

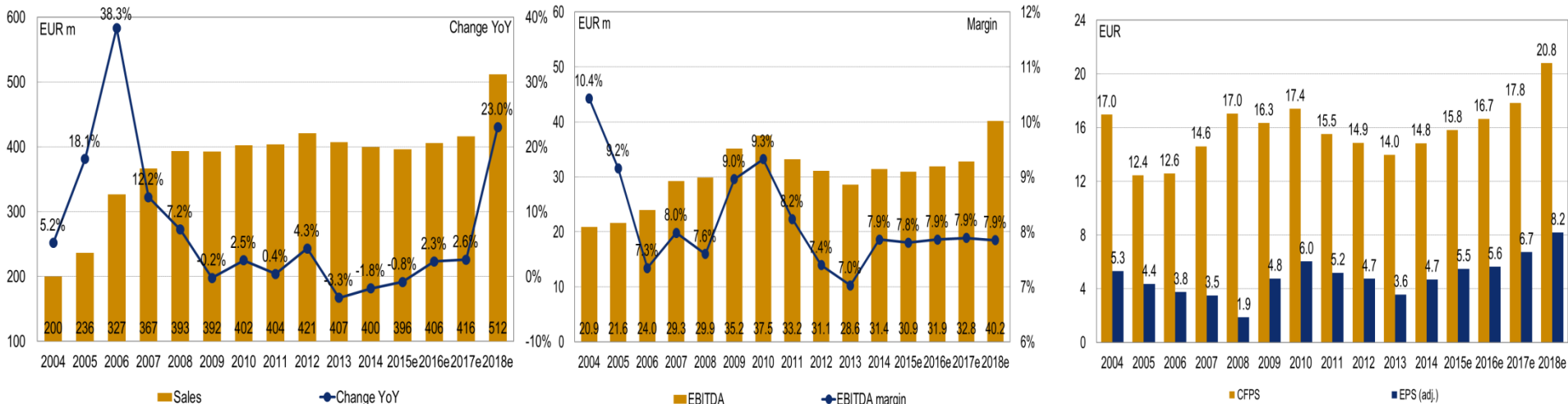
FOOD & BEVERAGES: processed meats & ready meals

- Three activity pools:
 1. Processed meats (BEL, NLD)
 - 70% of sales (salami, cooked ham, pâté...), of which we estimate roughly half is slicing and packaging services
 2. Ready meals (BEL)
 - 30% of sales – fresh, pasta based (mainly lasagne, also cannelloni, pizza...)
 3. “The Pasta Food Company” (POL - 50/50 JV with Stefano Toselli)
 - New lasagne production – operational as of 4Q14 – equity consolidated
- Market leader (processed meats, slicing & packaging, lasagne) in a mature industry
 - Predictable sales and cash flows
 - Low growth, so typically a dividend yield play, but...

1-Sep-15: Announcement of acquisition of 33% stake in Stefano Toselli

- Call option on 50/50 JV in Poland and on 100% of Stefano Toselli to be lifted in 2018
 - Early and partial on ST for EUR 9.4m
- Highly likely : lift call option of remaining ST shares and on JV (50%)
 - Ready meals doubles size: EUR 120m in FY14 → EUR 215m in FY18e (ST only)

FY14-18: Sales & EBITDA c +30% ; CFPS c +40% ; EPS c +70%



Growth at a Reasonable Price

TP EUR 110

- Attractive multiples :

- P/E	FY16e	FY17e
Ter Beke	13.9	11.4x
Peers	16.5x	14.9x
- EV/EBITDA	FY16e	FY17e
Ter Beke	5.6x	5.0x
Peers	9.4x	8.7x
- Dividend yield	FY16e	FY17e
Ter Beke	3.2%	3.4%
Peers	2.7%	2.9%

on 29-Sep-15

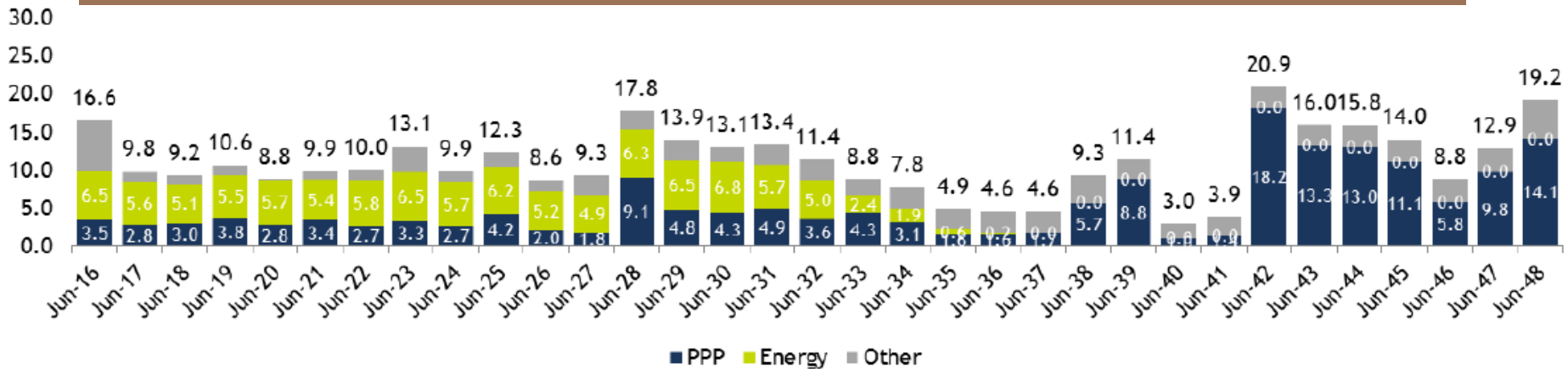
HOLDING COMPANY, investing in operational infrastructure assets

