Press Release

Royal Ahold
Public Relations

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Ahold 3rd quarter 2001 net earnings rise 28.3% to Euro 333.1 million

Highlights

- **Net earnings 3rd quarter rise 28.3% to Euro 333.1 million**
- **Sales rise 12.6% to Euro 15.5 billion**
- **Operating earnings increase 21.7% to Euro 667.2 million**
- **Strong organic operating earnings growth (+ 16.4%) and strong organic sales growth (+ 6.4%)**
- **Earnings per share increase by 14.6% to Euro 0.38 (+16.1% excluding currency impact)**
- **Confirmation of 15% EPS growth for full-year 2001 excl. currency impact, goodwill amortization and exceptional charge**

Zaandam, The Netherlands, November 27, 2001 – Ahold, the international food provider, achieved third quarter (12 weeks from July 16 through October 7) 2001 net earnings of Euro 333.1 million, an increase of 28.3% (2000: Euro 259.6 million). Sales in the quarter rose 12.6% to Euro 15.5 billion and operating earnings increased by 21.7% to Euro 667.2 million.
Net earnings after goodwill amortization amounted to Euro 304.2 million. Earnings per common share for the quarter rose 14.6% to Euro 0.38 (2000: Euro 0.33). Excluding currency fluctuations, specifically the effect of the slightly lower average exchange rate of the U.S. dollar, the Swedish Krona and the Brazilian Real, earnings per common share grew 16.1%.

Remarks by Cees van der Hoeven, Ahold President and CEO
Ahold President and CEO Cees van der Hoeven said that the third quarter results were of excellent quality: “With an organic sales growth of 6.4% and an organic operating earnings growth of 16.4% our company proved its capability to also perform well in somewhat weakened economic conditions. Particularly in the United States retail and foodservice achieved very good results. In Europe results were also solid. Notwithstanding difficult circumstances our Latin American operations performed well. We gained market share practically everywhere, while simultaneously achieving strongly improved operating margins.”

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Van der Hoeven said Ahold delivered its 23rd consecutive quarter of double-digit earnings per share growth. He expressed satisfaction at the substantial synergies achieved worldwide and within the regions. He commented on the earlier announced U.S. acquisitions of Alliant Foodservice and Bruno's Supermarkets and on the joint venture with CSU in Central America: "We are very pleased about the prospect of completing these transactions in such a short time-frame. The companies will be contributing to our full-year 2002 results."

Ahold 3rd quarter and year-to-date 2001 results, compared to 2000

	3rd Quarter			First Three Quarters		
x 1 million Euro	**2001**	**2000**	***Change in %***	**2001**	**2000**	***Change in %***
Sales	15,509.3	13,776.5	*12.6*	49,783.1	37,180.3	*33.9*
EBITDA	1,024.6	832.3	*23.1*	3,193.2	2,391.0	*33.6*
As % of sales	6.6	6.0		6.4	6.4	
Depreciation of fixed assets	394.0	284.2	*38.6*	1,232.6	850.6	*44.9*
EBITA	667.2	548.1	*21.7*	2,073.1	1,540.4	*34.6*
As % of sales	4.3	4.0		4.2	4.1	
Goodwill amortization	36.6	-		112.5	-	
EBIT	630.6	548.1	*15.1*	1,960.6	1,540.4	*27.3*
As % of sales	4.1	4.0		3.9	4.1	
Net earnings after goodwill	304.2	259.6	*17.2*	944.0	746.0	*26.5*
Net earnings before goodwill amortization	333.1	259.6	*28.3*	1,031.3	746.0	*38.2*
Earnings per share (before goodwill amortization) (EUR)	0.38	0.33	*14.6*	1.19	1.02	*17.1*

Sales and results in the third quarter were negatively impacted by lower average exchange rates of the U.S. dollar (USD 0.90 vs USD 0.89), the Swedish Krona (SEK 9.5 vs SEK 8.4) and the Brazilian Real (BRL 2.3 vs BRL 1.6). Consolidated sales increased by 12.6% to Euro 15.5 billion. Operational cash flow (EBITDA) increased by 23.1% to Euro 1,024.6 million. Operating earnings before goodwill amortization (EBITA) increased by 21.7% to Euro 667.2 million. Excluding currency impact, organic sales growth increased by 6.4% and organic operating earnings by 16.4%. Earnings per share before goodwill amortization increased by 14.6% to Euro 0.38; excluding currency impact this increase amounted to 16.1%.

