

## AHOLD GROUP

Ahold is an international group of leading supermarket companies based in the United States and Europe. We offer customers great value, a convenient and appealing shopping experience, and healthy choices. We love being in the food business and are committed to being a leader in each of the markets we serve. The power of our local brands sets us apart from the competition. As a group, we leverage knowledge, consumer insight and scale across our businesses to operate in a simple, responsible and efficient way. Our people play an important role in our success by developing strong relationships with customers and others in our local communities. We continuously innovate products, services and store formats to build customer loyalty and achieve sustainable profitable growth for our Company.

### OUR STRATEGY

Ahold's strategy for sustainable profitable growth is designed to accelerate identical sales growth, improve returns, strengthen our foundation for future expansion and create value for shareholders. The strategy focuses on five areas:

- Portfolio
- Growth
- Organization
- Financial targets
- Corporate responsibility

#### Our portfolio

We operate food retail businesses in the United States and Europe. We operate in markets where we believe we can secure a number one or number two position and where there are clear prospects for sustainable profitable growth.

#### Growth

To achieve our growth objectives, we are transforming our retail banners into powerful local consumer brands. The critical elements of this transformation process are:

- Improved products and services offering;
- Everyday competitive prices;
- Cutting costs;
- Better understanding our customers.

ALBERT ALBERT HEIJN ETOS GALL&GALL GIANT FOOD STORES  
GIANT FOOD HYPERNOVA ICA MARTIN'S PEAPOD STOP&SHOP  
WE MAKE IT EASY TO CHOOSE THE BEST

## Press Pack - continued

### **Organization**

We operate from two continental platforms, Ahold USA and Ahold Europe, each led by a Chief Operating Officer. This structure helps us balance local, continental and global decision-making. It also enables us to leverage continental scale and talent effectively to support our local operating companies.

In November 2009, Ahold announced a series of changes in its European and US businesses to create a strong platform for future growth. The reorganization in both continents delineates the responsibility for running operations, supporting the operations, and business development. The changes will ensure a sharper focus on local customer needs, provide efficient and effective support functions in each continent, and a more robust approach to business development. The changes will further simplify and standardize processes and structure to ensure the company can integrate acquisitions more easily, as it pursues its strategy for profitable growth. Further simplifying and streamlining the businesses allows Dick Boer and Larry Benjamin to devote more time to growth opportunities in existing and new markets.

### **Financial targets**

Our long-term financial targets are to achieve a sustainable net sales growth of 5% (mainly from identical sales growth) and a sustainable retail operating margin of 5%, while maintaining an investment grade credit rating.

### **Corporate responsibility**

Corporate responsibility is fully integrated into our day-to-day operations. Our corporate responsibility activities are organized around four main themes – healthy living, sustainable trade, climate action and community engagement. These areas are most relevant to our business and are where we believe we can make a positive impact. We aim to balance the interests of people, planet and profit to ensure our business is responsible, sustainable and profitable. Our strategy, goals and targets are set globally by Ahold and implemented locally.

## **OUR BUSINESS MODEL**

Ahold wins the loyalty of customers in each of our markets by providing products and services they want at prices that are competitive with all food channels.

### **Allocating capital for growth**

We continue to grow in areas where we can achieve an attractive return. We are improving our existing store formats and opening innovative new format concepts in many of our markets.

### **Lowering cost base**

We are reducing costs by simplifying all aspects of our business, including store operations, shrink, logistics, energy usage and overhead. We have also taken a rigorous approach in dealing with underperforming stores. We continue to build on our continental sourcing strategy.

### **Building strong consumer brands**

We are building powerful consumer brands in each of our markets by delivering on the promises we make to our customers every day.

### **Driving identical sales growth**

Our brand positioning and customer offering are increasing customer loyalty, winning new customers and driving identical sales growth in our businesses.

