

BASE PROSPECTUS DATED 9 MAY, 2007

This document constitutes the base prospectus of the Issuer (as defined below) in respect of non-equity securities within the meaning of Art. 22 No. 6 (4) of the Commission Regulation (EC) No. 809/2004 of April 29, 2004 (the "**Base Prospectus**").



Koninklijke Ahold N.V.

(a public company with limited liability incorporated under the laws of the Netherlands, having its registered seat in Zaandam (municipality Zaanstad), the Netherlands and having its principal place of business at (1019 GM) Amsterdam, the Netherlands, Piet Heinkade 167-173)

Euro Medium Term Note Program

Under this Euro Medium Term Note Program (the "**Program**"), Koninklijke Ahold N.V. ("**Ahold**") and in its capacity as issuer (the "**Issuer**"), which expression shall include any Substituted Debtor (as defined in Condition 17 in "Terms and Conditions of the Notes" below) may from time to time issue notes (the "**Notes**"), which expression shall include senior notes ("**Senior Notes**") and subordinated notes ("**Subordinated Notes**") (each as set out in the applicable Final Terms (as defined below)) denominated in any currency agreed between the Issuer and the relevant Dealer (as defined below). In this Prospectus, "**we**," "**us**," "**our**," the "**Company**," and "**Ahold**" refers to Koninklijke Ahold N.V. together with its consolidated subsidiaries, unless the context indicates otherwise.

The Notes will be issued on a continuing basis to one or more of the Dealers specified below and any additional Dealer appointed under the Program from time to time, which appointment may be for a specific issue or on an ongoing basis (each a "**Dealer**" and together the "**Dealers**"). The Dealer or Dealers with whom the Issuer agrees or proposes to agree an issue of any Notes is or are referred to as the "**relevant Dealer**" in respect of those Notes. Notes may be distributed by way of a public offer or private placements and, in each case, on a syndicated or non-syndicated basis. The method of distribution of each relevant series of Notes (a "**Series**") or tranche thereof (a "**Tranche**") will be stated in the applicable Final Terms (the "**Final Terms**").

The Notes of each Tranche will (unless otherwise specified in the applicable Final Terms) initially be represented by a global Note which will be deposited on or around the issue date thereof with a common depository on behalf of Euroclear Bank S.A./N.V., as operator of the Euroclear System ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**") and/or any other agreed clearing system. See "Form of the Notes" herein.

The Issuer may agree with the relevant Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which case a supplemental prospectus, if required, will be made available which will describe the effect of the agreement reached in relation to such Notes and, where

appropriate, which will be subject to the prior approval by the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, the "**AFM**").

Application has been made to Euronext Amsterdam N.V. ("**Euronext Amsterdam**") for Notes to be issued under the Program up to the expiry of 12 months from the Publication Date (as defined below) to be admitted to listing and trading on Euronext Amsterdam's Eurolist by Euronext ("**Eurolist by Euronext Amsterdam**"). In addition, Notes issued under the Program may be listed or admitted to trading, as the case may be, on any other stock exchange or market specified in the applicable Final Terms. The Issuer may also issue unlisted Notes under the Program.

The full terms and conditions of each Tranche of Notes are constituted by the Terms and Conditions as set out in full in this Base Prospectus in "Terms and conditions of the notes" which constitute the basis of all Notes to be offered under the Program, together with the Final Terms applicable to the relevant issue of Notes, which apply and/or do not apply, supplement and/or amend the Terms and Conditions in the manner required to reflect the particular terms and conditions applicable to the relevant Series of Notes (or Tranche thereof).

Senior Notes issued under the Program may be rated or unrated. Where an issue of Senior Notes is rated, its rating will not necessarily be the same as the rating applicable to the Program. Subordinated Notes issued under the Program may be rated on a case by case basis as specified in the applicable Final Terms. A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, change or withdrawal at any time by the assigning rating agency.

This Base Prospectus has been approved by and filed with the AFM as a Base Prospectus issued in compliance with the Directive 2003/71/EC of 4 November 2003 (the "**Prospectus Directive**") and relevant implementing measures in the Netherlands for the purpose of giving information with regard to the issue of Notes under the Program during the period of twelve months after the Publication Date. The Issuer may request the AFM to provide competent authorities in additional countries which are parties to the Agreement on the European Economic Area of 17 March 2003 (the "**EEA Agreement**") with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht (Wft)*) and related regulations which implement the Prospectus Directive in Dutch law.

Arranger
ABN AMRO

Dealers
ABN AMRO

BANC OF AMERICA SECURITIES LIMITED

BNP PARIBAS

CITI

COÖPERATIEVE CENTRALE RAIFFEISEN-BOERENLEENBANK B.A. (Rabobank International)

JPMORGAN

This Base Prospectus will be published in electronic form on the website of Euronext Amsterdam and on May 9, 2007 (the "**Publication Date**") can be obtained by e-mail through investor.relations@ahold.com as of that same date. This Base Prospectus is issued in replacement of a prospectus dated 22 September 2006 and accordingly supersedes that earlier prospectus. It is valid for a period of 12 months from the Publication Date.