United States (Food retail)

x 1 million USD	3rd Quarter			First Three Quarters		
	2001	**2000**	*Change in %*	**2001**	**2000**	*Change in %*
Sales	5,358.0	5,026.1	*6.6*	17,566.2	16,420.8	*7.0*
Operating earnings	295.5	232.4	*27.2*	924.9	822.5	*12.4*

Retail sales in the United States increased by 6.6% to USD 5.4 billion. Starting 2001, Ahold USA is using a different definition of net sales; using the previous definition, retail sales growth would have amounted to 11%. Organic sales growth increased by 7.0%. Comparable sales increased by 3.8% and identical sales by 3.4%. This sales increase reflects positive identical growth at Stop & Shop, Giant Landover, Giant Carlisle and Tops. Operating earnings increased by 27.2% to USD 295.5 million. This sharp improvement mainly reflects an improved operating margin due to excellent cost control and synergies. The Grand Union stores, converted during the first six months, also contributed to improved results. Internet grocer Peopod had operating losses of USD 11.0 million (2000: loss of USD 10 million). Operating earnings, excluding Peapod, amounted to 5.7% of sales (2000: 4.8%).

United States (Foodservice)

x 1 million USD	3rd Quarter			First Three Quarters		
	2001	**2000**	*Change in %*	**2001**	**2000**	*Change in %*
Sales	2,805.6	2,015.9	*39.2*	8,994.5	3,754.5	*139.6*
Operating earnings	113.3	81.9	*38.3*	357.9	158.5	*125.8*

At U.S. Foodservice sales increased by 39.2% to USD 2.8 billion, mainly reflecting the acquisition at year-end 2000 of PYA/Monarch, and to a lesser extent due to the Mutual and Parkway acquisitions this year. Organic sales growth amounted to 9.0%. After September 11 events organic sales growth was around 7%.
The operating earnings of U.S. Foodservice increased by 38.3% to USD 113.3 million. This increase reflects the good performance of U.S. Foodservice, the three acquisitions and the accompanying synergies and cost savings. The operational margin amounted to 4.0% (2000: 4.1%). This slightly lower margin reflects the consolidation of PYA/Monarch. The full-year margin is expected to be equal to last year.

Europe

x 1 million Euro	3rd Quarter			First Three Quarters		
	2001	**2000**	*Change in %*	**2001**	**2000**	*Change in %*
Sales	5,204.0	4,499.1	*15.7*	16,218.6	11,597.7	*39.8*
Operating earnings	186.8	162.1	*15.2*	566.8	426.6	*32.9*

In Europe sales increased by 15.7% to Euro 5.2 billion, specifically as a result of the year-end 2000 acquisition of the Spanish supermarket company Superdiplo. All European companies generated higher sales. Organic sales growth in Europe amounted to 6.3%.
In The Netherlands sales increased, primarily due to the acquisition of A&P stores by Schuitema, and organic sales growth of the C1000 stores. Albert Heijn, Deli XL and the specialty stores also improved sales. Sales at ICA Ahold in Scandinavia increased. The opening of new stores in the Czech Republic led to a very strong sales growth.

Operating earnings in Europe increased by 15.2% to Euro 186.8 million. The increase can partly be attributed to the acquisition of Superdiplo in Spain. All Dutch operations had a solid performance. ICA-Ahold in Scandinavia also contributed to improved results, despite the lower exchange rate. Operating earnings in Portugal were lower due to lower margins and higher expenses.

