Q3 2005 Results Press Release

November 29, 2005

“Excluding the effect of the securities class action settlement, third quarter results show significant improvement”

Anders Moberg, Ahold President & CEO

Highlights Q3 2005:

- Results include provision of EUR 896 million for securities class action settlement (charge of EUR 585 million after tax)
- Excluding effect of settlement, operating income increased by 161%
- Mixed retail performance in sustained difficult trading environment
- Divestment program completed: gross proceeds of EUR 3.1 billion exceed target
- U.S. Foodservice long-term strategy and financial objectives announced today

	Q3 2005 (12 weeks)	Q3 2004 (12 weeks)
Net sales	**€ 10.2 billion**	**€ 10.2 billion**
Net sales growth	**0.7%**	
Net sales growth excluding currency impact*	**0.3%**	
Operating income (loss)	**€ (638) million**	**€ 99 million**
Net income (loss)	**€ (239) million**	**€ (134) million**
Net cash from operating activities	**€ 193 million**	**€ 380 million**
Net income (loss) per share	**€ (0.15)**	**€ (0.09)**
	October 9, 2005	**July 17, 2005****
Net debt*	**€ 6.1 billion**	**€ 6.3 billion**

*As defined under “Other information”
**See change in classification as discussed in “Ahold Group Highlights”

Financial highlights Q3 2005:

- Net sales increased by 0.7% to EUR 10.2 billion; excluding currency impact, net sales growth was 0.3%
- Operating loss includes EUR 896 million for securities class action settlement
- Excluding settlement effect, operating income increased to EUR 258 million
- Excluding settlement effect, net income increased to EUR 346 million
- Net cash flow from operating activities decreased as a result of additional pension plans contribution

Key priorities 2005:

- Successful execution of our Road to Recovery strategy, including completion of our divestment program
- Implementation of our retail business model to drive sales volume throughout Ahold
- Further improvement of operational performance at U.S. Foodservice
- Completion of our 2006+ strategy

Financial Calendar 2006:

- Q4 2005 Trading Statement - January 12, 2006
- Q4 2005 Results - March 29, 2006
- 2005 Annual Report - April 13, 2006
- Annual Shareholders’ Meeting - May 18, 2006
- Q1 2006 Trading Statement - May 24, 2006
- Q1 2006 Results - June 21, 2006
- Q2 2006 Trading Statement - August 10, 2006
- Q2 2006 Results - September 7, 2006

The data provided in this press release are unaudited.
For more detailed financial information, reference is made to the “Consolidated Interim Financial Statements – First Three Quarters 2005”, issued separately on November 29, 2005 and also available on www.ahold.com.
IFRS was adopted as from financial year 2005. Ahold’s transition date to IFRS is December 29, 2003, which was the start of financial year 2004.
This press release contains certain non-GAAP financial measures, including net debt, which are further discussed under “Other information”.

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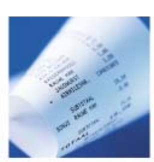
Ahold



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Third quarter results, excluding the effect of the securities class action settlement, show significant improvements in operating and net income

Amsterdam, The Netherlands, November 29, 2005 – Ahold today published its Consolidated Interim Financial Statements for the first three quarters of 2005. The results for the third quarter were significantly impacted by the settlement of the securities class action as announced yesterday. Excluding the effect of this settlement, Ahold delivered increases in net sales, operating income and net income despite a challenging competitive environment and higher energy prices. Operating income, excluding settlement effect, rose to EUR 258 million on third quarter net sales of EUR 10.2 billion, due to a higher gross margin and lower operating expenses. Net income, excluding settlement effect, increased to EUR 346 million compared to a loss of EUR 134 million in the third quarter of last year as the effects of 2004 impairment charges and one-off items subsided and efforts to reduce net debt and improve borrowing terms paid off.

Anders Moberg, Ahold’s President and Chief Executive Officer, said: “The settlement of the securities class action allows Ahold to move forward and focus intensely on its businesses and future strategy. Excluding the effect of this settlement, our performance improved this quarter despite the fact the retail environment remains challenging. U.S. initiatives on store reinvestment and in streamlining underperforming assets in our portfolio are continuing. Our efforts on the cost side gave us margin support to offset cost pressures and, as our operational efficiency gives us room to maneuver, we are testing new formats and go-to-market initiatives for future implementation. Albert Heijn increased net sales and market share in the deflationary Dutch market thanks to its value repositioning strategy, and ICA reported similar success with cost cutting and price reinvestment in Sweden. Central Europe is making gains in centralized sourcing to offset fierce competition, and we are set to convert the newly acquired Julius Meinl stores to our Albert format to strengthen our strategic position in the Czech Republic.”

“U.S. Foodservice further improved its operating performance in the third quarter of 2005 despite lower sales due to business exits and the effects of record fuel prices. We are pleased to present our long-term strategy and objectives for U.S. Foodservice today, which outline the opportunities we see for the profitable growth of this business.”

Stop & Shop/Giant-Landover Arena: improved operating margin

Arena net sales increased 2.6% but identical sales declined due to continued high promotional expenditure by competitors. Operating margin increased to 5.5% due to lower costs and higher gross margins. In the quarter, the arena completed six store openings, two remodels and the conversion of eight Super-G New Jersey stores to the Stop & Shop format. Stop & Shop also launched its Nature’s Promise private label organic foods campaign as a go-to-market foundation for the future.

Giant-Carlisle/Tops Arena: impact of impairments

Arena net sales, excluding the divestment of 198 convenience stores, were stable. Giant-Carlisle again delivered a strong performance, gaining market share and growing identical sales. Tops’ trading performance and impairments contributed to a loss which is being addressed by redefining Tops’ core markets and initiatives to improve in-store profitability. For the year-to-date, Tops has closed nine stores in Ohio and sold seven in Eastern New York as part of its portfolio rationalization program.

Value repositioning in The Netherlands

Albert Heijn Arena net sales increased 3.3% in a deflationary Dutch retail market, gaining significant market share by continuing its value repositioning program at Albert Heijn. This was partly offset by pressure on the drugstore market negatively affecting Etos net sales. Operating income decreased in Q3 2005 mainly due to increased promotional activity, resulting in an operating margin of 4.3% which was slightly below the trend for the year-to-date. Albert Heijn is also preparing to launch its next generation store prototype as part of the next step in its value repositioning strategy.

Schuitema’s strategy delivered clear evidence of success with an increase in operating margin and a 0.9% sales growth in a declining market.

Central Europe Arena: position reinforced

Market share of the Central Europe Arena developed positively compared to recent quarters and net sales in local currencies increased 5.8%, excluding the divested Polish large hypermarkets. Gross margin increased as a result of the divestment of the Polish large hypermarkets. Identical sales decreased due to fierce competition while gains from more centralized sourcing were reinvested in lower prices to increase competitiveness. Operating loss further declined. The acquisition of the Julius Meinl stores was completed October 1, 2005, and we are set to convert 54 of the 56 stores to the Albert format.

U.S. Foodservice: further improved performance

U.S. Foodservice net sales decreased by 1.2% to USD 4.3 billion (Q3 2004: USD 4.4 billion). Net sales were negatively impacted by approximately 2.5% as a result of the company's decision to exit certain businesses. Operating income increased by USD 24 million compared to Q3 2004, as operating margin improved to 1.2%. In addition to pricing and procurement initiatives and improvements in customer mix, U.S. Foodservice had notable success in cutting operating expenses, offsetting the significant negative impact of record fuel prices. Operating income for both Q3 2005 and Q3 2004 included non-recurring gains.

Strengthened financial position contributes to bottom-line improvement

Net interest expense declined EUR 29 million or 18.5%, mainly as a result of lower borrowing costs following debt reduction. Ahold also benefits from more favorable borrowing terms and conditions under the new credit facility negotiated in May of this year. Lower gross debt was mainly attributable to the repayment of the EUR 1.5 billion 6.375% note in June. Net debt at the end of Q3 2005 was EUR 6.1 billion compared to EUR 6.3 billion for the previous quarter. Ahold continues to focus on strengthening its capital structure and in Q3 2005 decreased its unfunded pension liabilities by making a contribution of EUR 236 million. Further, on October 20, 2005 we announced the successful close of our solicitation of selected outstanding bonds of approximately EUR 1 billion equivalent which will further decrease gross debt and annual net interest expense going forward.

Road to Recovery: divestment program complete, past litigation settled

With the settlement of the securities class action, Ahold has dealt with the last material litigation with significant financial exposure arising out of the facts disclosed in our press release of February 24, 2003. The divestment program has now been completed and has realized EUR 3.1 billion in divestment gross proceeds, exceeding the original target. We remain committed to meeting criteria for investment grade profile, however reaching it by year-end is uncertain. Ahold continues to pursue operating targets for its food retail business for full-year 2006 of 5% net sales growth, 5% operating margin, and 14% return on net assets, notwithstanding the fact that reaching these targets is becoming increasingly challenging in the current macro-economic climate. Additionally, it is expected that U.S. Foodservice's operating margin, before impairment of goodwill, will exceed 1.7% no later than 2006. Ahold is pleased to announce the U.S. Foodservice long-term strategy and financial objectives, presented in a separate press release issued today.

Ahold Group

Condensed statements of operations
in millions of EUR unless otherwise stated

	Q3 2005	Q3 2004	% change
Net sales	**10,249**	10,181	0.7%
Operating income (loss)	**(638)**	99	
Operating income as % of net sales	**(6.2%)**	1.0%	
Net financial expense	**(112)**	(262)	57.3%
Income taxes	**282**	(35)	
Share in income (loss) of JVs and associates	**40**	29	37.9%
Minority interests	**(5)**	5	
Income from discontinued operations	**194**	30	546.7%
Net income (loss)	**(239)**	(134)	(78.4%)
Net income (loss) per share (in EUR)			
-basic	**(0.15)**	(0.09)	
-diluted	**(0.15)**	(0.09)	

Net financial expense
in millions of EUR unless otherwise stated

	Q3 2005	Q3 2004	% change
Interest income	**20**	14	42.9%
Interest expense	**(148)**	(171)	13.5%
Net interest expense	**(128)**	(157)	18.5%
Gain (loss) on foreign exchange	**16**	26	(38.5%)
Other financial income (expense)	**-**	(131)	
Net financial expense	**(112)**	(262)	57.3%

Highlights

Net income (loss):

- Net sales increased in Q3 2005 by 0.7% compared to the same quarter last year. Net sales, excluding currency impact, increased by 0.3%.
- Operating income was positively impacted by a higher gross margin. Total SG&A (selling, general and administrative) expenses were significantly higher in Q3 2005 including a EUR 896 million addition to the provisions, related to the securities class action settlement. Q3 2005 operating income includes the release of the D&S litigation provision (EUR 37 million). Q3 2004 was impacted by an addition to the loss reserve for self-insurance (EUR 43 million) and an impairment charge for a loan to Williams & Humbert, our former Spanish joint venture (EUR 43 million).
- A tax gain of EUR 282 million was recorded in Q3 2005 on loss before income taxes of EUR 750 million resulting in an effective tax rate of 37.6% (Q3 2004: -21.6%). Q3 2004 income before tax is largely impacted by non-deductible items primarily including the remeasurement of the fair value of the ICA put option (EUR 131 million) and the impairment of a loan to Williams & Humbert (EUR 43 million).
- The share in income of joint ventures and associates increased primarily due to favorable results at ICA.
- The income from discontinued operations included the result on the divestments of CARHCO and Deli XL.