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SUMMARY

The following constitutes the summary (the "**Summary**") of the essential characteristics and risks associated with the Issuer and the Notes to be issued under the Program. This Summary must be read as an introduction to this Base Prospectus and any decision to invest in any Notes should be based on a consideration of this Base Prospectus as a whole, including the documents incorporated by reference. No civil liability will attach to the Issuer in respect of this Summary, including any translation hereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus. Where a claim relating to information contained in this Base Prospectus is brought before a court, the plaintiff investor might, under the national legislation of a Member State of the European Economic Area (the "**EEA**" and each such state, an "**EEA State**"), have to bear the costs of translating the Base Prospectus before the legal proceedings are initiated.

Issuer: Koninklijke Ahold N.V.

Koninklijke Ahold N.V. ("**Ahold**") was established as a public limited liability company (*naamloze vennootschap*) for an unlimited term under the laws of the Netherlands on April 29, 1920, ratified by Royal Decree of April 23, 1920, number 4. It has its registered seat at Zaandam (municipality Zaanstad), the Netherlands, and its principal place of business at (1019 GM) Amsterdam, the Netherlands, Piet Heinkade 167-173. Ahold is registered in the Trade Register at the Chamber of Commerce and Industries for Amsterdam under number 35000363.

Description: Euro Medium Term Note Program

Risk Factors: There are certain factors that may affect the Issuer's ability to fulfill its obligations under the Notes issued under the Program. These are set out under "Risk Factors" below and include risks relating to currency exchange and interest rate fluctuations, risks relating to strategy, risks relating to liquidity, risks relating to tax liabilities, risks relating to Ahold's industry and business and risks relating to ownership of Ahold's common shares and American Depositary Shares ("**ADSs**"). In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Notes issued under the Program (see "Risk Factors").

Arranger: ABN AMRO Bank N.V.

Dealers:	<p>ABN AMRO BANK N.V. BANC OF AMERICA SECURITIES LIMITED BNP PARIBAS CITIGROUP GLOBAL MARKETS LIMITED COÖPERATIEVE CENTRALE RAIFFEISEN- BOERENLEENBANK B.A. (Rabobank International) J.P. MORGAN SECURITIES LTD. and any other dealer appointed from time to time either in respect of a single Tranche or in respect of the whole Program.</p>
Regulatory Matters:	<p>Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see "Subscription and Sale" in this Base Prospectus).</p>
Issuing and Principal Paying Agent:	<p>Citibank N.A.</p>
Distribution:	<p>Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.</p>
Currencies:	<p>Subject to any applicable legal or regulatory restrictions, such currencies as may be agreed between the Issuer and the relevant Dealer, including, without limitation, Australian dollars, Canadian dollars, Danish kroner, euro, Hong Kong dollars, New Zealand dollars, Sterling, Swiss francs, United States dollars and Japanese yen.</p>
Redenomination:	<p>The applicable Final Terms will specify whether Redenomination (as described in Condition 4) will apply to the Notes. Such provisions permit the redenomination into euro of Notes originally issued in a currency which becomes convertible into euro.</p>
Maturities:	<p>Subject to applicable laws, regulations and restrictions, Notes will have maturities from 12 months and more.</p>
Issue Price:	<p>Notes may be issued on a fully-paid or a partly-paid basis and at an issue price which is at par or at a discount to, or premium over, par.</p>
Form of Notes:	<p>Each Tranche of Notes will (unless otherwise specified in the applicable Final Terms) initially be represented by a global Note</p>

which will be deposited on the relevant Issue Date with a common depository for Euroclear and Clearstream, Luxembourg and/or any other agreed clearing system. The global Note will be exchangeable as described therein for either a permanent global Note or definitive Notes upon satisfaction of certain conditions including, in the case of a temporary global Note where the issue is subject to TEFRA D selling restrictions and such Notes have maturities in excess of 183 days, upon certification of non-U.S. beneficial ownership as required by U.S. Treasury regulations. The applicable Final Terms will specify that a permanent global Note is exchangeable for definitive Notes either (i) upon not less than 30 days' notice or (ii) upon the occurrence of an Exchange Event, as described in "Form of the notes". Any interest in a global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear, Clearstream, Luxembourg and/or any other agreed clearing system. Definitive Notes will be in Standard Euromarket form, as specified in the Final Terms.

Fixed Rate Notes:

Fixed interest will be payable on the date or dates specified in the applicable Final Terms and on redemption, and will be calculated on the basis of such Day Count Fraction as may be agreed between the Issuer and the relevant Dealer (as indicated in the applicable Final Terms).

Floating Rate Notes:

Floating Rate Notes will bear interest either at a rate determined on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2000 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the issue date of the first Tranche of the Notes of the relevant Series) or on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service or on such other basis as may be agreed between the Issuer and the relevant Dealer (as indicated in the applicable Final Terms).

The Margin (if any) relating to such floating rate will be specified in the applicable Final Terms.

Index Linked Notes:

Payments of principal in respect of Index Linked Redemption Notes or of interest in respect of Index Linked Interest Notes will be calculated by reference to such index and/or formula as may be specified in the applicable Final Terms.