Latin America

	3rd Quarters			First Three Quarters		
x 1 million Euro	**2001**	**2000**	***Change in %***	**2001**	**2000**	***Change in %***
Sales	1,154.9	1,304.5	*(11.5)*	3,617.8	3,642.4	*(0.7)*
Operating earnings	42.8	49.7	*(13.9)*	124.8	113.7	*9.8*

At Euro 1.2 billion, sales in Latin America were 11.5% lower than in 2000. Organic sales decreased by 1.3%. The sales decline expressed in Euros was mostly the result of strong devaluation of the Brazilian Real. Although sales at Disco in Argentina were lower than last year reflecting the economic recession, market share of Disco increased. Bompreço in Brazil, Santa Isabel in Chile and La Fragua in Guatemala generated higher sales in local currencies despite a difficult economic environment.
Operating earnings of Euro 42.8 million were lower than last year, partially the result of lower earnings at Bompreço and reflecting the devaluation of the Brazilian Real. La Fragua in Guatemala generated higher results and earnings of Disco in Argentina stayed at about the same level. Santa Isabel improved its results but remained slightly negative.

Asia

	3rd Quarter			First Three Quarters		
x 1 million Euro	**2001**	**2000**	***Change in %***	**2001**	**2000**	***Change in %***
Sales	93.5	97.3	*(3.9)*	291.5	297.3	*(2.0)*
Operating earnings	(4.1)	(4.6)	*10.9*	(13.6)	(16.2)	*16.0*

Sales in Asia amounted to Euro 93.5 million and were slightly lower than last year as a result of closing a few stores in Malaysia and Thailand. Organic growth amounted to 3.3%. The operating loss amounted to Euro 4.1 million.

Corporate costs

	3rd Quarter			First Three Quarters		
x 1 million Euro	**2001**	**2000**	***Change in %***	**2001**	**2000**	***Change in %***
	11.7	10.7	*(9.3)*	39.1	34.7	*(12.7)*

Corporate costs amounted to Euro 11.7 million.

Net financial expense

	3rd Quarter			First Three Quarters		
x 1 million Euro	**2001**	**2000**	***Change in %***	**2001**	**2000**	***Change in %***
	(192.1)	(164.0)	*(17.1)*	(626.8)	(459.7)	*(36.3)*

Net financial expense amounted to Euro 192.1 million. The increase largely reflects the consolidation of interest expenses at PYA/Monarch and Superdiplo and financing of acquisitions. The rolling annual interest coverage ratio was 3.3 and the rolling annual ratio of net interest bearing debt/EBITDA amounted to 2.6.

Tax rate

The tax rate, expressed as percentage of pre-tax earnings, amounted to 26.0% (2000: 25.6%).

Group equity

Group equity, expressed as a percentage of balance sheet total, amounted to 21.9% (at year-end 2000: 12.5%). After conversion of convertible subordinated notes outstanding, group equity amounted to 27.6% of the balance sheet total. Capital accounts amounted to 28.1% (at year-end 2000:19.5%). Shareholders' equity amounted to Euro 5.6 billion. During the third quarter of 2001, proceeds from the issue of common shares in September and from exercised option rights were added to shareholders' equity.

Net earnings of the third quarter 2001 were added to shareholders' equity after deduction of dividend on preferred shares and cash interim dividend on common shares. The negative balance of exchange rate fluctuations was also charged to shareholders' equity.

Changes to shareholders' equity

	3rd Quarter		**First Three Quarters**	
x 1 million Euro	**2001**	**2000**	**2001**	**2000**
Shareholders' equity at beginning of quarter	3,159.8	862.1	2,502.6	2,351.9
Net earnings after preferred dividend	295.4	256.8	914.7	736.7
Cash dividend common shares	(31.3)	(18.9)	(94.1)	(43.9)
Exercise of stock options	4.6	9.0	43.4	15.7
Share issues	2,501.7	(2.0)	2,501.9	2,824.8
Goodwill	-	(198.1)	(28.7)	(5,074.6)
Exchange rate differences and other changes	(377.0)	110.7	(286.6)	209.0
Shareholders' equity at end of quarter	5,553.2	1,019.6	5,553.2	1,019.6

Acquisition Alliant Foodservice

Ahold expects to close the Alliant acquisition November 30, 2001. Ahold will take a USD 220 million restructuring provision for the integration of Alliant into U.S. Foodservice, of which USD 110 million will be an exceptional charge to operating earnings in the 4th quarter. After taxes, the net impact of this charge will total USD 65 million.

