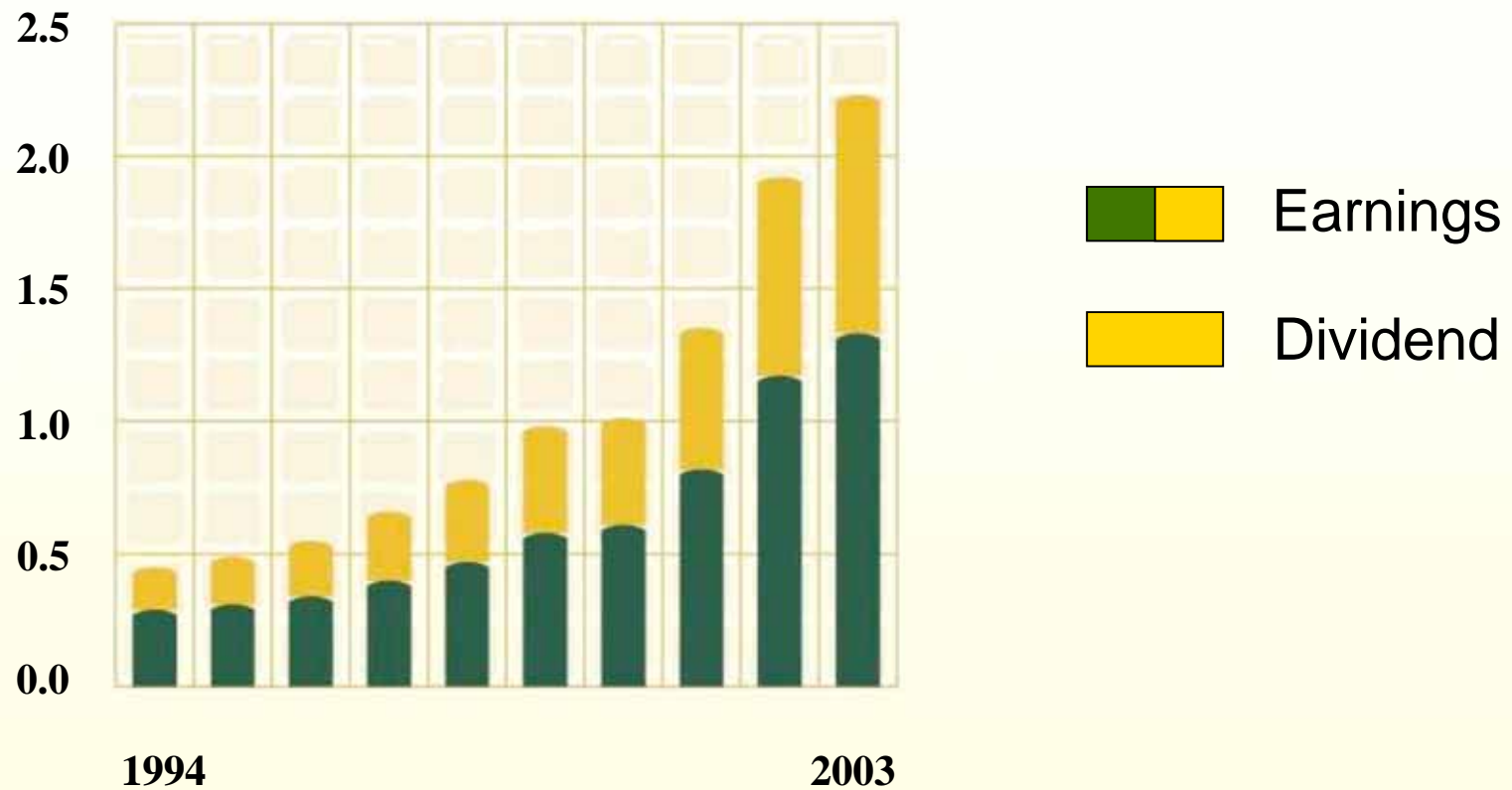
Operating profit x € million as % of turnover



Net profit € million as % of turnover



Earnings and dividend per share





Organisation Sligro Food Group

Central distribution centre and head office in Veghel

FOOD RETAIL

FOOD SERVICE

Prisma

franchise stores

distribution centres
in Putten and
Kapelle

EM-TÉ

own stores

distribution centre
in Kaatsheuvel

Sligro

restaurants, caterers,
small retailers

national network of 35
combined cash and carry/
delivery wholesale outlets

Van Hoeckel

health care, defence,
other non profit

distribution centre in
's-Hertogenbosch

Sligro Fresh Partners

National network currently of six fresh produce distribution centres



Turnover analysed by activity

	x € mln		in %	
	2003	2002	2003	2002
Food retail				
EM-TÉ	105	70	7.8	5.4
Prisma	373	364	27.4	28.0
	478	434	35.2	33.4
Food service				
Van Hoeckel	78	74	5.8	5.7
Sligro	800	791	59.0	60.9
	878	865	64.8	66.6
Total turnover	1,356	1,299	100.0	100.0



Segmentation formats

	Number		* 1.000 m ² retail area		x € million consumer turnover ¹⁾	
	2003	2002	2003	2002	2003	2002
EM-TÉ	13	11	15	13	114	109
Golff	59	61	46	47	266	269
MeerMarkt	75	80	30	31	125	127
Attent	55	54	12	11	41	41
Zomermarkt/Rekra	94	84	22	20	42	35
Supermarketformats	296	290	125	122	588	581
Milo convenience store	73	68	8	7	53	50
Total	369	358	133	129	641	631