Other provisions in relation to Floating Rate Notes and Index Linked Interest Notes:

Floating Rate Notes and Index Linked Interest Notes may also have a maximum interest rate, a minimum interest rate or both (as indicated in the applicable Final Terms).

Interest on Floating Rate Notes and Index Linked Interest Notes in respect of each Interest Period, as agreed prior to issue by the Issuer and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the Issuer and the relevant Dealer (as indicated in the applicable Final Terms).

Dual Currency Interest Notes: Payments (whether in respect of principal or interest and Interest Notes: whether at maturity or otherwise) in respect of Dual Currency Interest Notes will be made in such currencies, and based on such rates of exchange, as may be specified in the applicable Final Terms.

Zero Coupon Notes: Zero Coupon Notes will be offered and sold at a discount or at a premium to their nominal amount or at par and will not bear interest.

Redemption: The applicable Final Terms will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than in specified instalments (see below), if applicable, or for taxation reasons or following an Event of Default) or that such Notes will be redeemable at the option of the Issuer and/or the Noteholders upon giving not less than 15 nor more than 30 days' irrevocable notice (or such other notice period (if any) as is indicated in the applicable Final Terms) to the Noteholders or the Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such terms as are indicated in the applicable Final Terms.

The applicable Final Terms may provide that Notes may be repayable in two or more instalments of such amounts and on such dates as indicated in it.

Denomination of Notes: Notes will be issued in such denominations as may be specified in the applicable Final Terms save that the minimum denomination of each Note will be such as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency

Taxation: Payments in respect of the Notes will, as specified in the applicable Final Terms, be made either subject to withholding or deduction of or for any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands (in respect of an offering solely to investors in the Netherlands) or (in all other cases) without withholding or deduction of or for any taxes imposed, levied, withheld or assessed by the Relevant Jurisdiction as defined in Condition 7(b) subject to certain exceptions as provided in Condition 8. If the applicable Final Terms provides that payments are to be made

subject to withholding or deduction of or for any taxes imposed, levied, withheld or assessed by the Netherlands, it will also specify that Condition 7(b) will not apply to the Notes. If the applicable Final Terms provides that payments are to be made without withholding or deduction of or for any taxes imposed, levied, withheld or assessed by the Relevant Jurisdiction, the Issuer will, save in certain limited circumstances provided in Condition 8, be required to pay additional amounts to cover the amounts so deducted.

Negative Pledge:	The Notes contain a negative pledge given by the Issuer as set out in Condition 3 of the Terms and Conditions of the Notes.
Cross Default:	The Notes contain a cross default as set out in Condition 10 of the Terms and Conditions of the Notes.
Status of the Senior Notes:	The Senior Notes will constitute unsecured and unsubordinated obligations-of the Issuer and will rank pari passu without any preference among themselves and with all other present and future unsecured and unsubordinated obligations of the Issuer save for those preferred by mandatory provisions of law.
Status and other terms of Subordinated Notes:	The status of each Tranche of Subordinated Notes and any negative pledge and events of default applicable to Subordinated Notes will be set out in the applicable Final Terms.
Listing:	<p>Application has been made for Notes to be issued under the Program to be admitted to listing and trading on Eurolist by Euronext Amsterdam. The Notes may also be listed on such other or further stock exchange or stock exchanges as may be agreed between the Issuer and the relevant Dealer in relation to each issue.</p> <p>Unlisted Notes may also be issued. The Final Terms relating to each issue will state whether or not the Notes are to be listed and, if so, on which stock exchange(s).</p>
Governing Law:	The Notes will be governed by, and construed in accordance with, the laws of the Netherlands.
Selling Restrictions:	<p>There are selling restrictions in relation to the EEA, France, Italy, Japan, the Netherlands, the United Kingdom and the United States, and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes.</p> <p>For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of offering materials, see "Subscription and Sale" in this Base Prospectus.</p>

RISK FACTORS

The following discussion of risks relating to Ahold should be read carefully when evaluating our business, our prospects and the forward-looking statements contained in this Base Prospectus and in Ahold's annual report for the financial year ended December 31, 2006, as published on March 29th, 2007, incorporated by reference herein (the "**Ahold 2006 Annual Report**"), with a view of a possible investment in the Notes.

Any of the following risks could have a material adverse effect on our financial position, results of operations, liquidity and the actual outcome of matters that the forward-looking statements contained herein and in the Ahold 2006 Annual Report refer to. The risks described below are not the only ones we are facing. There may be additional risks we are currently unaware of, and these may be common to most companies. There may also be risks that we now believe are immaterial, but which may ultimately have a material adverse effect on our financial position, results of operations, liquidity and the actual outcome of matters that the forward-looking statements contained in this Prospectus and the Ahold 2006 Annual Report refer to. For additional information regarding forward-looking statements, see "Forward-looking statements notice" included in the Ahold 2006 Annual Report.