Acquisition Bruno's Supermarkets

Completion of the Bruno's acquisition is expected in December. Bruno's will cooperate closely with the other Ahold USA retail sister companies.

Ahold Note Issue to Refinance Existing Debt

To refinance existing debt, Ahold has announced it will make use of the current favorable climate to issue the equivalent of approximately Euro 1.0 billion in public debt under its Euro Medium Term Note (EMTN) program. The proceeds will be used to refinance short-term debt and, upon completion of the acquisition, existing debt with Alliant.

Confirmation full-year 2001 outlook

The Ahold Corporate Executive Board maintains its expectation that sales and operating earnings will improve, reflecting organic growth and contributions from acquisitions. Net earnings are expected to be sharply higher than last year. Earnings per common share for full-year 2001 are expected to rise by 15%, excluding currency impact and goodwill amortization and before the exceptional charge related to the Alliant acquisition.

Explanation of terms:
Organic sales exclude sales from acquisitions.
Identical sales compare sales from exactly the same stores.
Comparable sales are identical sales plus sales from replacement stores.

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Consolidated statement of earnings of Royal Ahold

x 1 million Euro (unless otherwise indicated)	3rd quarter 2001 (12 weeks)	*increase in %*	2000 (12 weeks)	first three quarters 2001 (40 weeks)	*increase in %*	2000 (40 weeks)
Sales to third parties						
- U.S. Foodretail *(in dollars)*	5,358.0	*6.6*	5,026.1	17,566.2	*7.0*	16,420.8
- U.S. Foodservice *(in dollars)*	2,805.6	*39.2*	2,015.9	8,994.5	*139.6*	3,754.5
- United States *(in dollars)*	8,163.6	*15.9*	7,042.0	26,560.7	*31.6*	20,175.3
- Europe	5,204.0	*15.7*	4,499.1	16,218.6	*39.8*	11,597.7
- Latin America	1,154.9	*(11.5)*	1,304.5	3,617.8	*(0.7)*	3,642.4
- Asia Pacific	93.5	*(3.9)*	97.3	291.5	*(2.0)*	297.3
Total sales	**15,509.3**	***12.6***	**13,776.5**	**49,783.1**	***33.9***	**37,180.3**
Operating earnings						
- U.S. Foodretail (*in dollars)*	295.5	*27.2*	232.4	924.9	*12.4*	822.5
- U.S. Foodservice (*in dollars)*	113.3	*38.3*	81.9	357.9	*125.8*	158.5
- United States (*in dollars)*	408.8	*30.1*	314.3	1,282.8	*30.8*	981.0
- Europe	186.8	*15.2*	162.1	566.8	*32.9*	426.6
- Latin America	42.8	*(13.9)*	49.7	124.8	*9.8*	113.7
- Asia Pacific	(4.1)	*10.9*	(4.6)	(13.6)	*16.0*	(16.2)
- Corporate costs	(11.7)	*(9.3)*	(10.7)	(39.1)	*(12.7)*	(34.7)
Total operating earnings	**667.2**	***21.7***	**548.1**	**2,073.1**	***34.6***	**1,540.4**
Goodwill amortization	(36.6)		-	(112.5)		-
Earnings before interest & taxes	630.6	*15.1*	548.1	1,960.6	*27.3*	1,540.4
Net financial income and expenses	(192.1)		(164.0)	(626.8)		(459.7)
Earnings before income taxes	438.5	*14.2*	384.1	1,333.8	*23.4*	1,080.7
Income taxes	(114.2)		(98.3)	(344.1)		(278.9)
Earnings after income taxes	324.3	*13.5*	285.8	989.7	*23.4*	801.8
Income from unconsolidated subsidiaries and affiliates	7.9		4.9	16.1		8.8
Minority interests	(28.0)		(31.1)	(61.8)		(64.6)
Net earnings	304.2	*17.2*	259.6	944.0	*26.5*	746.0
Dividend preferred shares	(8.7)		(2.7)	(29.3)		(9.3)