## FIVE YEAR OVERVIEW

### Results and cash flow information

| € million, except per share data                                    | 2008              | 2007 <sup>1</sup> | 2006 <sup>1</sup> | 2005 <sup>1</sup> | 2004 <sup>1</sup> |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| Net sales   | 25,722            | 24,893            | 24,642            | 23,767            | 23,117            |
| Net sales growth at constant exchange rates                         | 6.9%              | 6.6%              | 4.2%              | 2.3%              | 4.3%              |
| Operating income  | 1,198             | 1,068             | 989               | 77 <sup>2</sup>   | 819               |
| Retail operating margin   | 5.0%              | 4.9%              | 4.8%              | 4.6%              | 4.9%              |
| Net interest expense  | (234)             | (294)             | (452)             | (520)             | (641)             |
| Income (loss) from continuing operations                            | 868               | 753               | 649               | (147)             | 646               |
| Income from discontinued operations                                 | 211               | 2,192             | 266               | 293               | 237               |
| Net income  | 1,079             | 2,945             | 915               | 146               | 883               |
| Net income per common share (basic)                                 | 0.91              | 2.03              | 0.58              | 0.08              | 0.56              |
| Net income per common share (diluted)                               | 0.89              | 2.01              | 0.58              | 0.08              | 0.56              |
| Income (loss) per common share from continuing operations (diluted) | 0.73              | 0.52              | 0.42              | (0.09)            | 0.42              |
| Dividend per common share   | 0.18 <sup>4</sup> | 0.16              | –                 | –                 | –                 |
| Cash flow before financing activities                               | 1,272             | 6,627             | 1,028             | 2,057             | 2,033             |
| Net cash from operating, investing and financing activities         | (445)             | 1,487             | (249)             | (1,137)           | 25                |
| Capital expenditures <sup>3</sup>                                   | 1,019             | 738               | 857               | 770               | 973               |
| Capital expenditures as % of net sales <sup>3</sup>                 | 4.0%              | 3.0%              | 3.5%              | 3.2%              | 4.2%              |
| Average exchange rate (euro per U.S. dollar)                        | 0.6828            | 0.7307            | 0.7964            | 0.8051            | 0.8050            |

<sup>1</sup> Comparative figures have been adjusted from amounts previously reported to reflect the effect of discontinued operations.

<sup>2</sup> Includes the settlement of the securities class action (EUR 803 million).

<sup>3</sup> Excludes assets acquired under finance leases, business acquisitions and discontinued operations.

<sup>4</sup> Subject to approval by the General Meeting of Shareholders.

### Balance sheet and other information

| € million                                     | December 28, 2008 | December 30, 2007   | December 31, 2006 | January 1, 2006 | January 2, 2005 |
|---|-------------------|---------------------|-------------------|-----------------|-----------------|
| Group equity                                  | 4,676             | 3,887               | 5,270             | 4,661           | 3,917           |
| Gross debt                                    | 4,241             | 5,379               | 6,480             | 7,748           | 10,020          |
| Cash and cash equivalents                     | 2,863             | 3,263               | 1,844             | 2,228           | 3,205           |
| Net debt                                      | 1,378             | 2,116               | 4,636             | 5,520           | 6,815           |
| Net debt-equity ratio                         | 29%               | 54%                 | 88%               | 118%            | 174%            |
| Total assets                                  | 13,592            | 13,944              | 18,442            | 19,958          | 21,344          |
| Number of stores                              | 2,897             | 3,225               | 3,480             | 3,455           | 4,072           |
| Number of employees (in FTEs)                 | 118,523           | 118,715             | 164,078           | 167,801         | 206,441         |
| Common shares outstanding (x 1,000)           | 1,176,685         | 1,171,922           | 1,555,678         | 1,555,313       | 1,554,263       |
| Share price at Euronext                       | 8.83              | 9.47                | 8.06              | 6.33            | 5.70            |
| Market capitalization                         | 10,390            | 11,098 <sup>4</sup> | 12,539            | 9,845           | 8,859           |
| Year-end exchange rate (euro per U.S. dollar) | 0.7111            | 0.6795              | 0.7576            | 0.8444          | 0.7375          |

<sup>4</sup> In 2007, EUR 4.0 billion was returned to shareholders through a capital repayment and a share buyback program.