RISK FACTORS RELATING TO AHOLD

Risks relating to currency exchange and interest rate fluctuations

Currency translation risk. We are exposed to foreign currency exchange translation risk because we operate businesses in Europe and the United States. A substantial portion of our assets, liabilities and results of operations are denominated in foreign currencies, primarily the U.S. dollar. As a result, we are subject to foreign currency exchange risks due to exchange rate movements in connection with the translation of the operating income and the assets and liabilities of our foreign subsidiaries into euros for inclusion in our consolidated financial statements.

Currency transaction risk. We are exposed to foreign currency exchange transaction risk, including lease payment obligations and firm purchase commitments denominated in foreign currencies. We attempt to manage our foreign currency exchange exposure by borrowing in local currency and entering into currency swaps, but we cannot eliminate such exposure and, therefore currency exchange rate movements and volatility can affect our transaction costs.

Interest rate risk. We are also exposed to fluctuations in interest rates. Accordingly, changes in interest rates can affect the cost of our floating interest-bearing borrowings. It is our policy to attempt to mitigate interest rate risk by financing a targeted percentage of our borrowings in fixed interest rate instruments and by the use of derivative financial instruments, such as interest rate swaps. Our attempts to manage our risk could result in our failure to realize savings, if interest rates fall.

Currency exchange and interest rate fluctuations could have an adverse effect on Ahold's financial position, results of operations and liquidity. For additional discussion of our risk management, see "Management's discussion & analysis – Risk management and use of financial instruments and derivatives" and Note 33 to the consolidated financial statements included in the Ahold 2006 Annual Report.

Risks relating to our strategy

We might not successfully carry out our strategies for our food retail and foodservice businesses, or realize expected cost savings.

As a result of a strategic review of our businesses, we adopted a strategy that includes a realignment of our portfolio to focus on core retail business in our restructured continental organizations: the United States and

Europe, the continued roll-out of value repositioning programs and the reduction of operating costs. Our financial targets are to achieve sustainable 5 percent retail net sales growth, a sustainable 5 percent retail operating margin and investment grade. We may encounter difficulties or delays in implementing our strategic initiatives and we may not be able to achieve these targets. We may also incur unanticipated costs in implementing our strategy.

Our strategy includes initiatives that are expected to reduce operating costs by approximately EUR 500 million by the end of 2009. In addition, the initiatives are expected to reduce the core costs at Ahold's Corporate Center (as described on page 22 of the Ahold 2006 Annual Report) (the "**Corporate Center**") by 50 percent by the end of 2008. However, we may not be able to reach the targeted levels or receive the expected benefits of these cost reductions. In connection with the strategy, we also announced the divestment of U.S. Foodservice as well as our intention to divest the Tops business, and our retail operations in Poland and Slovakia. We also intend to sell our stake in Jerónimo Martins Retail. If we fail to complete these divestments within the planned timeframe and on acceptable terms or otherwise we do not successfully carry out our strategy, this could have a material adverse effect on our financial position, results of operations and liquidity.

Risks relating to our liquidity

Our level of debt could adversely affect our financial position, results of operations and liquidity and could restrict our ability to obtain additional financing in the future.

We have significantly reduced our debt since 2003. However, we continue to have substantial indebtedness and our total gross debt as of April 11, 2007 was approximately EUR 6.4 billion. In addition to the obligations recorded on our balance sheet, we also have various commitments and contingent liabilities that may result in significant future cash requirements. Our significant level of debt could adversely affect our business in a number of ways, including but not limited to, the following:

- because we must dedicate a substantial portion of our cash flow from operations to the payment of interest and principal on our debt, we have less cash available for other purposes;
- our ability to obtain additional debt financing may be limited; or
- we may be placed at a competitive disadvantage by our limited flexibility to react to changes in the industry and economic conditions and our financial resources may be diverted away from the expansion and improvement of our business. As a result, we could lose market share and experience lower sales, which may have a material adverse effect on our financial position, results of operations and liquidity. For additional information on our liquidity and leverage risk, see "Management's discussion & analysis – Liquidity and capital resources" and Note 26 to the consolidated financial statements included in the Ahold 2006 Annual Report as well as Ahold's press release dated April 11, 2007, incorporated by reference herein.

Downgrading of our credit ratings could adversely impact our ability to finance our business or increase financing costs.

During 2005 and 2006 both Moody's Investors Services ("**Moody's**") and Standard & Poor's Ratings Services ("**S&P**") upgraded our credit ratings. On May 4, 2007 S&P upgraded our credit ratings to investment grade. On that date, S&P raised its short-term and long-term corporate credit ratings on Ahold to "BBB/A-3" from "BB+/B" and raised the long-term ratings on Ahold's senior unsecured notes to "BB+" from "BB". The credit ratings assigned to Ahold by Moody's remain below investment grade. Part of our strategy is to achieve investment grade. While none of our material credit facilities or other debt instruments contain direct events of default that are triggered by credit rating downgrades, a downgrade of our long-term debt rating by either Moody's or S&P could raise liquidity concerns, reduce our flexibility in accessing funding sources and increase our costs of borrowing, which could result in our inability to secure new financing or affect our ability to make payments on outstanding debt instruments and comply with other existing obligations. Any of these circumstances could have a material adverse effect on our financial position, results of operations and liquidity. In addition, we cannot assure that we will be able to achieve investment grade, particularly if our operating strategy and objectives are not successful. For a further discussion of our credit ratings, see "Management's discussion & analysis –

Liquidity and capital resources” and Note 26 to the consolidated financial statements included in the Ahold 2006 Annual Report.