Net financial expense:

- The decline in net interest expense by EUR 29 million or 18.5% was primarily attributable to the net impact of the lower cost of borrowing and lower gross debt, mainly as a result of redemption of EUR 1.5 billion notes on June 8, 2005 and the replacement of the December 2003 credit facility with the May 2005 credit facility which has more favorable terms and conditions. To a lesser extent, it was favorably impacted by higher average outstanding cash balances.
- The significant movement in other financial income (expense) arose from the loss in Q3 2004 relating to the fair value remeasurement of the ICA put option (EUR 131 million).
- The gain on foreign exchange in Q3 2005 includes the change in fair value of derivative instruments that did not qualify for hedge accounting (EUR 7 million against Q3 2004 EUR 25 million) and other foreign exchange gains.

Ahold Group

Net debt

in millions of EUR unless otherwise stated

	October 9, 2005	July 17, 2005	% change
Loans	**5,550**	5,592	
Finance lease liabilities	**1,728**	1,708	
Cumulative preferred financing shares	**666**	666	
Long-term portion of long-term debt	**7,944**	7,966	
Short-term borrowings	**699**	704	
Current portion of loans	**111**	205	
Current portion of finance lease liabilities	**102**	94	
Gross debt	**8,856**	8,969	(1.3%)
Less: other cash and cash investments*	**2,745**	2,654	3.4%
Net debt	**6,111**	6,315	(3.2%)

*Cash and cash equivalents excluding cash on hand:

Cash and cash equivalents	3,019	3,107
Cash on hand	274	453
Other cash and cash investments	2,745	2,654

Highlights

Net debt:

- Net debt decreased from EUR 6.3 billion at the end of Q2 2005 to EUR 6.1 billion at the end of Q3 2005, predominantly as a result of proceeds from the divestments of CARHCO and Deli XL, partly offset by additional pension plans contribution.
- On September 14, 2005 the CZK 3 billion note (EUR 103 million) was redeemed on maturity.
- The exchange rate effect on net debt was minimal.
- Change in classification: until Q2 2005, Ahold classified checks issued but not presented to banks for payment as accounts payable. As from Q3 2005, these checks have been classified as a reduction of cash and cash equivalents. Consequently, an amount of EUR 182 million was reclassified in the comparative balance sheet as of July 17, 2005, increasing net debt by the same amount.

Net cash flow

in millions of EUR unless otherwise stated

	Q3 2005	Q3 2004	% change
Net cash from operating activities	**193**	380	(49.2%)
Net cash from investing activities	**45**	(344)	
Net cash from financing activities	**(123)**	(32)	(284.4%)
Net cash from operating, investing and financing activities	**115**	4	

Net cash flow:

- Net cash from operating activities in Q3 2005 decreased by EUR 187 million compared to Q3 2004, mainly as a result of additional pension plans contribution of EUR 236 million in the US, offsetting the increase in the operating cash flow before changes in working capital.
- Net cash from investing activities increased significantly by EUR 389 million, as a result of divestment of businesses in Q3 2005 of EUR 379 million and compared to Q3 2004 lower investments in fixed assets (EUR 78 million), partially offset by new acquisitions (EUR -34 million) and lower cash from divestment of fixed assets (EUR -23 million).
- Net cash from financing activities represents higher outflow, mainly due to repayment of the CZK 3 billion note (EUR 103 million).

Ahold Group

Net sales per segment
in millions of EUR unless otherwise stated

	Q3 2005	Q3 2004	% change
Stop & Shop/Giant-Landover Arena	**2,994**	2,916	2.7%
Giant-Carlisle/Tops Arena	**1,113**	1,142	(2.5%)
Albert Heijn Arena	**1,457**	1,411	3.3%
Central Europe Arena	**434**	423	2.6%
Schuitema	**708**	702	0.9%
Total retail	**6,706**	6,594	1.7%
U.S. Foodservice	**3,543**	3,587	(1.2%)
Ahold Group	**10,249**	10,181	0.7%
Net sales growth excluding currency impact	**0.3%**		

Operating income (loss) per segment
in millions of EUR unless otherwise stated

	Q3 2005	Q3 2004	% change
Stop & Shop/Giant-Landover Arena	**166**	109	52.3%
Giant-Carlisle/Tops Arena	**(17)**	(2)	(750.0%)
Albert Heijn Arena	**62**	79	(21.5%)
Central Europe Arena	**(12)**	(31)	61.3%
Schuitema	**27**	3	800.0%
Total retail	**226**	158	43.0%
U.S. Foodservice	**43**	23	87.0%
Group Support Office	**(907)**	(82)	
Ahold Group	**(638)**	99	

Summary per segment

Net sales per segment:

- Stop & Shop/Giant-Landover Arena net sales increased by 2.7%. Identical sales at Stop & Shop decreased by 0.3% while identical sales at Giant-Landover decreased by 2.3%.
- Giant-Carlisle/Tops Arena net sales decreased by 2.5%. Net sales in the Tops areas declined, primarily as a result of the divestment of our convenience stores and our portfolio rationalization program.
- Albert Heijn Arena net sales increased by 3.3%. Albert Heijn net sales increased by 3.5%, mainly driven by higher volumes as a result of more transactions.
- Central Europe Arena net sales increased by 2.6%. Net sales excluding currency impact decreased by 4.9%.
- Schuitema net sales increased by 0.9%.
- Net sales at U.S. Foodservice decreased by 1.2%. The impact of the company's decision to exit certain business was approximately 2.5%.

Operating income (loss) per segment:

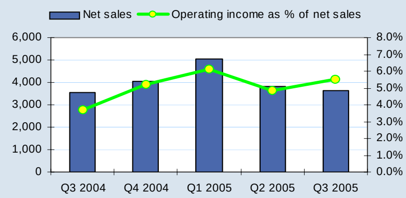
- Stop & Shop/Giant-Landover Arena operating income increased by EUR 57 million, primarily as a result of a combination of higher net sales, lower costs and higher gross margins.
- Giant-Carlisle/Tops Arena operating loss increased by EUR 15 million, mainly due to higher impairment charges.
- Albert Heijn Arena operating income decreased by EUR 17 million, mainly due to a lower gross margin at Albert Heijn as a result of increased promotional activities. The resulting higher volumes caused higher logistic costs.
- Operating loss at our Central Europe Arena decreased by EUR 19 million, mainly due to an impairment loss of EUR 21 million in Q3 2004.
- Schuitema operating income increased by EUR 24 million mainly as a result of higher gross margins and EUR 9 million lower impairment charges.
- Operating income at U.S. Foodservice improved, driven by an increase in gross margin and lower operating expenses. Gross margin increased as a result of pricing and procurement initiatives and modest improvements in customer mix towards street customers. Operating expenses decreased, as increases in fuel prices were offset by other cost savings initiatives.
- Operating income of the Group Support Office (GSO) was negatively impacted by the securities class action settlement for an amount of EUR 896 million. Q3 2004 included an impairment charge of EUR 43 million related to a loan to Williams & Humbert, our former Spanish joint venture. Furthermore, Q3 2005 included a release of the EUR 37 million provision related to the D&S c.s. litigation in connection with Disco's acquisition in 2000 of Supermarket Ekono S.A.

Stop & Shop/Giant-Landover Arena

Stop & Shop/Giant-Landover Arena - highlights for the quarter

in millions of USD unless otherwise stated

	Q3 2005	Q3 2004	% change
Net sales	**3,658**	3,564	2.6%
Identical sales growth	**(0.7%)**		
Comparable sales growth	**(0.3%)**		
Operating income	**201**	133	51.1%
Operating income as % of net sales	**5.5%**	3.7%	1.8%-pt
Number of stores	**568**	553	2.7%



Analysis

Business highlights:

- Market share at Stop & Shop continued to develop positively, particularly in the Metro New York region. Market share at Giant-Landover remained stable.
- The arena opened six stores in Q3 2005, two of which were replacement stores. As previously announced, four Super G stores in New Jersey were closed permanently. Additionally, the arena completed two remodels and converted eight Giant-Landover stores in New Jersey from the Super G banner to the Stop & Shop banner as part of the Giant-Landover restructuring.
- The Stop & Shop/Giant-Landover Arena initiated an advertising campaign, including television and radio advertisements, focused on Nature's Promise, its private label organic line. This campaign will be a foundation point for future brand development.

Net sales:

- The arena's Q3 2005 net sales increased by 2.6% versus Q3 2004.
- Identical sales at Stop & Shop decreased by 0.3%. Identical sales, excluding net sales of gasoline, decreased by 1.2%, primarily due to increased promotional activity by competitors. Net sales per transaction increased, while the number of transactions decreased versus the same period last year.
- Identical sales at Giant-Landover decreased by 2.3%, primarily because of increased promotional activity by competitors. Net sales per transaction increased while the number of transactions decreased versus the same period last year.
- Comparable sales at Stop & Shop remained almost at the same level compared to the same period last year, while comparable sales at Giant-Landover decreased by 1.6%.
- Peapod continued to show strong net sales growth.

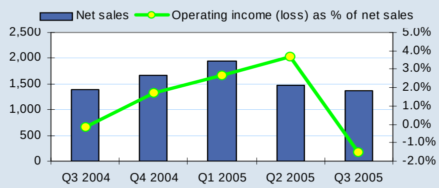
Operating income:

- The arena's Q3 2005 operating income was USD 68 million higher than in Q3 2004 as a result of a combination of higher net sales, lower costs, and higher gross margins.
- Q3 2005 gross margin increased compared to Q3 2004, driven fairly equally by the grocery and perishable segments of the business, and was due to improvements in mix and merchandising programs. Also lower non-perishable shrink expenses contributed to a higher gross margin.
- Operating expenses in Q3 2005 included fixed asset impairment charges of USD 2 million. Operating expenses in Q3 2004 included integration expenses of USD 10 million, and an addition to the loss reserve for self-insurance for the U.S. operations, of which USD 45 million was allocated to the Stop & Shop/Giant-Landover Arena. It also included fixed asset impairment charges of USD 24 million.

