



IBM Point-of-Sale and Self-Checkout Featured in New Food Lion Store Concept

RALEIGH, NC -- May 27, 2004 -- Food Lion's new Bloom pilot stores, which feature a new store concept, format and brand name, will offer advanced IBM point-of-sale systems and IBM Self Checkout systems to help provide the simple, uncomplicated new shopping experience designed for the new stores, IBM announced today.

Food Lion LLC has announced plans to open five pilot stores to test the new store concept. The new stores scheduled to open by the end of 2004 in the Charlotte, N.C., area, will be named, "Bloom, A Food Lion Market(TM)."

Bloom stores are being designed to serve customers by providing a simple, uncomplicated and hassle-free shopping experience. The first Bloom store opened May 26 in Charlotte. Bloom will be a new brand under the Food Lion LLC banner. Food Lion operates more than 1,200 stores in 11 states.

The new stores will feature IBM 4694 POS systems, which are among the most reliable and popular POS systems being used by retailers around the world. IBM Self Checkout systems will give Bloom customers the choice and convenience of self-checkout to speed the checkout process and enhance customer satisfaction.

"Leading retailers around the world are leveraging advanced new store technologies in innovative ways to enhance the customer shopping experience," said Tom Peterson, general manager, IBM Retail Store Solutions. "New technologies like self-checkout, wireless devices, kiosks and other systems can be linked together in powerful ways to give customers the choice, convenience and personalized service they want. Food Lion LLC is a leader in using such technology."

"Bloom will offer competitive prices, provide the freshest products, and will focus on eliminating many of the hassles of shopping. Technology is an important element in allowing us to provide these advantages," said Robert Canipe, Food Lion vice president of business strategy.

Bloom brings a new approach to store design, layout and merchandising. Bloom also will test some of the proven leading-edge technologies in the retail industry, with an objective of enhancing the shopping experience and helping customers find products, get information and check out with greater ease.

About Food Lion

Food Lion LLC is a subsidiary of Delhaize America, the U.S. division of Brussels-based Delhaize Group (NYSE:DEG - News). Food Lion operates more than 1,200 stores, under the Food Lion, Bloom and Reid's names. The company employs approximately 73,000 associates delivering quality products, competitive prices and service to customers in 11 Southeast and Mid-Atlantic states.

About IBM

IBM, the world's largest information technology company, is the leader in providing the Retail Industry with a full range of e-business solutions, including: point-of-sale systems, automated self-checkout systems, other hardware and software technology, consulting focused on business transformation, IT strategy and planning, store operations improvement, and supply chain optimization, and with services, such as outsourcing, managed operations, systems integration,

and application development and design. IBM has a list of retail customers in 100 countries worldwide that reads like a "Who's Who" of retailing. For more information on IBM Retail Solutions, please visit www.ibm.com/industries/retail/store.