Our current insurance coverage may not be adequate and our insurance costs may increase.

The third-party insurance companies that provide the fronting insurance that is part of our self-insurance programs as described in the Ahold 2006 Annual Report, require us to provide cash collateral or letters of credit. In some circumstances, we are required to replace our self-insurance programs with high deductible programs from third-party insurers at a high cost. Although we are currently able to provide sufficient letters of credit for our insurance requirements, our future letter of credit requirements for insurance and other cash collateral needs may increase significantly. In this event, we will need to obtain additional financing sources and any cash collateral we provide will not be available to fund our liquidity needs. It is possible that we may not be able to maintain adequate insurance coverage against liabilities that we incur in our business through self-insurance and high deductible programs or, if necessary, purchase commercial insurance to replace these programs. Our insurance premiums to third-party insurers may also increase in the future and we may not be able to obtain similar levels of insurance on reasonable terms or at all. The inadequacy or loss of insurance coverage, or the continued payment of higher premiums, could have a material adverse effect on our financial position, results of operations and liquidity. For additional information regarding self-insurance coverage, see “Management’s discussion & analysis – Off-balance sheet arrangements – Contingent liabilities” and Note 25 to the consolidated financial statements included in the Ahold 2006 Annual Report.

Risks relating to tax liabilities

We may face tax liabilities in the future, including as a result of audits of our tax returns.

Because we operate in a number of countries, our operating income is subject to taxation in differing jurisdictions and at differing tax rates. Significant judgment is required in determining the consolidated income tax position. We seek to organize our affairs in a tax efficient and balanced manner, taking into account the applicable regulations of the jurisdictions in which we operate. As a result of our multi-jurisdictional operations, we are exposed to a number of different tax risks including, but not limited to, changes in tax laws or interpretations of such tax laws. The tax authorities in the jurisdictions in which we operate may audit our tax returns and may disagree with the positions taken in those returns. An adverse outcome resulting from any settlement or future examination of our tax returns may subject us to additional tax liabilities and may adversely affect our effective tax rate which could have a material adverse effect on our financial statements. In addition, any examination by the tax authorities could cause us to incur significant legal expenses and divert our management’s attention from the operation of our business.

Risks relating to our industry and business

We are a low margin business and our operating income is sensitive to price fluctuations.

Our retail and foodservice businesses are characterized by relatively high inventory turnover with relatively low profit margins. We make a significant portion of our sales at prices that are based on the delivered price of products we sell plus a percentage markup. As a result, our absolute levels of profit will go down during periods of food price deflation, particularly in our foodservice business, even though our gross profit percentage may remain relatively constant. Additionally, our foodservice business profit levels may go down in periods of food price inflation if we are not able to pass along cost increases from our vendors to our customers in a timely manner. In addition, our retail and foodservice businesses could be adversely affected by other factors, including inventory control, competitive price pressures, severe weather conditions, unexpected increases in fuel or other transportation related costs, volatility in food commodity prices, labor expense and difficulties in collecting accounts receivable. Any of these factors may have a material adverse effect on our financial position, results of operations and liquidity.

Competition is intensifying across all Ahold’s markets.

We continue to experience intense competition in our retail trade business and our foodservice business, as well as industry consolidation. A number of our retail operations have started value repositioning programs. A

successful value repositioning program requires careful and well-timed management of a number of complex factors, including efficient inventory management, negotiations with vendors of national and private label products to reduce prices without reducing quality, cutting staffing costs without compromising the quality of service and effective communication of new prices to shoppers. These programs might not be successful or competitors might respond and engage in price competition against us. Any of these factors, or any combination of them, could have a material adverse effect on our financial position, results of operations and liquidity.

While we believe there are opportunities for sustained and profitable growth, unanticipated actions of competitors and increasing competition in the food retail and foodservice industries could continue to negatively affect our financial position, results of operations and liquidity. For additional information regarding competition, see "Management's discussion and analysis – Overview" in the Ahold 2006 Annual Report.

We face risks relating to our IT outsourcing.

We outsourced various IT services in the United States and in the Netherlands. In connection with this outsourcing, we may encounter unforeseen technical complexities that we may be unable to resolve or the resolution of such complexities may lead to cost increases and the distraction of our management. Although we may conduct audits to determine the functionality of the IT outsourcing, we may face disruptions in our IT applications and infrastructure if such IT functions fail to perform as specified, or if the parties on whom we rely in relation to these outsourcings do not fulfill their obligations. The IT outsourcing might not achieve the expected benefits and cost savings or such benefits and savings might not be achieved as quickly as expected.

Our failure to implement these IT outsourcing initiatives in a timely and cost efficient manner could have a material adverse effect on our financial position, results of operations and liquidity.