Giant-Carlisle/Tops Arena

Giant-Carlisle/Tops Arena - highlights for the quarter
in millions of USD unless otherwise stated

	Q3 2005	Q3 2004	% change
Net sales	**1,361**	1,396	(2.5%)
Identical sales growth	**(0.7%)**		
Comparable sales growth	**0.7%**		
Operating loss	**(21)**	(2)	(950.0%)
Operating loss as % of net sales	**(1.5%)**	(0.1%)	(1.4%-pt)
Number of stores	**267**	481	(44.5%)



Analysis

Business highlights:

- Giant-Carlisle continued to show strong performance, primarily driven by a significant increase in net sales. This was offset by unfavorable results and impairment charges for Tops stores, especially in the Northeast Ohio region.
- Giant-Carlisle increased its market share compared to Q3 2004, while market share at Tops declined, largely as a result of its portfolio rationalization program and ongoing negative identical sales growth.
- In Q3 2005, the Giant-Carlisle/Tops Arena sold seven stores, closed one, relocated two and remodeled five.
- Giant-Carlisle continues to gain new households and increase net sales per transaction, primarily due to its customer loyalty programs and effective pricing and promotional activities.
- The Northeast Ohio region of Tops continued to be impacted negatively by a weak economic environment and strong competition. Tops continued its portfolio rationalization program in order to focus on its core business to improve long-term success. As a result, nine Northeast Ohio supermarkets were closed and seven of the 31 Eastern New York stores planned for divestment were sold in Q3 2005.

Net sales:

- Net sales at the Giant-Carlisle/Tops Arena decreased by 2.5% to USD 1.4 billion (Q3 2004: USD 1.4 billion). Excluding the 198 convenience stores which were divested during the second quarter of 2005, net sales were at the same level of Q3 2004.
- Identical sales at Giant-Carlisle increased by 4.2%. Identical sales, excluding net sales of gasoline, increased by 2.9%, primarily attributable to consistent growth in net sales per transaction, driven by successful customer loyalty programs and effective pricing.
- Identical sales at Tops decreased by 6.5%. Identical sales, excluding net sales of gasoline, decreased by 7.8%, primarily due to competitive pressure resulting in a lower number of transactions and lower net sales per transaction, especially in the Northeast Ohio region.
- Comparable sales at Giant-Carlisle increased by 6.2%, while comparable sales at Tops declined by 5.8%.

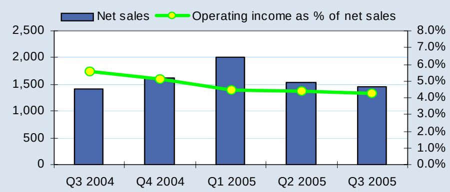
Operating loss:

- Q3 2005 operating loss was USD 19 million higher than in Q3 2004, mainly due to higher impairment charges.
- Consistent with the first half year of 2005, the arena's gross margin percentage improved as a result of continuous improvement in shrink, product mix, merchandising and operational efficiencies in perishables.
- Operating expenses in Q3 2005 include fixed asset impairment charges of USD 57 million, a goodwill impairment of USD 17 million and USD 13 million gains on the disposal of tangible fixed assets. Q3 2004 included an addition to the loss reserve for self-insurance for the US operations, USD 11 million of which was allocated to the Giant-Carlisle/Tops Arena, fixed asset impairment charges of USD 21 million and USD 3 million loss on the disposal of tangible fixed assets. Excluding these items, operating expenses in Q3 2005 were at the same level as Q3 2004, despite higher IT, consulting and utility costs.

Albert Heijn Arena

Albert Heijn Arena - highlights for the quarter
in millions of EUR unless otherwise stated

	Q3 2005	Q3 2004	% change
Net sales	**1,457**	1,411	3.3%
Identical sales growth	**2.3%**		
Comparable sales growth	**2.6%**		
Operating income	**62**	79	(21.5%)
Operating income as % of net sales	**4.3%**	5.6%	(1.3%-pt)
Number of stores	**1,633**	1,622	0.7%



Analysis

Business highlights:

- Albert Heijn improved its net sales performance in Q3 2005, driven by an increased number of transactions resulting in substantially higher volumes.
- In a deflationary market, Albert Heijn gained significant market share by outperforming the market, mainly by continuing its repositioning program combined with increased promotional activities.
- In Q3 2005, Albert Heijn opened five stores, remodeled eight and closed one.
- Profitability at Albert Heijn was substantially lower in Q3 2005 compared to Q3 2004, mainly as a result of lower margins influenced by promotional activities.
- The Dutch drugstore market is facing strong competition and declining price levels. During Q3 2005, Etos began to implement a renewed commercial strategy focused on competitive pricing and strengthening quality and service.

Net sales:

- Net sales in the Albert Heijn Arena increased by 3.3% to EUR 1.5 billion (Q3 2004: EUR 1.4 billion).
- Albert Heijn net sales increased by 3.5% to EUR 1.3 billion (Q3 2004: EUR 1.3 billion), mainly as a result of the identical sales growth driven by the value repositioning program and strong promotional activities in Q3 2005.
- Identical sales at Albert Heijn increased by 2.6% driven by substantially higher volumes through an increased number of transactions, while the net sales per transaction decreased as a result of the continuing food price deflation in the Dutch food retail market.
- Etos net sales were 3.7% lower than last year as a result of fierce competition in a market with declining price levels.

Operating income:

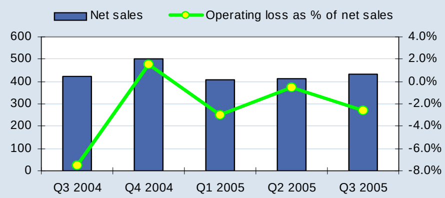
- Operating income for the arena in Q3 2005 decreased by EUR 17 million compared to Q3 2004.
- Albert Heijn operating income decreased, mainly as a result of lower margins. The gross margin at Albert Heijn was lower, impacted by increased promotional activities which triggered low promotional margins. The resulting higher volumes caused higher logistic costs.
- In the Albert Heijn Arena, operating income was impacted by lower impairment charges of EUR 7 million compared to Q3 2004.

Central Europe Arena

Central Europe Arena - highlights for the quarter

in millions of EUR unless otherwise stated

	Q3 2005	Q3 2004	% change
Net sales	**434**	423	2.6%
Identical sales growth	**(4.2%)**		
Comparable sales growth	**(4.2%)**		
Operating loss	**(12)**	(31)	61.3%
Operating loss as % of net sales	**(2.6%)**	(7.5%)	4.9%-pt
Number of stores	**440**	434	1.4%



Analysis

Business highlights:

- On October 1, 2005, 56 stores were acquired from Julius Meinl, of which 54 will be converted into Albert supermarkets, one into a Hypernova compact hypermarket and one will be closed. The conversions are expected to take place during the fourth quarter of 2005.
- Market share in Slovakia developed positively, whereas market shares in the Czech Republic and Poland declined compared to Q3 2004. Excluding the divested Polish hypermarkets, market share in Poland developed positively compared to Q3 2004. Compared to previous quarters in 2005, market share in the Czech Republic developed positively.
- In Q3 2005, the Central Europe Arena opened three new stores and closed two small stores.

Net sales:

- Net sales in the Central Europe Arena increased by 2.6% to EUR 434 million (Q3 2004: EUR 423 million). Net sales, excluding currency impact, decreased by 4.9%. Excluding the divested Polish hypermarkets, net sales, excluding currency impact, would have increased by 5.8%.
- Identical sales in the Central Europe Arena decreased by 4.2%, due to substantially lower net sales per transaction and fewer transactions. The lower net sales per transaction were a result of fierce price competition and a strong customer focus on discounted articles.

Operating loss:

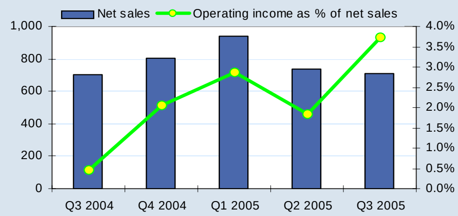
- Operating loss for the Central Europe Arena in Q3 2005 decreased by EUR 19 million, mainly due to an impairment loss of EUR 21 million in Q3 2004.
- Gross margin as a percentage of net sales in Q3 2005 increased compared to Q3 2004. Excluding the divested Polish large hypermarkets, gross margin as a percentage of sales decreased due to changes in the product mix. The gains from more centralized sourcing have been reinvested in lower selling prices in response to fierce price competition in Central Europe.
- Operating expenses in Q3 2004 included an impairment loss of EUR 21 million, most of which related to operations in Poland. Excluding this impairment loss, operating expenses as a percentage of net sales were higher than in Q3 2004. This was caused by lower cost leverage due to declining identical sales, project costs related to the start-up of a new centralized accounting center and investments in the quality of the back-office operations to prepare for future growth.

Schuitema

Schuitema - highlights for the quarter

in millions of EUR unless otherwise stated

	Q3 2005	Q3 2004	% change
Net sales	**708**	702	0.9%
Operating income	**27**	3	800.0%
Operating income as % of net sales	**3.7%**	0.5%	3.2%-pt
Number of stores	**466**	470	(0.9%)



Analysis

Business highlights:

- Despite the challenging market conditions, characterized by lower consumer prices and a deflationary Dutch food retail market, Schuitema was able to increase its net sales and market share.
- Schuitema's market share increased by 0.1% to 14.9% by the end of Q3 2005 compared to Q3 2004.
- By the end of Q3 2005, Schuitema operated four fewer stores compared to the end of Q3 2004.
- Profitability at Schuitema was higher as a result of higher gross margins and a decrease in expenditures for commercial activities.

Net sales:

- Net sales at Schuitema in the third quarter of 2005 increased by 0.9% to EUR 708 million (Q3 2004: EUR 702 million).
- In a deflationary market, Schuitema was able to increase net sales, mainly driven by higher volumes.

Operating income:

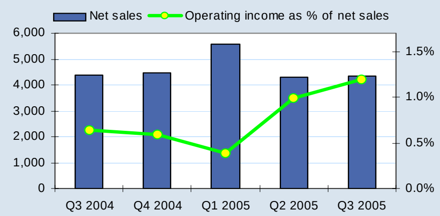
- Operating income increased substantially in Q3 2005 compared to Q3 2004.
- Schuitema operating income developed favorably as a result of higher gross margins.
- The gross margin at Schuitema increased due to decreasing expenditures for commercial activities and further cost savings in logistics.
- Operating income was positively influenced by lower impairment charges of EUR 9 million versus the same quarter of last year.

U.S. Foodservice

U.S. Foodservice - highlights for the quarter

in millions of USD unless otherwise stated

	Q3 2005	Q3 2004	% change
Net sales	**4,331**	4,384	(1.2%)
Operating income	**52**	28	85.7%
Operating income as % of net sales	**1.2%**	0.6%	0.6%-pt



Analysis

Business highlights:

- In a separate press release, U.S. Foodservice today announced its strategy through 2008.
- In Q3 2005, U.S. Foodservice made solid progress on business initiatives focused on improving its gross margin. The company continued its systematic category review process aimed at negotiating the best supply terms, and continued working on the rationalization of its product portfolio. Further, the company continued to improve street selling strategies focused on enhancing its sales mix.
- In Q3 2005, the company experienced record-high fuel prices, which negatively impacted operating expenses.