## Q3 2009 INTERIM MANAGEMENT REPORT

### Highlights

- Sales up 4.3% to €6.0 billion (up 2.6% at constant exchange rates)
- Operating income up 1.5% to €265 million
- Net income €238 million
- Volume growth in all markets
- New company-wide cost reduction program

| (€ million)                       | Q3<br>2009 | Q3<br>2008* | %<br>change | Q3 YTD<br>2009 | Q3 YTD<br>2008* | %<br>change |
|-----------------------------------|------------|-------------|-------------|----------------|-----------------|-------------|
| Net sales                         | 6,040      | 5,789       | 4.3%**      | 21,124         | 19,072          | 10.8%**     |
| Operating income                  | 265        | 261         | 1.5%        | 956            | 832             | 14.9%       |
| Income from continuing operations | 239        | 187         | 27.8%       | 684            | 585             | 16.9%       |
| Net income                        | 238        | 195         | 22.1%       | 629            | 794             | (20.8)%     |

\* Comparative figures reflect the changes in accounting policies as disclosed in note 2 to the interim financial statements.

\*\* At constant exchange rates, net sales increased by 2.6% in Q3 2009 (Q3 YTD 2009: 4.5%).

### Identical<sup>1</sup>/comparable<sup>2</sup> sales growth (% year over year)

|                           | Q3 2009<br>identical | Q3 2009<br>identical<br>excluding<br>gasoline | Q3 2009<br>comparable | Q3 YTD<br>2009<br>identical | Q3 YTD<br>2009<br>identical<br>excluding<br>gasoline | Q3 YTD<br>2009<br>comparable |
|---------------------------|----------------------|---|-----------------------|-----------------------------|--|------------------------------|
| Stop & Shop               | 0.2%                 | 0.7%  | 0.6%                  | 1.8%                        | 3.1%   | 2.3%                         |
| Giant-Landover            | 2.3%                 | 1.5%  | 2.7%                  | 3.2%                        | 2.9%   | 3.7%                         |
| Giant-Carlisle            | (1.5)%               | 1.0%  | (0.1)%                | (0.6)%                      | 2.6%   | 0.4%                         |
| Albert Heijn <sup>3</sup> | (0.4)%               | (0.4)%  |                       | 1.8%                        | 1.8%   |                              |
| Albert/Hypernova          | (3.4)%               | (4.0)%  |                       | (1.1)%                      | (0.9)%   |                              |

1. Net sales from exactly the same stores in local currency.

2. Identical sales plus net sales from replacement stores in local currency. Comparable sales are only reported for Ahold's US retail companies.

3. Identical sales represent the identical sales of Albert Heijn supermarkets.

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### Operating margin

Operating margin is defined as operating income as a percentage of net sales.

|                            | Q3<br>2009  | Q3<br>2008* | Q3 YTD<br>2009 | Q3 YTD<br>2008* |
|----------------------------|-------------|-------------|----------------|-----------------|
| Stop & Shop/Giant-Landover | 4.7%        | 4.3%        | 4.7%           | 3.8%            |
| Giant-Carlisle             | 4.1%        | 4.6%        | 4.5%           | 4.8%            |
| Albert Heijn               | 6.9%        | 7.0%        | 6.6%           | 6.9%            |
| Albert/Hypernova           | (5.6)%      | (0.7)%      | (4.8)%         | (0.6)%          |
| <b>Total retail</b>        | <b>4.8%</b> | <b>4.9%</b> | <b>4.8%</b>    | <b>4.7%</b>     |

\* Comparative figures reflect the changes in accounting policies as disclosed in note 2 to the interim financial statements.

### Store portfolio<sup>1</sup>

|                            | End of<br>2008 | Opened/<br>acquired | Closed/<br>sold | End of Q3<br>2009 | End of Q3<br>2008 |
|----------------------------|----------------|---------------------|-----------------|-------------------|-------------------|
| Stop & Shop/Giant-Landover | 563            | 3                   | (1)             | 565               | 556               |
| Giant-Carlisle             | 148            | 3                   | -               | 151               | 148               |
| Albert Heijn <sup>2</sup>  | 1,861          | 25                  | (14)            | 1,872             | 1,807             |
| Albert/Hypernova           | 325            | 4                   | (24)            | 305               | 313               |
| <b>Total retail</b>        | <b>2,897</b>   | <b>35</b>           | <b>(39)</b>     | <b>2,893</b>      | <b>2,824</b>      |