We might not be able to negotiate future collective bargaining agreements on acceptable terms, which could result in work stoppages.

A significant portion of our employees are represented by unions and are covered by collective bargaining agreements. As the collective bargaining agreements with those unions expire, we might not be able to negotiate extensions or replacements on terms acceptable to us. One collective bargaining agreement for our employees in the Netherlands has expired in April 2007 and most of the bargaining agreements for our employees in the Netherlands will expire at various dates during 2007. We are continuing to honor the terms of the expired agreement and are negotiating a replacement agreement. Although we consider our relations with the relevant trade unions stable, any failure of our operating companies to effectively renegotiate these agreements could result in work stoppages or other labor actions. We may not be able to resolve any issues in a timely manner and our contingency plans may not be sufficient to avoid an impact on the business. A work stoppage due to failure of one or more of our operating companies to renegotiate a collective bargaining agreement, or otherwise, could have a material adverse effect on our financial position, results of operations and liquidity. For additional information, see "Additional information – Labor relations – Union relations and works council" in the Ahold 2006 Annual Report.

We face risks related to health care and pension funding requirements. Decreasing interest rates, poor performance of the stock markets and rising cost of health care benefits may cause us to record significant charges related to our pension and benefit plans.

Adverse stock market developments may negatively affect the assets of our pension funds and decreasing interest rates may cause lower discount rates and increase our pension liabilities. This will lead to higher pension charges, pension premiums and contributions payable. We have a number of defined benefit pension plans, covering a substantial number of our employees in the Netherlands and in the United States. Pension expenses for defined benefit plans in 2006 were EUR 32 million lower than in 2005. Our contributions to our Dutch defined benefit plans in 2006 were EUR 40 million higher than in 2005 and our contributions to our U.S. defined benefit plans in 2006 were EUR 251 million lower than in 2005. In 2005 a one-time contribution of USD 288 million (EUR 236 million) was made to decrease the unfunded status of several U.S. pension plans. Our

contributions for our U.S. defined benefit plans are expected to decrease from EUR 38 million in 2006 to EUR 29 million in 2007, and our contributions for our Dutch defined benefit plans are expected to decrease from EUR 158 million in 2006 to EUR 150 million in 2007. Certain of our employees in the United States are covered by multi-employer plans, which have a total unfunded liability of EUR 18,890 million as of January 1, 2005 (the latest year for which information is available). We estimate our proportionate share of the total unfunded liability of these plans at EUR 614 million. These unfunded liabilities are not recognized on our consolidated balance sheets because sufficient information is not available and the financial statements of these plans are not based on the same accounting standards according to which our consolidated financial statements are prepared. The unfunded liabilities of these plans may result in increased future payments by us and the other participating employers. Our risk of such increased contributions may be greater if any of the participating employers in an underfunded multi-employer plan withdraws from the plan due to insolvency and is not able to contribute an amount sufficient to fund the unfunded liabilities associated with the participants of the plan. For additional information, see Note 24 to our consolidated financial statements included in the Ahold 2006 Annual Report.

If we are unable at any time to meet any required funding obligations for some of our U.S. pension plans, or if the Pension Benefit Guaranty Corporation (the “**PBGC**”) concludes that, as the insurer of certain U.S. plan benefits, its risk may increase unreasonably if the plans continue, under the U.S. Employee Retirement Income Security Act of 1974 (“**ERISA**”) the PBGC could terminate the plans and place liens on material amounts of our assets. Our pension plans that cover our Dutch retail operations are governed by the Dutch Central Bank (De Nederlandsche Bank N.V. or “**DNB**”). DNB may require us to make additional contributions to our pension plans to meet the minimum funding requirements as applied by DNB.

In addition, health care costs have risen significantly in recent years and this trend is expected to continue. We may be required to expend significantly higher amounts to fund employee health care plans in the future. Significant increases in health care and pension funding requirements could have a material adverse effect on our financial position, results of operations and liquidity.

We may not be able to retain or attract personnel who are integral to the success of our business.

As a result of the involuntary termination of employment of certain staff, which is a part of our cost reduction initiatives, it is possible that, for various reasons, other employees may voluntarily terminate their employment. Although we have an equity-based compensation plan and retention agreements with key employees and directors, these measures might not be effective in retaining or attracting employees and directors who are integral to the success of the business, which could materially hinder our ability to successfully execute our operating strategy and objectives, and thus have a material adverse effect on our financial position, results of operations and liquidity.

We face risks related to food safety.

The supply chain of growing, packing and transporting food from producers to retailers requires sourcing from different suppliers worldwide. Although our food safety policy covers the complete supply chain, from farm and production level to our own operations, we may still face food safety problems, including disruptions to our supply chain caused by food-borne illnesses, or injuries caused by food tampering or poor sanitary conditions. Instances of food safety problems, real or perceived, whether at our food retail stores or our foodservice facilities or at those of our competitors or those of our customer operators, could adversely affect the price and availability of the affected food product and cause customers to shift their preferences and may also result in product liability claims and negative publicity about us or the food industry in general, which could have a material adverse effect on our sales and our results of operations.