Net sales:

- In Q3 2005, U.S. Foodservice net sales decreased by 1.2% to USD 4.3 billion (Q3 2004: USD 4.4 billion). Net sales were negatively impacted by approximately 2.5% as a result of the company's decision to exit certain business. Deflation in food costs had a modest negative impact on net sales growth during the third quarter.

Operating income:

- Operating income increased by USD 24 million or 56 basis points in Q3 2005 compared to Q3 2004.
- Gross margin improved in Q3 2005 as a result of pricing and procurement initiatives and modest improvements in customer mix towards street customers.
- Operating expenses decreased compared to Q3 2004. Higher fuel prices had a negative impact on operating expenses and were offset by other cost saving initiatives. Q3 2005 results include a gain on the sale of the Sofco business units, offset by restructuring charges related to facility consolidations and employee severance resulting in a net gain of approximately USD 15 million. In Q3 2004, a pension curtailment gain, partially offset by restructuring charges related to an exit from the restaurant construction business, resulted in a total net gain of approximately USD 13 million.

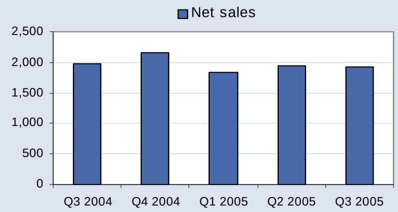
ICA - unconsolidated joint venture

ICA - highlights for the quarter

in millions of EUR unless otherwise stated

Ahold's share in ICA AB increased from 50% to 60% in Q4 2004.

	Q3 2005	Q3 2004	% change
Net sales (100% ICA amounts)	**1,925**	1,986	(3.1%)
Net income (Ahold's share)	**28**	23	21.7%



Analysis

Business highlights:

- Net income at ICA improved in Q3 2005.
- ICA Sweden continued to outperform the other major players in Sweden with strong net sales, resulting in increased market share. ICA Norway's market share in Q3 2005 decreased compared to the same period last year, but the decline stabilized at the end of Q3 2005. Net sales at ICA Meny, ICA Banken and Etos increased as did their respective market shares. The joint venture Rimi Baltics showed continued strong net sales development in a competitive market.
- In Q3 2005, ICA Sweden opened two new stores and ICA Norway opened six new stores.
- ICA's new organizational structure, which was implemented this summer, is proceeding according to plan, and staff and cost reductions will continue into 2006. By the end of Q3 2005, approximately 300 full-time positions had been eliminated pursuant to the new organizational structure.

Net sales:

- Net sales at ICA decreased by 0.9% to SEK 18.0 billion (Q3 2004: SEK 18.2 billion). However, excluding the impact of the deconsolidation of the joint venture in the Baltics and the divestment of the Danish operations, net sales would have increased by 5.2%.
- At ICA Sweden, net sales grew strongly driven by increased volumes following the price reduction program initiated in March 2005. The program entered into its second phase in August 2005 with additional price reductions.
- Net sales in Norway declined compared to the same quarter last year, mainly due to a reduced number of stores, strong competition and a store conversion program. The price reduction program at RIMI stores, initiated in May 2005, has decreased the price gap to main competitors.
- ICA Meny, ICA Banken and Etos all increased their sales volume.

Net income:

- At ICA, net income in Q3 2005 increased compared to Q3 2004 due to strongly improved operating income, confirming the success of the price reduction program and the effect of the cost cutting program in Sweden and Norway, partly offset by increased tax and financial expenses.
- In Q3 2005, operating income of ICA Sweden and of ICA Norway was higher than in Q3 2004.
- ICA Meny's Q3 2005 operating income decreased compared to the same period last year, but ICA Banken reduced its operating loss due to increased volumes.
- ICA Baltics' Q3 2005 operating income improved, reflecting the positive impact of the sale of remaining properties. In addition, the operating losses at Rimi Baltics decreased.

Other Information

Definitions:

- Comparable sales: identical sales plus net sales from replacement stores in local currency.
- Currency impact: the impact of using different exchange rates to translate the financial information of certain of Ahold's subsidiaries to euros. For comparison purposes, the financial information of the previous year is adjusted using the actual exchange rates in order to understand this currency impact.
- Identical sales: net sales from exactly the same stores in local currency.
- Market share: refers to data published by A.C. Nielsen.

Non-GAAP financial measures

In certain instances, results exclude the impact of fluctuations in currency exchange rates used in the translation of Ahold's foreign subsidiaries' financial results into euro or are presented in local currencies. Ahold's management believes these measures provide a better insight into the operating performance of foreign subsidiaries.

The press release also includes other non-GAAP financial measures:
(1) Net sales excluding currency impact.
(2) Net sales growth/decline excluding currency impact.
(3) Net sales growth excluding the impact of divestments. Management believes that by excluding divestments, this measure provides a better insight into the operating performance and results from the continuing operations of the subsidiary.
(4) Net sales excluding the impact of a deconsolidated joint venture and a divestment. Management believes that by excluding the impact of a deconsolidated joint venture and a divestment, this measure provides a better insight into the operating performance of the entity.
(5) Net sales excluding the impact of net sales to former subsidiaries. Management believes that by excluding net sales to former subsidiaries, this measure allows for better comparisons to prior periods.
(6) Net debt, which is the difference between (i) the sum of long term debt and short term debt ("gross debt") and (ii) cash and cash equivalents less cash on hand ("other cash and cash investments"). Management believes that net debt is a useful measure for investors. In management's view, because other cash and cash investments can be used, among other things, to repay indebtedness, netting this against total debt is a useful measure of Ahold's leverage. Readers are cautioned that net debt might imply that there is less debt than the comparable measures under IFRS indicate and net debt may include certain cash items that are not readily available for repaying .
(7) Operating income, excluding settlement effect. Management believes that by excluding the impact of the securities class action settlement, this measure allows for better comparisons to prior periods and provides a better insight into the operating performance of Ahold.
(8) Net income, excluding settlement effect. Management believes that by excluding the impact of the securities class action settlement, this measure allows for better comparisons to prior periods and provides a better insight into the operating performance of Ahold.

Reconciliation of operating income, excluding settlement effect, to operating income (in millions of EUR)	**Q3 2005**
Operating income, excluding settlement effect	258
Settlement securities class action	(896)
Operating income (loss)	(638)

Reconciliation of net income, excluding settlement effect, to net income (in millions of EUR)	**Q3 2005**
Net income, excluding settlement effect	346
Settlement securities class action, net of taxes	(585)
Net income (loss)	(239)

Forward-Looking Statements Notice

Certain statements in this press release are forward-looking statements within the meaning of the U.S. federal securities laws. These statements include, but are not limited to, statements as to Ahold's key priorities for 2005, including successful execution of Ahold's Road to Recovery strategy, implementation of Ahold's retail business model (and its impact on sales volume throughout Ahold), further improving operational performance at USF, and completion of Ahold's 2006+ strategy following the Road to Recovery; statements regarding the dates when Ahold plans to issue trading statements, publish its results, publish the annual report and hold its annual shareholders meeting; statements regarding expectations with respect to the settlement of the securities class action, including the expected amount of the settlement, the expected amount of Ahold's provision and the after-tax charge, and that the settlement will allow Ahold to move forward and focus on its business and future strategy; statements as to the continuation of U.S. initiatives on store reinvestment and to streamline underperforming assets in Ahold's portfolio; statements as to Ahold's plans for the newly acquired Julius Meinl stores, including Ahold's plans to close one store, convert another into a Hypernova compact hypermarket and convert up to 54 of the remaining stores into the Albert format and statements as to the timing and the expected effects of such conversions; statements as to the expected next step in Albert Heijn's value repositioning strategy; statements as to Ahold's continued focus on strengthening its capital structure and the expected decrease in outstanding consolidated indebtedness and annual net interest as a result of the recent solicitations of selected outstanding notes; statements that the matters settled are the last material civil litigations with significant financial exposure arising out of the facts disclosed in Ahold's press release of February 24, 2003; statements as to the start-up of a new centralized accounting center and investments in back office operations to prepare for future growth in the Central Europe Arena; statements as to the planned continuation of the streamlining of Tops' store portfolio, including Ahold's intention to redefine its core market in order to develop its long range plans and to sell 31 Tops stores in 2005 and 2006; plans for continuing the value repositioning programs; statements with respect to meeting criteria for investment grade profile; statements as to Ahold's operating targets of 5% net sales growth, 5% operating margin and 14% return on net assets for its food retail business for full-year 2006; statements as to Ahold's expectation that U.S. Foodservice's operating margin before impairment of goodwill will exceed 1.7% no later than 2006; and statements regarding the expected continuation of staff and cost reductions at ICA during 2005-2006. These forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond Ahold's ability to control or estimate precisely, such as the effect of general economic or political conditions, fluctuations in exchange rates or interest rates, increases or changes in competition in the markets in which Ahold's subsidiaries and joint ventures operate, the actions of Ahold's competitors, joint venture partners, vendors, unions, contractors and other third parties, the actions of Ahold's customers, including their acceptance of new products and private label products and their reactions to new store formats, store locations, changes in Ahold's pricing policies and product offering and other strategies, Ahold's ability to implement and complete successfully its plans and strategies and to meet its targets or delays or additional costs encountered in connection with their implementation or achievement, difficulties or delays in the implementation of new operational improvements and systems, the benefits from and resources generated by Ahold's plans and strategies being less than or different from those anticipated, the inability to reduce costs or realize cost savings in the manner or to the extent planned, the reaction of Ahold's associates to operational and other changes in the working environment, Ahold's ability to reach agreements acceptable to Ahold and/or to find buyers for the operations, stores or other assets Ahold is divesting, unexpected delays in the completion of announced or planned divestures, the costs or other results of pending or future investigations or legal proceedings, actions of courts, law enforcement agencies, government agencies and third-parties, the risk that the settlement of the securities class action will not be approved by the court and that any court approval will be successfully reversed on appeal, the preparation of settlement documents acceptable to Ahold, that the after-tax charges in Ahold's third quarter 2005 will be higher than anticipated, any inability to obtain contributions to the settlement by Ahold's insurance carriers, any delay in the payment of such contributions by Ahold's insurance carriers, changes in Ahold's liquidity needs, the actions of Ahold's shareholders, including their acceptance of the settlement, Ahold's ability to defend itself, the diversion of management's attention from implementing Ahold's plans and strategies, unanticipated disruptions to Ahold's operations, including disruptions due to labor strikes, work stoppages, or other similar interruptions, increases in the cost of healthcare, pensions or insurance, increases in energy costs and transportation costs, any slowdown in independent restaurant growth, rapid fluctuations in costs for resale products where such fluctuations cannot be passed along to customers on a timely basis, the ability to retain key personnel, unanticipated delays in the completion of the 2006+ strategy, unanticipated delays in issuing trading statements or publishing results, and other factors discussed in Ahold's public filings. Many of these and other risk factors are detailed in Ahold's publicly filed reports. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. Ahold does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of this press release, except as may be required by applicable securities laws. Outside The Netherlands, Koninklijke Ahold N.V., being its registered name, presents itself under the name of "Royal Ahold" or simply "Ahold."