- Public and private **infrastructure** assets (BEL, NLD):
 1. Public Private Partnership infrastructure assets (c.26% of NAV)
 - Brabo1 (light railway), L'Hourgnette (prison), Via R4 Gent (road)
 2. Energy infrastructure assets (c.41% of NAV)
 - Storm, Berlare Wind, Solar Finance, Northwind, Belwind, High/Lowtide, Kreekraksluis (on/off-shore wind parks & photovoltaic energy production)
 3. Real assets (c.13% of NAV)
 - Bio-Accelerator (business service centre), Eemplein (car park)
- Mature and **operational** assets
 - Predictable cash flows: Long term (up to 30Y) , self-liquidating character
 - “de-risking”: equity with fixed income assets features (construction, operating...)
 - No debt on holding company level, but SPVs highly leveraged

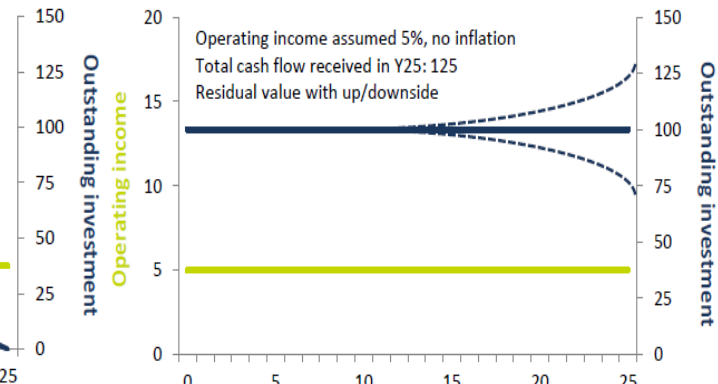
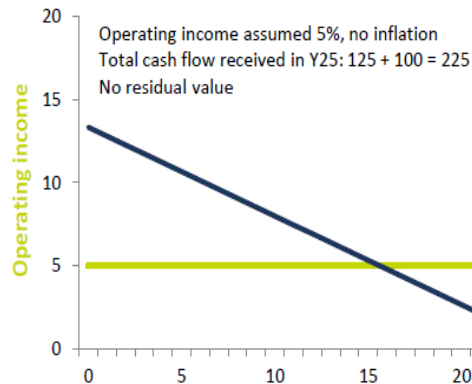
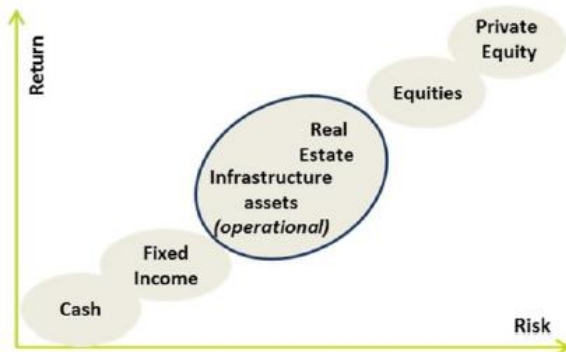
The INfrastructure Company - TINC



Predictable cash flows



Risk-return profile



Predominantly yield ... but also contracted growth

TP 11.90

- **High dividend yield:**

FY15/16: EUR 0.47/share

- >4.25% gross

- **Priced at NAV:**

NAVps of EUR 10.96

- Peers trading at premium to NAV: PPP >15%, Energy 0%, Real assets : 25-30%

- **Contracted growth:**

A-Lanes A15: PPP project – Maasvlakte highway

- Cash flow as of 2018

Via A1 Bruges PPP project – Brugge – Knokke-Heist

- Cash flow as of 2019

on 29-Sep-15

FOOD RETAIL, retail operations in the US and Europe

- Major int'l food retailer with strong market positions on the **US east coast (63%** of FY15 revenues), the **Netherlands (32%)** and **Czech Republic (5%)**
+ strong focus on **on-line** retailing (Bol.com 4%)
- In process of **merger with Delhaize**, creating ...
 - a leading player in the US & Benelux,
 - a platform for further cost-cuttings (strong track-record)
 - source of top-line initiatives
 - USD exposure (currency tailwind)
- Key strength: **Consistent cash generation**, but operational performance mixed: growth in the Netherlands, margin decline in the US
- Earnings visibility vs. other sectors

Cash machine, even so after the merger

- Attractive cash generative characteristics
 - High FCF thanks to fairly good margins and restraint on capex
- Shareholder remuneration
 - Since 2007, returned EUR 10bn to shareholders – to be continued post-merger
- Newco: 4.75 x Delhaize = Ahold – EUR 1bn
 - Synergies not yet discounted in valuation multiples
 - Lower execution risk
 - both dominant in their respective markets
 - Post-merger: strong balance sheet, despite EUR 1bn capital return
 - Delhaize: bolder than expected Transformation in Belgium
 - Easy, Fresh & Affordable refurbishing in the US

Solid player within a highly competitive market

TP: EUR 20

- **Valuation in line with peers :**

- P/E	FY16e	FY17e
Ahold	13.9	12.9x
Peers	13.9x	12.9x
- EV/EBITDA	FY16e	FY17e
Ahold	6.6x	6.2x
Peers	6.4x	6.2x
- Dividend yield	FY16e	FY17e
Ahold	3.8%	4.1%
Peers	3.8%	3.8%

on 29-Sep-15