Our business is subject to environmental liability risks and regulations.

Our businesses are governed by environmental laws and regulations in all the countries where we do business. These laws and regulations also govern the discharge, storage, handling and disposal of hazardous or toxic substances. If stricter laws are passed or applicable environmental laws are more strictly enforced, we may

incur additional expenditures. Our failure to comply with any environmental, health or safety requirements, or any increase in the cost of such compliance, could have a material adverse effect on our financial position, results of operations and liquidity.

Our efforts to reduce inventory shrink might not be successful.

We may not be able to control costs related to inventory shrink, which generally results from the limited shelf life of our perishable inventory and from inventory losses resulting from theft or fraud. Although we have taken a number of steps to reduce inventory shrink, including enhancing our inventory control systems and improving our ordering procedures, we might not be able to achieve our goal of reducing inventory shrink. Any failure to reduce shrink could have a material adverse effect on our financial position, results of operations and liquidity.

Ahold is a Dutch company and a foreign private issuer and is subject to different principles of law, disclosure standards and corporate governance standards than a U.S. domestic issuer that may limit the rights of shareholders, the information available to holders of its ADSs and the transparency and independence of the Company.

As a consequence of Ahold's incorporation in the Netherlands, its corporate affairs are governed by Dutch corporate law. Principles of Dutch law relating to certain matters, including the fiduciary duties of management and the rights of shareholders, may differ from those that would apply if the Company were incorporated in a jurisdiction within the United States. For example, there are no statutory dissenters' rights of appraisal under Dutch law with respect to share exchanges, mergers and other similar transactions. As a foreign private issuer, although the Company is subject to the periodic reporting requirements under the Exchange Act, the disclosure required of foreign private issuers under the Exchange Act is more limited than disclosure required of U.S. domestic issuers. As a result, there may be less publicly available information about Ahold than is regularly published by or about other public companies in the United States and such information may be made available later than that of U.S. domestic issuers. As a foreign private issuer, Ahold is also exempt from some of the corporate governance requirements of the NYSE that are applicable to U.S. domestic companies listed on the NYSE. For more information related to the corporate governance requirements that apply to Ahold, see "Corporate governance" in the Ahold 2006 Annual Report.

We depend on a limited number of centralized facilities and rely on technology systems to support our logistics.

Our logistics infrastructure is concentrated in a limited number of centralized locations for which we have limited or no comparable back-up. In addition, we rely on advanced technology systems to increase the efficiency of our logistics and reduce our distribution costs. An interruption of operations at one or more of our logistics facilities, or a disruption to the technology systems used to support our logistics operations, could disrupt our supply chain, decrease the volume of our business and result in increased costs. Although we continue to invest in disaster recovery plans and security initiatives with respect to our logistics and technology systems, these measures cannot fully prevent interruptions that could have a material adverse effect on our financial position, results of operation and liquidity.

Risks relating to pending investigations and legal proceedings

Ahold and certain of its subsidiaries are involved in a number of legal proceedings, which include litigation as a result of divestments, tax, employment and other litigation. These legal proceedings whether pending, threatened or unasserted, if decided adversely to or settled by the Company, may result in liability material to the Company's financial condition or results of operations. For a further discussion of these legal proceedings, see Note 34 to the Company's 2006 consolidated financial statements included in the Ahold 2006 Annual Report.

Risks relating to ownership of our common shares and ADSs

We may not be able to ensure adequate internal controls over financial reporting.

Management conducted an evaluation of the effectiveness of our internal control over financial reporting as of

December 31, 2006 using the criteria set forth in the recommendations of the Committee of Sponsoring Organizations of the Treadway Commission: Internal Control – Integrated Framework (also known as ‘*COSO Framework*’). Based on this evaluation, management determined that our internal control over financial reporting was effective as of December 31, 2006. However, we will have to devote significant resources to continuing compliance with the applicable internal control requirements. Any failure to ensure adequate internal controls over financial reporting could result in accounting errors or misstatements in our financial statements and could harm the reliability of our financial statements, which could in turn adversely affect investor confidence and the prices of our common shares and ADSs. For a further discussion regarding our internal controls, see “Internal control” in the Ahold 2006 Annual Report.

RISK FACTORS RELATING TO NOTES GENERALLY

Consequences of denomination of minimum Specified Denomination (as defined in the Form of Final Terms) plus higher integral multiple

In relation to any issue of Notes which have a denomination consisting of the minimum Specified Denomination plus a higher integral multiple of another smaller amount, it is possible that the Notes may be traded in amounts in excess of EUR 50,000 (or its equivalent) that are not integral multiples of EUR 50,000 (or its equivalent). In such a case a Noteholder who, as a result of trading such amounts, holds a principal amount of less than the minimum Specified Denomination may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination.

Dependence on Payments from Subsidiaries to Fund Payments on the Notes

Ahold is a holding company and a substantial part of its operations is conducted through subsidiaries. Consequently, Ahold will depend on dividends and other payments from its subsidiaries to make payments on the Notes. Investors in the Notes will not have any direct claims on the cash flows or assets of Ahold's operating subsidiaries and such subsidiaries have no obligation, contingent or otherwise, to pay any amount due under the Notes or to make funds available to Ahold for these payments.