Koninklijke Ahold N.V.

Consolidated Interim Financial Statements

First three quarters 2005

(January 3, 2005 – October 9, 2005)

Amsterdam, November 29, 2005

Contents

Consolidated Interim Statements of Operations

Euros in millions, except per share data
(Unaudited)

	Note	**YTD 2005**	**YTD 2004**	**Q3 2005**	**Q3 2004**
Net sales	*5*	**33,664**	**33,815**	**10,249**	**10,181**
Cost of sales		(26,725)	(26,914)	(8,149)	(8,114)
Gross profit		**6,939**	**6,901**	**2,100**	**2,067**
Operating expenses					
Selling expenses		(4,926)	(4,835)	(1,499)	(1,466)
General and administrative expenses		(1,017)	(1,122)	(264)	(344)
Settlement Securities Action	*8*	(896)	-	(896)	-
Intangible asset amortization		(108)	(118)	(31)	(38)
Impairment of intangible and tangible fixed assets	*6*	(88)	(152)	(64)	(118)
Gain (loss) on disposal of tangible fixed assets		52	(8)	16	(2)
Total operating expenses		(6,983)	(6,235)	(2,738)	(1,968)
Operating income	*5*	**(44)**	**666**	**(638)**	**99**
Net financial expense					
Interest income		69	51	20	14
Interest expense		(527)	(603)	(148)	(171)
Gain on foreign exchange		17	28	16	26
Other financial income (expense)	*7*	-	(70)	-	(131)
Net financial expense		(441)	(594)	(112)	(262)
Income (loss) before income taxes		**(485)**	**72**	**(750)**	**(163)**
Income taxes		229	(130)	282	(35)
Income (loss) after income taxes		**(256)**	**(58)**	**(468)**	**(198)**
Share in income of joint ventures and associates		88	94	40	29
Minority interests		(21)	(4)	(5)	5
Net income (loss) from continuing operations		**(189)**	**32**	**(433)**	**(164)**
Income from discontinued operations	*4*	214	104	194	30
Net income (loss)		**25**	**136**	**(239)**	**(134)**
Net income (loss) per common share					
basic		0.02	0.09	(0.15)	(0.09)
diluted		0.02	0.09	(0.15)	(0.09)
Weighted average number of common shares outstanding (x 1,000)					
basic		1,554,538	1,552,840	1,555,074	1,553,386
diluted		1,555,800	1,553,595	1,555,074	1,553,386
Average USD exchange rate (euro per U.S. dollar)		0.7940	0.8158	0.8181	0.8182

Consolidated Interim Statements of Recognized Income and Expense

Euros in millions
(Unaudited)

	YTD 2005	YTD 2004
Net income	**25**	**136**
Exchange rate differences in foreign interests	486	1
Recognition of cumulative translation differences related to divestments	23	1
Equity settled share-based payments	19	14
Fair value gains (losses) on financial instruments and cash flow hedges	(32)	5
Other - net	-	6
Total recognized income and expense	**521**	**163**

Consolidated Interim Balance Sheets

Euros in millions
(Unaudited)

	October 9, 2005	January 2, 2005
Assets		
Non-current assets		
Goodwill	2,185	1,942
Other intangible assets	533	486
Total intangible assets	2,718	2,428
Tangible fixed assets	7,675	6,972
Investments in joint ventures and associates	756	828
Deferred tax assets	728	629
Other financial assets	585	762
Total financial assets	2,069	2,219
Total non-current assets	12,462	11,619
Current assets		
Inventories	2,310	2,185
Receivables	2,381	2,164
Other current assets	160	641
Cash and cash equivalents	3,019	3,048
Assets held for sale	150	1,583
Total current assets	8,020	9,621
Total assets	**20,482**	**21,240**

End of period USD exchange rate (euro per U.S. dollar)	0.8252	0.7375

Consolidated Interim Balance Sheets - *continued*

Euros in millions
(Unaudited)

	Note	**October 9, 2005**	**January 2, 2005**
Group equity and liabilities			
Shareholders' equity		4,424	3,897
Minority interests		59	64
Group equity		4,483	3,961
Provisions			
Pensions and other retirement benefits		563	747
Deferred tax liabilities		150	69
Settlement Securities Action	*8*	288	-
Restructuring provisions		37	37
Other provisions		725	659
Total provisions		1,763	1,512
Non-current liabilities			
Loans		5,550	5,360
Finance lease liabilities		1,728	1,538
Cumulative preferred financing shares		666	666
Other non-current liabilities		417	357
Total non-current liabilities		8,361	7,921
Current liabilities			
Settlement Securities Action	*8*	608	-
Loans, short-term borrowings and finance lease liabilities		912	2,478
Income taxes payable		126	295
Payroll taxes, social security and VAT		151	173
Accounts payable		2,804	2,587
Other current liabilities		1,260	1,407
Liabilities related to assets held for sale		14	906
Total current liabilities		5,875	7,846
Total group equity and liabilities		**20,482**	**21,240**

End of period USD exchange rate (euro per U.S. dollar)	0.8252	0.7375

Consolidated Interim Statements of Cash Flows*

Euros in millions
(Unaudited)

	YTD 2005	YTD 2004	Q3 2005	Q3 2004
Income (loss) before income taxes from continuing operations	(485)	72	(750)	(163)
Operational results before income taxes from discontinued operations	15	14	1	18
Income (loss) before income taxes	(470)	86	(749)	(145)
Adjustments for:				
Depreciation, amortization and impairments	803	1,005	278	374
Settlement Securities Action	896	-	896	-
Gain on disposal of tangible fixed assets	(52)	(1)	(15)	(5)
Gain on foreign exchange	(54)	-	(7)	-
Derivatives	36	44	(8)	105
Operating cash flow before changes in working capital	1,159	1,134	395	329
Total changes in working capital	(146)	(318)	8	60
Corporate income taxes paid	(35)	(173)	53	(39)
Change in other non-current assets and liabilities	(211)	62	(263)	30
Net cash from operating activities	**767**	**705**	**193**	**380**
Purchase of tangible and intangible fixed assets	(926)	(996)	(366)	(444)
Divestments of tangible and intangible fixed assets	209	214	53	76
Acquisition of subsidiaries, joint ventures and associates	(42)	(12)	(35)	(1)
Dividends from joint ventures and associates	75	57	8	1
Divestments of subsidiaries, joint ventures and associates	1,061	392	379	7
Changes in loans receivable	31	43	6	17
Net cash from investing activities	**408**	**(302)**	**45**	**(344)**
Changes in minority interests	(26)	(7)	-	1
Changes in long-term debt	(1,623)	(886)	(113)	62
Changes in derivatives	361	17	(8)	16
Payments of finance lease liabilities	(71)	(79)	(7)	(30)
Changes in short-term loans payable	23	(19)	(4)	(87)
Other equity changes	24	14	9	6
Net cash from financing activities	**(1,312)**	**(960)**	**(123)**	**(32)**
Net cash from operating, investing and financing activities	**(137)**	**(557)**	**115**	**4**
Cash and cash equivalents of continuing operations	3,048	3,163	2,924	2,613
Cash and cash equivalents of discontinued operations	66	130	9	93
Cash and cash equivalents at beginning of the period	3,114	3,293	2,933	2,706
Net cash from operating, investing and financing activities	(137)	(557)	115	4
Cash from divested subsidiaries	(69)	(13)	(8)	-
Effect of exchange rate changes on cash and cash equivalents	111	(23)	(21)	(10)
Cash and cash equivalents at end of the period	**3,019**	**2,700**	**3,019**	**2,700**
Cash and cash equivalents of continuing operations	3,019	2,604	3,019	2,604
Cash and cash equivalents of discontinued operations	-	96	-	96
Cash and cash equivalents at end of the period	**3,019**	**2,700**	**3,019**	**2,700**

* Consolidated interim statements of cash flows include cash flows from both continuing and discontinued operations. See notes to the consolidated interim financial statements for cash flow statements of discontinued operations.

Notes to the Consolidated Interim Financial Statements

Euros in millions, unless otherwise stated

1 The Company and its operations

The principal activities of Koninklijke Ahold N.V. ("Ahold" or the "Company"), a public limited liability company with its registered seat in Zaandam, the Netherlands, are the operation through subsidiaries and joint ventures of retail trade supermarkets and foodservice businesses in the U.S. and Europe. In addition to Ahold's principal activities, some subsidiaries finance, develop and manage store sites and shopping centers primarily to support retail operations.

The activities of Ahold are to some extent subject to seasonal influences. Ahold’s retail business generally experiences an increase in net sales in the fourth quarter of each year, resulting mainly from holiday sales. Net sales figures for Ahold’s foodservice business are not significantly impacted by seasonal influences.

The information in these consolidated interim financial statements is unaudited.

2 Accounting policies

Basis of preparation

Ahold adopted International Financial Reporting Standards (“IFRS”) as from financial year 2005. IFRS requires comparative information for one year in the annual report and consequently Ahold’s transition date to IFRS is December 29, 2003, which was the start of financial year 2004.

IFRS is subject to ongoing review and possible amendment by interpretative guidance from the International Accounting Standards Board (“IASB”) and, therefore, may be subject to change before the 2005 year-end. Furthermore, the presentation of the consolidated statements of operations, statements of recognized income and expense, balance sheets and statements of cash flows to be included in the 2005 financial statements may differ from the presentation of the condensed statements as included in these interim financial statements.

A reconciliation of net income (loss), group equity and consolidated interim statements of operations as previously reported under Dutch GAAP is provided in these interim financial statements. Further information on the conversion to IFRS, including changes in accounting policies as compared with Ahold’s annual report 2004, can be found in Ahold’s press release issued on May 17, 2005 and the IFRS Technical Conversion Memo on the Ahold website at www.ahold.com. The IFRS impact for 2004 as disclosed in that memo has subsequently been impacted by relatively minor changes, with the effect of decreasing group equity under IFRS at January 2, 2005 by EUR 1, and decreasing 2004 net income under IFRS by EUR 1. These changes relate to the consolidation of certain stores acquired from franchisees and changes in the amounts related to the bifurcation of leased land and buildings.

IFRS differs in certain material respects from generally accepted accounting principles in the United States (“US GAAP”). US GAAP information is not included in these interim financial statements. A reconciliation between IFRS and US GAAP will be included in Ahold’s 2005 annual report.

Ahold’s reporting calendar is based on 13 periods of 4 weeks, with the first three quarters of 2005 comprising 40 weeks and ending on October 9, 2005. The financial year of Ahold’s operations in Central Europe and that of ICA AB (“ICA”), Jerónimo Martins Retail (“JMR”) and CARHCO

N.V. ("CARHCO") corresponds to the calendar year and ends on December 31. The quarters that these entities used for interim financial reporting end on March 31, June 30 and September 30.

