

## Ahold CEO Dick Boer addresses Annual General Meeting of Shareholders

**Amsterdam, The Netherlands – Ahold's Annual General Meeting of Shareholders on April 20, 2011, included a speech by Ahold Chief Executive Officer Dick Boer.**

Ladies and gentlemen,

It is a great pleasure for me to speak to you here for the first time as CEO of Ahold.

I would like to talk to you today about our performance in 2010, the progress we have made in recent years, and some of the strategic focus areas we are currently working on. After that, Kimberly Ross, our CFO, will take you through our financial results.

Last year was another challenging year for the international food retail industry. That's why I'm especially pleased that Ahold delivered another solid performance in both Europe and the United States.

In the Netherlands, Albert Heijn again provided customers with great value for their money. Customers now vote our main formats, Albert Heijn XL and Albert Heijn supermarkets, the two best supermarkets in the country. Albert Heijn rolled out our successful new range of affordable everyday non-food items and significantly expanded our assortment of organic and sustainable own-brand products. The Euroshopper brand of lowest-priced products was completely relaunched and advertised in our campaigns. Etos was once again voted by customers to be the best drugstore in the Netherlands and was also named the most customer-friendly drugstore. Gall & Gall continued the store remodeling program it began in 2009, and, until now, has remodeled more than 100 stores into a new, modern format. Also, Albert.nl, our online business, continued to deliver products from our three brands – Albert Heijn, Etos and Gall & Gall - to our customers' homes throughout the Netherlands.

In the Czech Republic, our business returned to profitability once again. We have been attracting more customers through a new assortment of fresh products and by extending opening hours. We also simplified the business and reduced costs, and our market share continues to increase. There is still a lot of work to do, but we're clearly moving in the right direction.

Our joint venture in Scandinavia, ICA, reported another year of strong operating income, due to outstanding results again in Sweden and a recovery in the Baltics. The results in Norway, however, were disappointing, as a result of fierce competition, among other reasons. We are satisfied with the performance of our joint venture JMR in Portugal, which achieved a strong increase in sales in 2010.

In the United States, we made huge strides in strengthening our operations last year. The re-organization of our businesses into one support organization and four geographic divisions - Stop & Shop New England, Stop & Shop New York Metro, Giant Food, and Giant / Martin's Food Stores – is now largely complete.

It has enabled us to standardize and simplify processes and we are already seeing the benefits – we have a sharper focus on local needs and have been able to lower our costs - and we have built a solid platform for further growth.

ALBERT    ALBERT HEIJN    ETOS    GALL&GALL    GIANT FOOD STORES  
GIANT FOOD    HYPERNOVA    ICA    MARTIN'S    PEAPOD    STOP&SHOP  
**BETTER CHOICE. BETTER VALUE. BETTER LIFE. EVERY DAY.**

At the same time, Giant Carlisle successfully completed the integration of Ukrop's in Richmond, Virginia. The turnaround will take time, but we are already seeing a broadening of our customer base and we believe the stores will be profitable by the end of this year. We took over stores in other markets and opened new ones, to further extend our portfolio. We also successfully completed Project Refresh, improving almost 100 Giant Landover stores in the past three years. Our online grocery business in the United States, Peapod, expanded into three new markets last year, including Manhattan. It has grown to become the largest online grocer in the United States, serving eleven states and Washington DC.

Before looking ahead, I'd like to look back at the progress we have made in recent years. Since we developed our strategy for profitable growth at the end of 2006, much has happened. We have refocused our portfolio, and divested non-core and under-performing businesses. We have simplified our structure and today operate as two continental platforms, which will enable us to more easily integrate businesses we acquire in the future. We have successfully strengthened all of our brands and improved our positioning and price perception. This has resulted in increased sales and market share in all of our major markets. The work we have done in recent years has strengthened Ahold and enabled us to meet, or even exceed, the targets we set in 2006. We've also returned €4.5 billion to you, our shareholders, through share buyback programs, and reinstated our annual dividend, which we have raised by more than 80% since 2007.