Ratios

	3rd quarter			first three quarters		
		2001 *(12 weeks)*	**2000** *(12 weeks)*		**2001** *(40 weeks)*	**2000** *(40 weeks)*
Average number of common shares outstanding *(x 1,000)* [1]		863,095	783,117		838,727	722,113
Earnings per common share (before goodwill amortization) [2]	EUR	0.38	0.33	EUR	1.19	1.02
Earnings per common share (after goodwill amortization) [2]	EUR	0.34	0.33	EUR	1.09	1.02
Diluted earnings per common share [3]	EUR	0.33	0.32	EUR	1.07	0.98
Operating earnings as % of sales		4.30	3.98		4.16	4.14
Depreciation and amortization *(x 1 million)*	EUR	394.0	284.2	EUR	1,232.6	850.6
EBITDA *(x 1 million)*	EUR	1,024.6	832.3	EUR	3,193.2	2,391.0
EBITDA as % of sales		6.61	6.04		6.41	6.43
Earnings after income taxes as % of sales		2.09	2.07		1.99	2.16
Average exchange rate of the euro	USD	0.90	0.89	USD	0.90	0.94

[1] *Number of shares has been adjusted for stock dividends.*
[2] *Earnings per common share are calculated on the basis of the average number of common shares outstanding and after the deduction of dividend on preferred shares.*
[3] *Calculated as follows: net earnings after preferred dividend, adjusted for the interest expenses on the convertible subordinated notes, divided by the weighted average number of common shares outstanding, including the number of common shares that would have been issued upon conversion of the convertible subordinated notes and the exercise of stock options rights outstanding.*

Consolidated balance sheet of Royal Ahold

x 1 million Euro	October 7, 2001	December 31, 2000
Cash and cash equivalents	3,213	1,336
Receivables	3,638	3,426
Inventories	4,230	4,100
Tangible fixed assets	12,739	12,232
Intangible fixed assets	3,435	3,153
Financial fixed assets	1,320	1,214
	28,575	25,461
Current liabilities	9,510	10,221
Long-term debt	9,385	8,520
Subordinated loans	1,780	1,780
Provisions	1,641	1,760
Minority interests	706	677
Shareholders' equity	5,553	2,503
Group equity	6,259	3,180
	28,575	25,461
Net interest-bearing debt	9,449	10,940
Capital accounts	8,039	4,960

Ratios

	October 7, 2001	December 31, 2000
Number of common shares outstanding *(x 1,000)* [1]	919,788	825,332
Group equity/Total assets %	21.9	12.5
Capital accounts/Total assets %	28.1	19.5
Exchange rate of the euro for balance sheet items	USD 0.92	USD 0.94
Group equity/Total assets in % assuming the convertible subordinated notes were fully converted	27.6	18.9

[1] *Number of shares has been adjusted for stock dividends.*

Consolidated statements of cash flows of Royal Ahold

	first three quarters (40 weeks)	
x 1 million Euro	**2001**	**2000**
Cash flows from operating activities		
Net earnings	944.0	746.0
Minority interests in earnings	61.8	64.6
Depreciation and amortization	1,232.6	850.7
Unremitted earnings of unconsolidated subsidiaries and affiliates	(10.3)	(6.0)
Changes in working capital and provisions	(1,012.3)	(229.6)
Changes in deferred income taxes	(33.7)	195.1
	1,182.1	**1,620.8**
Cash flows from investing activities		
Net investments in tangible and intangible fixed assets	(1,161.5)	(1,388.1)
Acquisition and sale of subsidiaries	(730.7)	(6,124.6)
	(1,892.2)	**(7,512.7)**
Cash flows from financing activities		
Net change in loans receivable/payable	185.2	3,076.4
Net proceeds from issuance of shares	2,545.3	2,840.5
Dividends paid	(125.6)	(56.0)
Changes in minority interests	(14.2)	37.4
	2,590.7	**5,898.3**
Exchange rate differences	(77.8)	(72.0)
Net change in cash and cash equivalents	**1,802.8**	**(65.6)**
Cash and cash equivalents at beginning of year	1,335.6	887.6
Cash brought in through acquisitions and new consolidations	74.9	320.0
Cash and cash equivalents at the end of the third quarter	**3,213.3**	**1,142.0**

Accounting principles:
The accounting principles are unchanged compared to the accounting principles as stated in the annual report 2000.

This press release is unaudited.