U.S. Foodservice's reporting calendar is based on 4 quarters each consisting of 3 periods of respectively 5, 4 and 4 weeks (first three quarters comprise 39 weeks). The difference between the first three quarters reported by U.S. Foodservice ("USF") and the first three quarters included in these interim financial statements is based on a proportionate part ($1/5^{th}$) of USF's latest projected results for USF's period 10, resulting in a consolidated first three quarters that contains the same number of days compared to the first three quarters of Ahold.

In case of differing quarter-ends, any significant transactions and/or events between the quarter-end of a subsidiary, joint venture or associate and Ahold's quarter-end are taken into account in the preparation of Ahold's interim financial statements.

Euro equivalents of foreign currency amounts stated in the notes to these consolidated interim financial statements are determined using historical rates for settled items and closing rates for items still to be settled as of October 9, 2005.

Change in classification

Until the second quarter of 2005, Ahold classified checks issued but not presented to banks for payment as accounts payable. As from the third quarter of 2005, these checks have been classified as a reduction of cash and cash equivalents. Consequently, an amount of EUR 156 was reclassified in the comparative balance sheet as of January 2, 2005.

3 Acquisitions

On October 1, 2005, Ahold completed the acquisition of 56 stores in the Czech Republic from Julius Meinl a.s. (Central Europe Arena). As part of these store acquisitions, Ahold acquired store related assets, assumed lease agreements and offered employment to the employees involved. Given the closing date of the transaction, only the provisional acquisition balance sheet of the transaction has been recognized in these consolidated interim financial statements.

The preliminary allocation of net assets acquired and the goodwill arising at October 1, 2005 is as follows:

	Fair value[1]
Non-current assets	24
Current assets	4
Non-current liabilities	(15)
Current liabilities	(1)
Net assets acquired	12
Goodwill	19
Total purchase consideration	**31**

[1] The carrying amounts of the acquirees' net assets determined in accordance with IFRS immediately before the business combination are not available.

The total purchase consideration includes costs of EUR 1 in respect of due diligence, legal and notary services fees directly attributable to the acquisition. The goodwill is attributable to the profitability of Ahold's retail operations and the anticipated future synergies in the Czech Republic.

It is not practicable to disclose the net sales and net income of Ahold including the contribution of the acquired stores for the first three quarters of 2005, since the required financial information from the acquiree prepared in accordance with IFRS is not available.

4 Discontinued operations

Discontinued operations

Income (loss) from discontinued operations per segment, consisting of operational results from discontinued operations and result on divestments is as follows:

		YTD 2005	YTD 2004	Q3 2005	Q3 2004
Business segments	**Discontinued operations**				
BI-LO/Bruno's Arena	BI-LO and Bruno's	5	46	-	8
Other retail	Spain, Thailand, Disco, Bompreço/ Hipercard, G. Barbosa and Paiz Ahold	16	(32)	4	15
Deli XL	Deli XL	7	3	1	-
Operational results from discontinued operations		28	17	5	23
BI-LO/Bruno's Arena	BI-LO and Bruno's	1	-	-	-
Other retail	Thailand, Disco, Bompreço/Hipercard, G. Barbosa and Paiz Ahold	127	87	131	7
Deli XL	Deli XL	58	-	58	-
Result on divestments of discontinued operations		186	87	189	7
Income from discontinued operations		**214**	**104**	**194**	**30**

The following presents the operational results from discontinued operations:

	YTD 2005	YTD 2004
Net sales	916	5,855
Cost of sales	(780)	(4,475)
Gross profit	136	1,380
Operating expenses	(117)	(1,317)
Operating income	19	63
Net financial expense	(4)	(49)
Income before income taxes	15	14
Income taxes	1	(6)
Share in income of joint ventures and associates	12	9
Net income	**28**	**17**

The combined carrying amounts of the major classes of assets and liabilities related to discontinued operations are as follows:

	October 9, 2005	January 2, 2005
Non-current assets	-	839
Current assets	-	631
Assets related to discontinued operations	-	1,470
Provisions	-	158
Non-current liabilities	-	330
Current liabilities	-	418
Liabilities related to discontinued operations	-	906
Shareholders' equity and intercompany balances	-	564

The following presents the combined condensed statements of cash flows from discontinued operations:

	YTD 2005	YTD 2004
Net cash from operating activities	(14)	3
Net cash from investing activities	112	(69)
Net cash from financing activities	(16)	(72)
Net cash from operating, investing and financing activities	82	(138)
Cash and cash equivalents at beginning of the year	66	130
Change in intercompany accounts	(79)	121
Cash from divested subsidiaries	(69)	(13)
Effect of exchange rate differences on cash and cash equivalents	-	(4)
Cash and cash equivalents related to discontinued operations	**-**	**96**

Divestments of discontinued operations

During the first three quarters of 2005, Ahold completed several divestments. The following table summarizes the cash received, net assets and accumulated foreign currency translation adjustments relating to these divestments.

Accumulated foreign currency translation adjustments previously recorded directly in shareholders' equity as a result of the translation of the accounts of foreign subsidiaries are recognized in the consolidated statements of operations upon the disposal of the subsidiary. Upon transition to IFRS, as permitted by a one-time exemption as set out in IFRS 1, Ahold set the cumulative translation adjustment reserve to zero for all investments in foreign subsidiaries, joint ventures and associates as of December 29, 2003.

The result on divestments, included in income from discontinued operations, is as follows:

	YTD 2005	YTD 2004
Cash received	1,055	387
Cash in escrow (regarding the sale of shares of Disco)	(198)	-
Receivable consideration	71	-
Net assets divested	(718)	(299)
Cumulative translation adjustment	(24)	(1)
Result on divestments of discontinued operations	**186**	**87**

BI-LO/Bruno's
On January 31, 2005, Ahold completed the sale of BI-LO and Bruno's to an affiliate of the Lone Star Funds for total gross sales proceeds of approximately USD 660 (EUR 513). Ahold received USD 560 (EUR 430) in cash proceeds and a letter of credit for USD 100 (EUR 83) has been placed in escrow. BI-LO and Bruno's retained all of their debt obligations and other liabilities including finance lease liabilities. Within 18 months of closing, Ahold will be entitled to receive the balance of the purchase price in stages, depending upon BI-LO and Bruno's achieving certain targets relating to dispositions of inventory, real estate and other assets.

G. Barbosa (Other retail)
On April 11, 2005, Ahold completed the sale of G. Barbosa Comercial Ltda. ("G. Barbosa") to an affiliate of ACON Investments. The divestment of G. Barbosa completed Ahold's divestiture program in Brazil.

Deli XL
On September 13, 2005, Ahold completed the sale of Deli XL to Bidvest Holding B.V. The value of the transaction amounts to approximately EUR 140, consisting of a cash consideration, debt repaid to Ahold as well as assumed debt.

Paiz Ahold (Other retail)
On September 20, 2005, Ahold completed the sale of its 50% interest in Paiz Ahold to Wal-Mart Stores Inc. Paiz Ahold held an interest of 67% in CARHCO, which in turn owns an 85.6% stake in La Fragua (Guatemala, El Salvador and Honduras) and also fully owns CSU (Costa Rica, Nicaragua and Honduras).

Other divestments
During the first three quarters of 2005, Ahold divested other operations which do not qualify as discontinued operations. Consequently, recognized gains or losses from these divestments are included in net income (loss) from continuing operations rather than in income from discontinued operations. These divestments included, but were not limited to: the divestment of 13 Hypernova hypermarkets in Poland (Central Europe Arena) in the first quarter of 2005; Ahold's 50% interest in Bodegas Williams & Humbert, S.A. ("W&H") and 198 convenience stores operating in the U.S. under the banners of Wilson Farms and Sugarcreek in the second quarter of 2005; and U.S. Foodservice's Sofco division in the third quarter of 2005.

5 Segment reporting

Ahold operates in two business areas (retail and foodservice) that contain nine business segments. In addition Ahold's Group Support Office is presented as a separate segment.

In the first quarter of 2005, Ahold revised its segment reporting as a result of the impact of its divestment program on its organizational structure. Ahold transferred its joint ventures JMR and ICA from Other Europe to Rest of World. Subsequently, Ahold renamed those segments Schuitema and Other retail, respectively. Prior period segment information presented for comparative purposes has been adjusted accordingly.

Business segment	**Significant operations included in the business segment**
Retail	
Stop & Shop/Giant-Landover Arena	Stop & Shop, Giant-Landover and Peapod
Giant-Carlisle/Tops Arena	Giant-Carlisle and Tops
BI-LO/Bruno's Arena	BI-LO and Bruno's[1]
Albert Heijn Arena	Albert Heijn, Etos, Gall & Gall and Ahold Coffee Company
Central Europe Arena	Czech Republic, Poland and Slovakia
Schuitema	Schuitema
Other retail	Spain[2], Asia[3], South America[4] and the unconsolidated joint ventures and associates ICA (60%)[5], JMR (49%), W&H (50%)[6] and Paiz Ahold (50%)[7]
Foodservice	
U.S. Foodservice	U.S. Foodservice
Deli XL	Deli XL[8]
Group Support Office	Corporate Staff (the Netherlands, Switzerland and the U.S.)

1. Ahold sold BI-LO and Bruno's in January 2005.
2. Ahold sold its Spanish operations in December 2004.
3. Ahold sold the last of its operations in Asia in March 2004.
4. Ahold sold the last of its operations in South America in April 2005, except that its transfer of the remaining approximately 15% of the shares of Disco has not been completed.
5. Ahold increased its stake in ICA from 50% to 60% effective November 5, 2004.
6. Ahold completed the sale of its 50% interest in W&H in May 2005.
7. Ahold completed the sale of its 50% interest in Paiz Ahold in September 2005. Paiz Ahold held a 67% stake in CARHCO.
8. Ahold completed the sale of Deli XL in September 2005.

The accounting policies used for the segments are the same as the accounting policies that Ahold expects to use for the 2005 consolidated financial statements. Consequently, net sales and operating income from joint ventures, associates and discontinued operations are not included in the segmented financial information, since these are not included in the consolidated net sales and operating income of Ahold. Share in income of joint ventures and associates is comprised primarily of Ahold's share in income from joint ventures in the segment Other retail.