1. Including franchise stores.

2. Number of stores at the end of Q3 2009 includes 1,045 specialty stores (Etos and Gall & Gall).

## OUR BUSINESS

### Ahold USA

Chief Operating Officer Ahold USA – Lawrence Benjamin  
 CEO Ahold USA Retail – Carl Schlicker

As announced in November 2009, Ahold USA will be reorganized in 2010 into one operating company (Ahold USA Retail) with four retail divisions: Stop & Shop New England, Stop & Shop Metro New York, Giant-Landover and Giant-Carlisle. The support functions are being combined in one support unit, which will work closely with parallel support organizations in each of the local divisions. These organizational changes will not affect our store names. Our local store identities, differences and heritage are important to our business. The new divisional structure is intended to strengthen our connections to our local customers, suppliers and communities.



Stop & Shop is one of the leading food retailers in the northeast United States. We operate over 380 stores, throughout seven states, employing approximately 60,000 people. As announced in November 2009, Stop & Shop will be reorganized in two divisions: Stop & Shop New England and Stop & Shop Metro New York.

|                                       |   |
|---------------------------------------|---|
| <b>Company name</b>                   | The Stop & Shop Supermarket Company LLC   |
| <b>Established</b>                    | 1914  |
| <b>Joined Ahold</b>                   | 1996  |
| <b>Region</b>                         | United States, specifically the states of Massachusetts, Connecticut, Rhode Island, Maine, New Hampshire, New York and New Jersey |
| <b>Store formats</b>                  | Supermarkets and superstores  |
| <b>Private labels include</b>         | Stop & Shop, Nature's Promise, Simply Enjoy, CareOne, Guaranteed Value, Cottontails, Simply Dry, and Companion                    |
| <b>Division President</b>             |   |
| <b>Stop &amp; Shop New England</b>    | Mark McGowan  |
| <b>Division President</b>             |   |
| <b>Stop &amp; Shop Metro New York</b> | Ron Onorato   |



Giant-Landover is one of the leading supermarket brands in the mid-Atlantic US. We operate more than 180 supermarkets across three states and the District of Columbia, employing over 22,000 people.

|                               |  |
|-------------------------------|--|
| <b>Company name</b>           | Giant of Maryland LLC  |
| <b>Established</b>            | 1936   |
| <b>Joined Ahold</b>           | 1998   |
| <b>Region</b>                 | United States, specifically the states of Virginia, Maryland and Delaware and the District of Columbia   |
| <b>Store formats</b>          | Supermarkets and superstores   |
| <b>Private labels include</b> | Giant, Nature's Promise, Simply Enjoy, CareOne, Guaranteed Value, Cottontails, Simply Dry, and Companion |
| <b>Division President</b>     | Robin Michel   |

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**Peapod**<sup>®</sup>

Stop & Shop/Giant-Landover also operates Peapod, LLC ("Peapod"), an online grocery delivery service that works in partnership with the Stop & Shop/Giant-Landover operating company. Peapod also services the metropolitan areas of Chicago, Illinois, and Milwaukee, Wisconsin. Sales are included in sales of Stop & Shop/Giant-Landover. The President and CEO is Andrew Parkinson.

**GIANT**<sup>®</sup>  
Food Stores

Giant-Carlisle is one of the leading supermarket brands in the mid-Atlantic US. We operate nearly 150 stores in four states and employ approximately 27,000 people. 25 stores operate under the name Martin's Food Markets.

|                               |   |
|-------------------------------|---|
| <b>Company name</b>           | Giant Food Stores, LLC  |
| <b>Established</b>            | 1923  |
| <b>Joined Ahold</b>           | 1981  |
| <b>Region</b>                 | United States, the states of Pennsylvania, Virginia, Maryland and West Virginia |
| <b>Store formats</b>          | Supermarkets and superstores  |
| <b>Private labels include</b> | Giant, Nature's Promise, Simply Enjoy, CareOne, Guaranteed Value                |
| <b>Division President</b>     | Sander van der Laan (until January 2010)  |