We have a clear strategy and I'm pleased with the progress we are making. Ahold is on track.

I would like to take a moment now to thank John Rishton and Larry Benjamin, who left the company earlier this year. Both were instrumental in restoring Ahold's credibility and building a strong foundation for growth. On behalf of all of us at Ahold, I would like to thank them for their strong leadership and for the enormous contribution they made.

I would now like to talk to you about the six strategic priorities we are focusing on going forward. The first three are designed to help us grow the business, and the last three are aimed at helping make this growth possible.

First of all, we want to drive core sales by strengthening our relationship with customers and increasing loyalty. The way people are living and shopping is changing rapidly and this presents great opportunities for us. We are putting more time and effort into better understanding what our customers want, now and in the future. We are analyzing customer data better to have more insight, and to improve our offering and the way we direct our marketing efforts towards the needs of the customer. We've introduced marketing programs that directly target customers on a highly personalized basis.

The second key focus area for us is to continuously broaden and renew our offering. We are introducing new store formats - and new technologies - as well as new products and services. At Albert Heijn, for example, in addition to the introduction of the non-food assortment I mentioned, we have expanded our range of own-brand, easy-to-prepare fresh meals. They are called Convenience Cooking and Convenience Meals. We have added 200 new, healthy products to our fresh assortment aimed at customers in a hurry. Of course, the importance of online sales grows ever larger. The number of customers using online shopping channels, smartphones and tablet computers is increasing rapidly. This trend provides us with enormous opportunities to serve our customers in a different way - and to be quicker and more efficient.

We are introducing new technology that helps make shopping easier. Our online businesses, Peapod and albert.nl, make Ahold one of the top five largest online grocers in the world. In Europe and the United States we have created apps that have become extremely popular in a very short time. I will now show you a short video about Albert Heijn's Appie. Our supermarket brands are also using their websites to communicate with customers more clearly and faster. We will continue to expand our online products and services and the presence of our brands on social media platforms such as Facebook and Twitter.

The third strategic focus area is for us to grow the business in new markets. The acquisition of the Ukrop's stores has enabled us to expand into Virginia, a good example of how we can grow the business in adjacent market areas. We are also very pleased with the successful opening of our first store in Belgium. Ahold has a number of characteristics and capabilities that differentiate us from other retailers: the efficiency of our supply chain and how we source products; the way we constantly update and innovate our stores and services; and how we provide customers value for money.

The store in Brasschaat is therefore more than just the opening of one store over the border. It illustrates how we are applying these capabilities in new markets. We're also actively looking for other opportunities to grow. We have a strong balance sheet and strong cash-generating businesses. This puts us in a good position to take advantage of opportunities that will create shareholder value.

The fourth strategic focus area is to further simplify our business and reduce costs wherever possible.

A good example is the reorganization of our companies in Europe and the US. By standardizing the way we work and by combining support functions, we have been able to streamline our operations and achieve economies of scale. Over and above this, it has allowed us to reduce the number of information systems that we use – for you as a customer, less visible, for us internally, a big step forward.

Lowering our cost base allows us to keep investing in our business and to be able to offer even better value – and that is something you can see as a customer. This helps us to increase sales, and the number of new customers who shop with us, which, in turn, makes it possible for us to further grow the business.

I would now like to talk about our fifth strategic focus area, responsible retailing. As a global retailer, we play a day-to-day role in the lives of millions of people. I'm proud of our commitment to corporate responsibility and the tremendous progress we are making. For me, responsible retailing is essential for the future of our company and is an integral part of our strategy. We're focusing on those issues closest to our business, where we can make the biggest difference: the health and wellbeing of our customers, the origin of the products we sell, our impact on the environment, the communities we serve, and the people we employ.