Net sales per segment are as follows:

	YTD 2005	**YTD 2004**	**Q3 2005**	**Q3 2004**
Stop & Shop/Giant-Landover Arena	9,932	9,828	2,994	2,916
Giant-Carlisle/Tops Arena	3,795	3,921	1,113	1,142
Albert Heijn Arena	4,987	4,788	1,457	1,411
Central Europe Arena	1,252	1,181	434	423
Schuitema	2,385	2,375	708	702
Total retail	22,351	22,093	6,706	6,594
U.S. Foodservice	11,313	11,722	3,543	3,587
Ahold Group	**33,664**	**33,815**	**10,249**	**10,181**

Operating income (loss) per segment is as follows:

	YTD 2005	YTD 2004	Q3 2005	Q3 2004
Stop & Shop/Giant-Landover Arena	551	528	166	109
Giant-Carlisle/Tops Arena	67	92	(17)	(2)
Albert Heijn Arena	219	234	62	79
Central Europe Arena	(26)	(61)	(12)	(31)
Schuitema	67	50	27	3
Total retail	878	843	226	158
U.S. Foodservice	94	34	43	23
Group Support Office	(1,016)	(211)	(907)	(82)
Ahold Group	**(44)**	**666**	**(638)**	**99**

Operating income of the Group Support Office segment ("GSO segment") was negatively impacted by the settlement in the securities class action and the VEB proceedings for an amount of EUR 896 in the third quarter of 2005, as described in the 'Subsequent Events' section of these consolidated interim financial statements. This was partially offset by the release of the D&S litigation provision (EUR 37), as described in more detail in note 8 to these consolidated interim financial statements.

Operating income in the third quarter of 2005 includes EUR 5 resulting from the Visa MasterCard antitrust litigation settlement. Furthermore, operating income in the third quarter and first three quarters of 2005 was positively impacted by gains on the disposal of tangible fixed assets amounting to EUR 16 and EUR 52, respectively. These gains related mainly to the Giant-Carlisle/Tops Arena (EUR 11 and EUR 24, respectively) and the Central Europe Arena (EUR 1 and EUR 21, respectively).

Operating income in the third quarter of 2004 was negatively impacted by additional self-insurance premiums of EUR 43 (mainly in the Stop & Shop/Giant-Landover and Giant-Carlisle/Tops Arenas) and an impairment loss in respect of a loan to W&H in the GSO segment of EUR 43.

6 Impairment of intangible and tangible fixed assets

	YTD 2005	YTD 2004	Q3 2005	Q3 2004
Stop & Shop/Giant-Landover Arena	(7)	(39)	(2)	(20)
Giant-Carlisle/Tops Arena	(63)	(21)	(61)	(17)
Albert Heijn Arena	(3)	(13)	-	(7)
Central Europe Arena	(3)	(21)	-	(21)
Schuitema	(11)	(15)	(1)	(10)
Total retail	(87)	(109)	(64)	(75)
U.S. Foodservice	-	-	-	-
Group Support Office	(1)	(43)	-	(43)
Ahold Group	**(88)**	**(152)**	**(64)**	**(118)**

The impairment losses in the third quarter of 2005 in the Giant-Carlisle/Tops Arena consist of impairments of goodwill and tangible fixed assets of EUR 14 and EUR 47, respectively, which were mainly incurred in the Northeast Ohio and Eastern New York region. The impairment loss in the GSO segment in the third quarter of 2004 related to a write-off on a loan to W&H.

7 Net financial expense

Repayment of loans

Ahold redeemed EUR 1,500 aggregate principal amount of notes on June 8, 2005 and a note in the aggregate principal amount of CZK 3,000 (EUR 103) on September 14, 2005. Furthermore, Ahold made an early repayment of EUR 920 convertible subordinated notes in the second quarter of 2004.

Reference is made to the 'Subsequent Events' section for information on the solicitations of offers to sell notes, as announced after the balance sheet date.

Credit facility

On May 18, 2005, Ahold signed a new credit facility with a syndicate of 15 banks. The five-year EUR 2,000 unsecured syndicated multi-currency facility will be used for general corporate purposes and for the issuance of letters of credit. The facility is subject to a leverage covenant, which falls away when the corporate rating is BBB/Baa2 or better. As of the end of the third quarter of 2005, the credit facility remained undrawn except for utilization of letters of credit in the amount of USD 665 (EUR 549). Ahold terminated the three-year revolving December 2003 credit facility on February 15, 2005.

ICA put option

In connection with the acquisition of its 50% interest in ICA in 2000, Ahold granted a put option to its joint venture partners (Canica and ICA Förbundet), which was recognized as a separate liability at fair value. In the first three quarters of 2004 the fair value of the ICA put option was remeasured through other financial income (expense). In the fourth quarter of 2004, the put option was settled (pursuant to which a 20% ICA shareholding was obtained from Canica) or waived (with respect to ICA Förbundet). Subsequently, Ahold sold a 10% ICA shareholding to ICA Förbundet. Net income for the third quarter of 2004 and first three quarters of 2004 were impacted by losses of EUR 131 and EUR 70, respectively, resulting from the fair value remeasurement of the ICA put option.

8 Commitments and contingencies

Legal proceedings

Securities Action and VEB proceedings

Reference is made to the 'Subsequent Events' section for information on the settlement in the securities class action and the VEB proceedings, as announced after the balance sheet date.

Uruguayan and Argentine litigation

Ahold, together with Disco and Disco Ahold International Holdings N.V. ("DAIH"), is a party to certain legal proceedings in Uruguay and Argentina related to Ahold's acquisition of Velox Retail Holdings' shares in the capital of DAIH in 2002. The plaintiffs have obtained provisional remedies in Argentina which have affected the sale and transfer of the remaining 15% of the outstanding shares of Disco to Cencosud. During 2005, various attempts by plaintiffs to expand the provisional remedies and/or to challenge the transfer of Disco's shares to Cencosud before courts in Argentina and Uruguay have been unsuccessful. On October 11, 2005, one of the plaintiffs withdrew its USD 20 (EUR 17) claim against Ahold, DAIH and Disco, thereby reducing the aggregate amount of alleged damages in the remaining proceedings to approximately USD 72 (EUR 59) plus interest and costs.

D&S litigation

The Court of First Instance in the Netherlands Antilles in its judgment of September 5, 2005 dismissed all claims filed by the public companies Distribucion y Servicio D&S S.A. and Servicios

Profesionales y de Comercialization S.A. (together “D&S”) against DAIH. D&S initiated civil proceedings against DAIH in connection with Disco’s acquisition in 2000 of Supermercados Ekono S.A., which owned supermarkets in Buenos Aires, Argentina. D&S sought approximately USD 47 (EUR 39) plus interest.

D&S appealed the judgment of September 5, 2005. Ahold believes that it is less likely than not that an outflow of resources will be required to settle this claim and, consequently, the provision related to the D&S litigation in the amount of EUR 37 has been released in the third quarter of 2005.

On April 26, 2005, D&S has initiated legal proceedings in relation to the aforementioned claim against Ahold before the District Court of Haarlem in The Netherlands, seeking a similar amount in damages. Ahold’s assessment of this claim is not different from the assessment in the Netherlands Antilles proceedings.

Bompreço/Brazil

On October 31, 2005, Ahold received a claim notice on behalf of Wal-Mart Inc. in relation to its acquisition of Bompreço in 2004. The notice relates to two tax assessments from the Brazilian tax authorities for a total amount of approximately BRL 114 (EUR 42) in respect of so-called PIS and COFINS contributions over the period January 1999 through December 2003. Ahold has rejected the claims on the grounds, amongst others, that Wal-Mart has forfeited its rights by an untimely notification.

In addition, Ahold’s former Brazilian holding companies have received several tax assessments from the Brazilian tax authorities for a total amount of BRL 36 (EUR 13), mainly regarding PIS and COFINS contributions. Ahold disagrees with these assessments and has contested against them.

Guarantees

Guarantees to third parties, other than bond guarantees, have been issued by Ahold totaling EUR 3,970 and EUR 2,362 as of October 9, 2005 and January 2, 2005, respectively. The guarantees issued relate primarily to credit facilities and leases.

Contingent liabilities

In connection with certain of the 2005 divestments (as described in note 4 to these consolidated interim financial statements), Ahold has provided customary representations and warranties. These representations and warranties will generally terminate one to three years after the date of the relevant divestment. The claims under the representation and warranties are, with certain exceptions, capped at USD 33 (EUR 27) for BI-LO/Bruno’s, USD 5 (EUR 4) for Wilson Farms & Sugarcreek, PLN 83 (EUR 21) for the Polish hypermarkets and EUR 40 for Deli XL.

Put/call arrangements

As part of the divestment of W&H in the second quarter of 2005, the W&H call option, pursuant to which Ahold’s former joint venture partner in W&H may have bought the shares of W&H held by Ahold, was terminated.

As a result of the divestment of Paiz Ahold in the third quarter of 2005, the Paiz Ahold put option, pursuant to which Ahold had the obligation to purchase the Paiz family’s interest in Paiz Ahold should the Paiz family’s indirect interest in CARHCO fall below 13.33%, was terminated.

A complete overview of commitments and contingencies is included in note 30 to Ahold’s 2004 annual report.

Subsequent Events

Solicitations of offers to sell notes

On October 11, 2005, Ahold announced solicitations of offers to sell in the aggregate up to EUR 1,000 equivalent principal amount of Ahold's outstanding GBP 500 6.5% Guaranteed Notes due 2017, its outstanding EUR 600 5.875% Guaranteed Notes due 2012 and its outstanding EUR 1,500 5.875% Notes due 2008 (together the "Notes"). The solicitations were being made to decrease Ahold's outstanding consolidated indebtedness and to reduce its net interest expense.

On October 20, 2005 Ahold announced the successful close of the solicitations. In total, Ahold has decreased its outstanding consolidated indebtedness by approximately EUR 1,000 equivalent for a total cash payment of EUR 912 (excluding accrued interest but including swap cash flows). Ahold used available cash to provide the total amount of funds required to purchase the Notes. Ahold will incur a one-time book loss of approximately EUR 54 in the fourth quarter of 2005 with respect to the purchase of the Notes. Annual net interest expenses in the coming years related to interest bearing debt is expected to decrease, with the decrease in 2005/2006 expected to be approximately EUR 40.

IT outsourcing agreements

On November 14, 2005, Ahold announced it had signed several major IT outsourcing agreements. Ahold signed a five-year contract for global IT enterprise outsourcing with EDS, including applications maintenance services in the U.S. Ahold also signed five-year agreements with Atos Origin and NCR (both covering the Albert Heijn Arena) for applications maintenance and in-store IT-support, respectively. The total value of the contracts is approximately EUR 467.

Approximately 450 Ahold employees located in the U.S. and the Netherlands are to transition to EDS. These IT outsourcing initiatives should reduce overall IT costs by streamlining Ahold's infrastructure. The transition costs related to the agreements should be substantially incurred in 2006.

Securities Action and VEB proceedings

On November 28, 2005, Ahold announced that it had reached an agreement with the lead plaintiffs to settle the securities class action ("Securities Action"), which is pending before the United States District Court for the District of Maryland ("District Court"). Ahold also announced that it had reached an agreement to settle litigation with the *Vereniging van Effectenbezitters* ("VEB") (the Dutch Shareholders' Association).