1) Including VAT



Supermarket classification

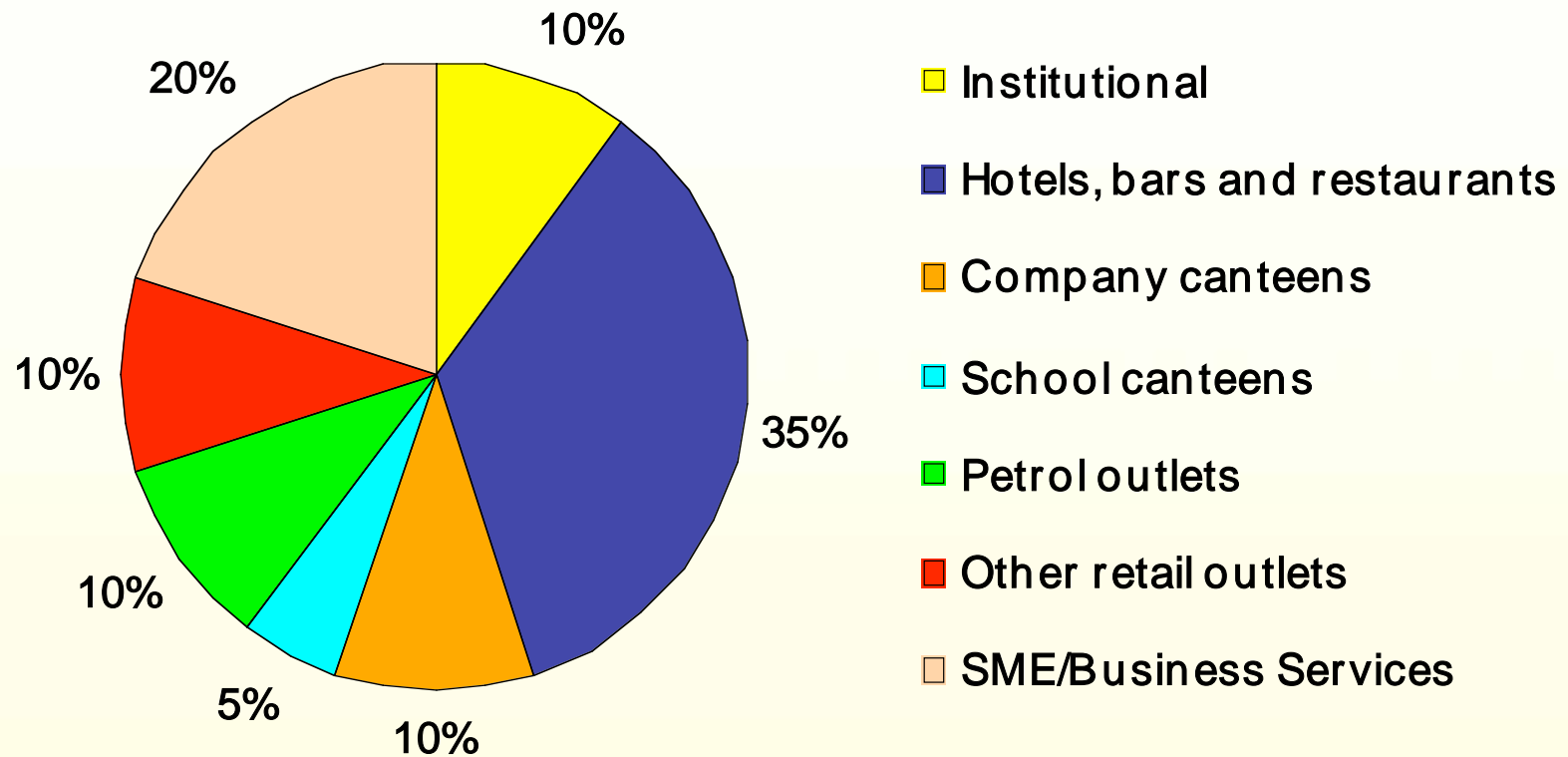


GfK

* < 50 observations



Turnover division foodservice



Sligro Food Group 2004 strategy

- Prisma organisational structure/staffing more efficient/professional
- Purchasing volume/pooling with food service, Superunie and group formats (EM-TÉ/Prisma)
(imports, exclusive brands, fresh produce, tobacco, wine/spirits, non-food, slow movers)
- Economic situation?
- Acquisitions
National repositioning revitalising formerly “fixed” supermarket positions/locations



Sligro Food Group 2004 strategy

Food service

- Self-service cash-and-carry outlets to continue organic growth (2003 +8%) SME/promotional policy/business services
- New/enlarged self-service cash-and-carry outlets:
Deventer/Emmen/Enschede/Gouda/Amsterdam/Nieuwegein/The Hague
- Further professionalisation/optimisation of delivery service
RDC/RFC
- Modest price adjustments



Sligro Food Group 2004 strategy

- Van Hoeckel, Partner in Food Care, continued growth (2003 + 4.6%)
- Company catering growth
- National restaurant trade index?
- Good summer?
- Christmas hampers/business gifts
- Acquisitions
Target: Top 20 Dutch food service wholesalers



Sligro Food Group 2004 strategy

General

- Abolish stock-options
- New cost drive: this time targeting indirect costs
- Continue investment programme without change
- Reducing sick leave
Increased wages costs through long term Collective Labor Agreements
- Food market very turbulent:
Our policy: calmly keep pace
- “Every day low price” stress among consumers
- Competitive situation
- Balance sheet position spick & span