Under the leadership of my fellow board member, Lodewijk Hijmans van den Bergh, we have established a number of clear, measurable targets for each of these priorities, which we plan to achieve between now and 2015. We are serious and ambitious in our targets. Let me give you a few examples. We aim to make it easy for our customers to make healthy choices, by promoting healthier lifestyles. By 2015, our target is to increase the sale of healthy products to at least 25% of total food sales across the Group. We promote respect towards the people, animals and environment involved in our supply chain. We do this by aiming to produce our own-brand products more sustainably, and by ensuring that 100% of six critical commodities – coffee, tea, cocoa, palm oil, soy and seafood - used in these own-brand products are sustainably sourced. In addition, we aim to reduce our CO2 footprint considerably. In 2010, we fitted 10 kilometers of doors on refrigerators and freezers in our Albert Heijn stores – many more kilometers will follow in our stores worldwide. As I said, all our targets in this area are clear and measurable – and detailed in our CR Report. We are in a constant dialogue with NGOs and other stakeholders.

The sixth and last focus area I would like to mention today is developing our people. We have a talented and passionate workforce. They are the face of the company - and the ones who provide customers with help and advice in our stores every day. They are key to the success of our business. We will continue to train and develop our employees and increase the diversity we have within the company, to encourage new ideas and innovation. We are an attractive employer with competitive working conditions and ample possibilities for career development.

In summary: Our focus on these six strategic priorities will help us to achieve our ambitions to grow:

- Grow our existing operations by strengthening our relationships with our customers and by constantly improving our proposition.
- Grow by accelerating innovation. We will broaden our offering, and introduce new shopping channels in our existing markets.
- And we will grow by expanding into new markets – either, as in Belgium, by opening stores, or by making acquisitions in new markets.

I am confident in our strategy and pleased with the progress we are making. We will continue to develop these six strategic priorities, and I will provide further updates in due course.

In the meantime, I am delighted that we are again able to propose an increase to our dividend, this year to 29 euro cents per common share. In addition, our strong balance sheet made it possible for us to launch a new €1 billion share buy-back program last month, while allowing us to continue actively growing the business and taking advantage of opportunities as they arise.

At the beginning of our meeting today, we remembered Albert Heijn. It has often been remarked in the past few months that his life and work were dedicated to serving the customer. The introduction of new and innovative products and services and the growth of the business always started and ended for Albert with the needs and wishes of the customer. We have a responsibility to continue in that spirit. Now that I'm walking in his footsteps as the CEO of Ahold, I consider this my most important task, together with our 213,000 employees in Europe and the United States.

I, along with my colleagues on the Corporate Executive Board, would like to thank all of those who work for us for their dedication, hard work, and continuous focus on the customer.

In the year ahead, I'm confident that we will continue to delight our customers and further grow our business in a responsible and sustainable manner.

I would now like to hand over to Kimberly Ross, our Chief Financial Officer. Thank you.

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These forward-looking statements include, but are not limited to, statements as to remodeling, further turnaround in the Czech Republic and at Ukrop's, Ahold's strategy in the areas of customer loyalty, innovation, expansion and growth, cost reduction, responsible retailing and Ahold's people and share buyback.

Many of these risks and uncertainties relate to factors that are beyond Ahold's ability to control or estimate precisely, including but not limited to, Ahold's ability to successfully implement and complete its plans and strategies, the benefits from Ahold's plans and strategies being less than anticipated, the effect of general economic or political conditions, the actions of competitors and other third parties, increases or changes in competition, Ahold's ability to retain and attract employees who are integral to the success of the business, acquisition and integration, expansion, collective bargaining, information security, business and IT continuity, food and non-food safety, corporate responsibility, business transformation, large strategic projects, contingent liabilities associated with lease guarantees, insurance programs, Ahold's liquidity needs (including but not limited to health care and pension funding requirements) exceeding expected levels, foreign currency translation risk, credit risk, interest rate risk, tax liabilities and legislative and regulatory environment and litigation risks, and other factors discussed in Ahold's public filings and other disclosures. Addressees of this presentation are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. Koninklijke Ahold N.V. does not assume any obligation to update any public information or forward-looking statement in this presentation to reflect subsequent events or circumstances after the date of this presentation, except as may be required by applicable laws. Outside the Netherlands, Koninklijke Ahold N.V., being its registered name, presents itself under the name of "Royal Ahold" or simply "Ahold".