## Ahold Europe

Chief Operating Officer Ahold Europe - Dick Boer

As of January 1 2010, an organizational restructuring will take effect within Ahold Europe, with the aim of fulfilling potential growth in new and existing markets. Day-to-day operational responsibilities for individual brands will be separated from company-wide support functions. Those support functions – Finance, Information Management, Real Estate, Sourcing, Human Resources Expertise & Services and Franchise Account Management – will be brought together at a European level. A new business development department is being launched, which aims to stimulate Europe-wide innovation, researching new opportunities and potential for growth. Ahold's brands will, in turn, focus fully on providing the best customer service on a daily basis.



Albert Heijn is the leading food retailer in the Netherlands and one of the country's best-known brands. Albert Heijn operates more than 820 stores and employs over 70,000 people. The Albert Heijn operating company includes Etos, Gall & Gall, and the Ahold Coffee Company which produces coffee, mainly for Ahold's subsidiaries and joint ventures.

|                               |  |
|-------------------------------|--|
| <b>Company name</b>           | Albert Heijn B.V.  |
| <b>Established</b>            | 1887   |
| <b>Region</b>                 | Europe, the Netherlands  |
| <b>Store formats</b>          | Compact hypermarkets, supermarkets, convenience stores and home shopping. Also Etos and Gall & Gall specialty stores |
| <b>Private labels include</b> | AH Huismerk (house label), AH Excellent, AH Puur en Eerlijk (organic), AH Express and Euroshopper                    |
| <b>General Manager</b>        | Sander van der Laan (as of January 2010)   |



Etos is one of the leading health and beauty retailers in the Netherlands, operating over 500 stores and employing over 2,500 people.

|                               |   |
|-------------------------------|---|
| <b>Company name</b>           | Etos B.V.   |
| <b>Established</b>            | 1918  |
| <b>Joined Ahold</b>           | 1974  |
| <b>Region</b>                 | Europe, the Netherlands   |
| <b>Store formats</b>          | Drugstores  |
| <b>Private labels include</b> | Etos house label (Etos Huismerk) and Etos value selection (Etos Voordeelselectie) |
| <b>General Manager</b>        | Jan Willem Koch   |

## Press Pack - continued



Gall & Gall is the leading wine and liquor specialist in the Netherlands, operating over 530 stores and employing over 1,200 people.

|                               |   |
|-------------------------------|---|
| <b>Company name</b>           | Gall & Gall B.V.                          |
| <b>Established</b>            | 1884                                      |
| <b>Joined Ahold</b>           | 1989                                      |
| <b>Region</b>                 | Europe, the Netherlands                   |
| <b>Store formats</b>          | Wine and liquor stores                    |
| <b>Private label includes</b> | range of selected Gall & Gall house wines |
| <b>General Manager</b>        | Peter Zoutendijk                          |



Albert and Hypernova are among the best-known food retail brands in the Czech Republic and Slovakia. We operate 300 stores in the Czech Republic and 25 stores in Slovakia and employ over 14,500 people in both countries.

|                               |  |
|-------------------------------|--|
| <b>Company name</b>           | Albert/Hypernova   |
| <b>Established</b>            | Ahold Czech Republic (1991), Ahold Slovakia (2001)<br>Region Europe, the Czech Republic and Slovakia |
| <b>Store formats</b>          | Hypermarkets and supermarkets  |
| <b>Private labels include</b> | Albert, Albert Excellent, Albert Bio, Euroshopper  |
| <b>General Manager</b>        | Jan van Dam  |



Ahold has a 60% interest in ICA, a food retail and wholesale group, headquartered in Stockholm, Sweden. The remaining 40% stake is held by Hakon Invest AB, a Swedish company listed on the Stockholm Stock Exchange. As of December 31, 2008, ICA served over 2,200 retailer-owned and company-operated retail food stores in Sweden, Norway, Estonia, Latvia and Lithuania. The group reported net sales of €9.5 billion over 2008, which was up 9.6% from the previous year at constant exchange rates. ICA also provides limited consumer financial services through its bank in Sweden. Under the shareholders' agreement with Hakon Invest AB, our 60% stake in ICA provides that strategic, financial and operational decisions will be made only on the basis of mutual consent. President & CEO is Kenneth Bengtsson.