Under the terms of the agreement in the Securities Action, the lead plaintiffs agree to settle all claims in the Securities Action against Ahold, its subsidiaries, the individual defendants and the underwriters for the sum of USD 1,109 (EUR 946 at the exchange rate of November 28, 2005). This amount includes USD 9 (EUR 8) as compensation to the VEB for facilitating the global settlement. The settlement is worldwide and applies to all qualifying common shares of Ahold. The term "qualifying shares" refers to all those common shares which were purchased between July 30, 1999 and February 23, 2003.

Ahold will contribute to the settlement fund, from which the qualifying shares will be paid, in two installments: two thirds of the settlement amount will be funded into escrow within three business days following preliminary court approval of the settlement by the District Court, which is expected as early as January 2006, and the remaining one third will be funded into escrow within six months following final court approval of the settlement.

The agreement will be subject to approval of the District Court. If holders of more than 180 million shares opt out of the settlement, then Ahold will have the right to terminate the agreement and recover the funds paid, other than those amounts spent on notice of the settlement.

Under the terms of the agreement with the VEB, the VEB has agreed to terminate the proceedings before the Enterprise Chamber of the Amsterdam Court of Appeals with respect to the annual financial statements of Ahold for the years 1998, 1999, 2000, 2001 and 2002. In consideration of the withdrawal of such proceedings and as compensation of costs incurred, Ahold will pay the VEB an amount of EUR 2.5. In addition, as part of its commitment to contribute to and facilitate the global settlement, the VEB has agreed that following the publication of the report by the investigators in the so-called “inquiry procedure” *(enquêteprocedure)* before the Enterprise Chamber of the Amsterdam Court of Appeals, it will not pursue any further legal action in those proceedings and it will not commence or support a proceeding for damages in any court.

Ahold will be funding its contribution to the settlement fund out of its available cash balances. In the third quarter of 2005 a provision has been recognized in the amount of EUR 896 (with the short-term portion classified under current liabilities), representing the estimated present value of the amount of the settlement in EUR equivalent at the Q3 period end. An amount of up to approximately EUR 100 is expected to be received from insurance proceeds. Given its contingent nature, this amount has not been recognized in the third quarter of 2005.

Reconciliations from Dutch GAAP to IFRS

Net income (loss) YTD 2004 and Q3 2004

	YTD 2004	Q3 2004
Net loss in accordance with Dutch GAAP	(539)	(166)
Cumulative preferred financing shares	(34)	(10)
Convertible bond	(29)	-
ICA put option	17	(44)
Derivative instruments and revaluation of loans	25	25
Post-employment benefits	45	19
Bifurcation of leased land and buildings	3	3
Other real estate related differences	(4)	(1)
Non-current assets held for sale and discontinued operations	82	44
Discounting of long-term provisions	-	(1)
Share-based payments	(14)	(4)
Goodwill and other intangible assets with indefinite lives	120	36
Deferred tax impact on adjustments to IFRS	(71)	(37)
Net gain on divestments	530	-
IFRS impact on joint ventures and associates	5	2
Total IFRS impact	*675*	*32*
Net income (loss) in accordance with IFRS	**136**	**(134)**

Group equity as of October 3, 2004

	October 3, 2004
Group equity in accordance with Dutch GAAP	4,897
Cumulative preferred financing shares	(666)
ICA put option	(584)
Derivative instruments and revaluation of loans	(49)
Post-employment benefits	(412)
Bifurcation of leased land and buildings	42
Other real estate related differences	(27)
Non-current assets held for sale and discontinued operations	75
Discounting of long-term provisions	10
Goodwill and other intangible assets with indefinite lives	119
Deferred tax impact on adjustments to IFRS	113
Total IFRS impact	*(1,379)*
Group equity in accordance with IFRS	**3,518**

Reconciliations from Dutch GAAP to IFRS - *continued*

Consolidated Interim Statement of Operations (Q3 YTD 2004)

	IFRS YTD 2004	Reclass discontinued operations	IFRS adjustments	Dutch GAAP YTD 2004
Net sales	**33,815**	**(5,855)**	**22**	**39,648**
Cost of sales	(26,914)	4,475	(1)	(31,388)
Gross profit	**6,901**	**(1,380)**	**21**	**8,260**
Operating expenses				
Selling expenses	(4,835)	1,065	88	(5,988)
General and administrative expenses	(1,122)	217	(5)	(1,334)
Intangible asset amortization	(118)	6	124	(248)
Impairment of intangible and tangible fixed assets	(152)	38	(13)	(177)
Gain (loss) on disposal of tangible fixed assets	(8)	(9)	(3)	4
Net loss on divestments	-	(87)	530	(443)
Loss on resale of joint venture shares	-	-	87	(87)
Total operating expenses	(6,235)	1,230	808	(8,273)
Operating income (loss)	**666**	**(150)**	**829**	**(13)**
Net financial expense				
Interest income	51	(4)	-	55
Interest expense	(603)	54	(45)	(612)
Gain (loss) on foreign exchange	28	(1)	27	2
Other financial expense	(70)	-	(70)	-
Net financial expense	(594)	49	(88)	(555)
Income (loss) before income taxes	**72**	**(101)**	**741**	**(568)**
Income taxes	(130)	6	(71)	(65)
Income (loss) after income taxes	**(58)**	**(95)**	**670**	**(633)**
Share in income of joint ventures and associates	94	(9)	5	98
Minority interests	(4)	-	-	(4)
Net income (loss) from continuing operations	**32**	**(104)**	**675**	**(539)**
Income from discontinued operations	104	104	-	-
Net income (loss)	**136**	**-**	**675**	**(539)**

Reconciliations from Dutch GAAP to IFRS - *continued*

Consolidated Interim Statement of Operations (Q3 2004)

	IFRS Q3 2004	Reclass discontinued operations	IFRS adjustments	Dutch GAAP Q3 2004
Net sales	**10,181**	**(1,789)**	**9**	**11,961**
Cost of sales	(8,114)	1,371	(3)	(9,482)
Gross profit	**2,067**	**(418)**	**6**	**2,479**
Operating expenses				
Selling expenses	(1,466)	313	50	(1,829)
General and administrative expenses	(344)	62	(2)	(404)
Intangible asset amortization	(38)	1	40	(79)
Impairment of intangible and tangible fixed assets	(118)	16	(5)	(129)
Gain (loss) on disposal of tangible fixed assets	(2)	(7)	-	5
Net gain (loss) on divestments	-	(7)	-	7
Loss on resale of joint venture shares	-	-	87	(87)
Total operating expenses	(1,968)	378	170	(2,516)
Operating income (loss)	**99**	**(40)**	**176**	**(37)**
Net financial expense				
Interest income	14	(1)	-	15
Interest expense	(171)	17	(5)	(183)
Gain (loss) on foreign exchange	26	(1)	27	-
Other financial expense	(131)	-	(131)	-
Net financial expense	(262)	15	(109)	(168)
Income (loss) before income taxes	**(163)**	**(25)**	**67**	**(205)**
Income taxes	(35)	(2)	(37)	4
Income (loss) after income taxes	**(198)**	**(27)**	**30**	**(201)**
Share in income of joint ventures and associates	29	(3)	2	30
Minority interests	5	-	-	5
Net income (loss) from continuing operations	**(164)**	**(30)**	**32**	**(166)**
Income from discontinued operations	30	30	-	-
Net income (loss)	**(134)**	**-**	**32**	**(166)**

Forward-looking Statements Notice

Certain statements in these interim financial statements are forward-looking statements within the meaning of the U.S. federal securities laws. These statements include, but are not limited to, statements as to completion of Ahold's divestment program; statements as to Ahold's plans to prepare its consolidated financial statements in accordance with IFRS; statements that the presentation of the 2005 financial statements may differ from the presentation in these interim financial statements; Ahold's plans to include the reconciliation between IFRS and US GAAP in its 2005 annual report; statements as to the accounting policies for segment reporting that Ahold expects to use for its 2005 consolidated financial statements; statements regarding the transfer of the remaining approximately 15% of the Disco shares; statements as to the timing of payments with respect to the balance of the purchase price of BI-LO and Bruno's; statements regarding use of proceeds under Ahold's multi-currency facility; statements as to the expected outcome of the D&S litigation; statements as to the expected decrease in annual net interest expenses relating to interest bearing debt; statements regarding plans to outsource certain IT activities, the expected benefits and cost savings of such outsourcing and the timing thereof and the expected transition costs and the timing thereof; statements regarding expectations with respect to the settlement of the securities class action, the expected schedule for Ahold's contributions to the settlement fund, the expected source of Ahold's contributions to the settlement fund, the amount expected to come from insurance proceeds, and the expected amount that Ahold will have to contribute for the settlement fund; statements regarding the settlement with the VEB, including the expectation that the VEB will neither pursue further legal action in the so-called "inquiry procedure" nor commence or support a proceeding for damages on the basis of the report of the investigators. These forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond Ahold's ability to control or estimate precisely, such as unanticipated delays in publishing Ahold's results, unforeseen impacts of IFRS, including changes to IFRS or other accounting requirements, unanticipated delays in completing the reconciliation between IFRS and US GAAP in Ahold's 2005 annual report, any inability to transfer, or delay in transferring, the remaining approximately 15% of the Disco shares, the inability to address, or delays in addressing, court orders in effect currently or in the future that may prohibit the sale and/or transfer of Disco shares and other legal obstacles to the completion of the transaction, difficulties in agreeing upon and realizing on future payments owed by the purchasers of BI-LO and Bruno's, unanticipated needs for additional store investments, Ahold's liquidity needs exceeding expected levels, the inability to satisfy any of the conditions for borrowing under the new credit facility, fluctuations in exchange rates or interest rates, any actions taken by courts, government regulators and law enforcement agencies, Ahold's ability to defend itself and/or its (former) affiliates in any litigation the possibility of Ahold incurring unanticipated IT outsourcing costs, unforeseen technical complexities related to the IT outsourcing, the inability to resolve, or delays in resolving such complexities, the requirement for more management attention than anticipated in connection with the IT outsourcing, the inability to transition employees to Ahold's IT outsourcing partners, or delays in such transitions, the risks that the settlement of the securities class action will not be approved by the court, that any court approval will be successfully reversed on appeal, Ahold's ability to defend itself, actions of courts, government regulators and law enforcement agencies, the preparation of settlement documents acceptable to Ahold, that the charges resulting from the settlement will be higher than anticipated due to Ahold's inability to obtain contributions to the settlement by any of Ahold's insurance carriers, any delay in the payment of such contributions by Ahold's insurance carriers, changes in Ahold's liquidity needs, the actions of Ahold's shareholders, including their acceptance of the settlement, and other factors discussed in Ahold's public filings. Many of these and other risk factors are detailed in Ahold's publicly filed reports. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of these interim financial statements. Ahold does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of these interim financial statements, except as may be required by applicable securities laws. Outside the Netherlands, Koninklijke Ahold N.V., being its registered name, presents itself under the name of "Royal Ahold" or simply "Ahold."