## CORPORATE RESPONSIBILITY

### **An integrated part of our business**

Corporate responsibility is an integrated part of Ahold's daily business. As one of the world's leading food retailers, we can help consumers understand the consequences of the choices they make when shopping in our supermarkets and the impact of those choices on their health, the environment and communities.

We believe that building a sustainable future for our Company and our stakeholders is the right thing to do. Our customers, investors, suppliers, employees and the communities we serve also expect us to take environmental and social interests into account. We consider their concerns every time we make a business decision. Balancing the interests of people, planet and profit

### **Balancing the interests of people, planet and profit**

Corporate responsibility benefits all our stakeholders and supports the profitability of our business. We work according to the "Triple P" model which aims to balance the interests of people, the planet and profit to create a business that is profitable and sustainable.

Our vision, policies, objectives, targets and performance measures are set at a global level by Ahold, and carried out locally. This allows our operating companies to meet the specific needs of stakeholders in each market. This structure also enables us to share expertise and resources across the Company. Our operating companies have varying levels of maturity. Sharing knowledge of successful initiatives across the group makes it possible for us to provide the right solutions, at the right time, in the right place.

### **Stakeholder engagement**

The challenges of corporate responsibility are highly complex, and we recognize that we have much to learn from others, both inside and outside of our business. Interaction with our stakeholders – customers, employees, suppliers, the financial community, and the communities we serve – helps us understand the issues that are important to them and therefore important to our business.

### **The main corporate responsibility themes**

Sharing expertise across our group gives us insight into different market trends. Our goal is to understand those trends and predict how they will develop so we can provide the right solutions at the right time. Our corporate responsibility activities are organized around four main themes – healthy living, sustainable trade, climate action and community engagement. These themes are the most relevant to our business today. They are also areas where we see the greatest opportunity to make an impact.

## OUR PEOPLE

Our employees are the foundation of our business. Ahold is one of the largest food retailers in the world, and our employees serve hundreds of thousands of customers each day. Their commitment is integral to the experiences of customers in our stores each day and to the success of our business.

We also ensure our employees are treated fairly and enjoy similar opportunities wherever they work. Ahold's Human Resources leadership team plays a key role in this, developing global policies and coordinating activities across the group. This allows us to share best practices, develop standardized processes and use our collective knowledge and experience to put in place company-wide initiatives. Our goal is to attract, retain and develop the best people. We also want Ahold to be a company that people are proud to work for. We are committed to providing employees with a rewarding career, a great working environment and opportunities to develop, both in their current roles and in the future.

The objectives of our HR initiatives are to drive Ahold's business success by ensuring:

- Our people are highly qualified and customer-oriented;
- Ahold and its operating companies are great places to work;
- Our people management practices support practical results in the short term, while building a talented and motivated team for long-term success.

## OUR LEADERSHIP

### Supervisory Board

|                    |  |
|--------------------|--|
| René Dahan         | Chairman & Chairman of the Selection and Appointment Committee |
| Tom de Swaan       | Vice Chairman & Chairman of the Audit Committee                |
| Karen de Segundo   |  |
| Derk C. Doijer     | Chairman of the Remuneration Committee                         |
| Stephanie M. Shern |  |
| Judith Sprieser    |  |
| Mark McGrath       |  |

### Corporate Executive Board

|                                |  |
|--------------------------------|--|
| John Rishton                   | Chief Executive Officer  |
| Kimberly Ross                  | Executive Vice President and Chief Financial Officer   |
| Peter Wakkie                   | Executive Vice President and Chief Corporate Governance Counsel<br>(until Dec 31, 2009)                        |
| Dick Boer                      | Executive Vice President and Chief Operating Officer Ahold Europe<br>President and CEO, Ahold Nederland        |
| Lawrence Benjamin              | Executive Vice President and Chief Operating Officer Ahold USA   |
| Lodewijk Hijmans van den Bergh | Acting Member of the Corporate Executive Board and Chief Corporate<br>Governance Counsel as of January 1, 2010 |