The ability of such subsidiaries to make dividends and other payments to Ahold will depend on their cash flows and operating income which, in turn, will be affected by, among other things, the factors discussed in these "Risk Factors." In addition, such subsidiaries may not be able to pay dividends due to legal or contractual restrictions. Consequently, if amounts that Ahold receives from its subsidiaries are not sufficient, Ahold may not be able to service its obligations under the Notes.

Structural Subordination

A substantial part of Ahold's assets are held, and operating income is generated, by its subsidiaries. In general, claims of the creditors of a subsidiary, including secured and unsecured creditors for indebtedness incurred and against any guarantee issued by such entity, will have priority with respect to the assets of that subsidiary over the claims of creditors of its parent company including holders of Notes issued by Ahold under this program, except to the extent that such parent company is also a valid creditor of that subsidiary under the laws of the relevant jurisdiction. Ahold's ability to service its payment obligations under the Notes substantially depends on the income generated by its subsidiaries. Since Noteholders are not a creditor to these subsidiaries their claims to the assets of the subsidiaries that generate Ahold's income are subordinated to the creditors of these subsidiaries.

Modification

The conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority. The conditions of the Notes also provide that the Agent (as defined in "Terms and Conditions of the Notes" below) may, without the consent of Noteholders, agree to (i) any modification (not being a modification requiring the approval of a meeting of Noteholders) of any of the provisions of the Agency Agreement which is not materially prejudicial to the interests of the Noteholders or (ii) any modification of the Notes which is of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of the laws of the Netherlands.

RISKS RELATED TO THE MARKET GENERALLY

The Lack of a Secondary Market

There may not be an existing market for the Notes when issued, and one may never develop. If a market does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

Exchange Rate Risks and Exchange Controls

The Issuer will pay principal and interest on the Notes in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

Interest Rate Risks

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes.

Credit ratings may not reflect all risks

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

Any negative change in the credit rating of Ahold could adversely affect the value of the Notes.

OTHER IMPORTANT CONSIDERATIONS

Notes Held in Global Form

The Notes will initially be held by a common depository on behalf of Euroclear or Clearstream, Luxembourg in the form of a global Note which will be exchangeable for definitive Notes in limited circumstances as more fully described in "Form of the Notes" in this Base Prospectus. The bearer of the relevant global Note shall be treated by the Issuer and any Paying Agent (as defined in "Terms and Conditions of the Notes" below) as the sole holder of the relevant Notes represented by such global Note with respect to the payment of principal, interest (if any) and any other amounts payable in respect of the Notes.

Notes which are represented by a global Note will be transferable only in accordance with the rules and procedures of the agreed clearing system.

Nominee Arrangements

Where, in the case of an issue of Notes a nominee service provider is used by an investor to hold the relevant Notes or such investor holds interests in any Series of Notes through accounts with a clearing system, such investor will receive payments in respect of principal, interest, (if any) or any other amounts due, as applicable, solely on the basis of the arrangements entered into by the investor with the relevant nominee service provider or clearing system, as the case may be. Furthermore, such investor must rely on the relevant nominee service provider or clearing system to distribute all payments attributable to the relevant Notes which are received from the Issuer. Accordingly, such an investor will be exposed to the credit risk of, and default risk in respect of, the relevant nominee service provider or clearing system, as well as the Issuer.

For the purposes of (a) distributing any notices to Noteholders, and (b) recognizing Noteholders for the purposes of attending and/or voting at any meetings of Noteholders, the Issuer will recognize as Noteholders only those persons who are at any time shown as accountholders in the records of the agreed clearing system as persons holding a principal amount of the relevant Series of Notes. Accordingly, an investor must rely upon the nominee service provider which is the accountholder with the relevant clearing system through which the investor made arrangements to invest in the Notes (and, if applicable, the domestic clearing system through which the Notes are held), to forward notices received by it from the agreed clearing system and to return the investor's voting instructions or voting certificate application to the agreed clearing system. Accordingly, such an investor will be exposed to the risk that the relevant nominee service provider or clearing system may fail to pass on the relevant notice to, or fail to take relevant instructions from, the investor.

In addition, such a Noteholder will only be able to sell any Note held by it prior to its stated maturity date with the assistance of the relevant nominee service provider.

None of the Issuer, the Arranger, any Dealer to be appointed under the Program or the Agent (as defined in "Terms and Conditions of the Notes" below) shall be responsible for the acts or omissions of any relevant nominee service provider or clearing system nor makes any representation or warranty, express or implied, as to the services provided by any relevant nominee service provider or clearing system.

Change of Law and Jurisdiction

The conditions of the Notes are governed by Dutch law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible change to Dutch law or the application thereof after the date of this Base Prospectus.

Prospective investors should note that the courts of the Netherlands shall have jurisdiction in respect of any disputes involving any Series of Notes. Noteholders may take any suit, action or proceedings arising out of or in connection with the Notes against the Issuer in any court of competent jurisdiction. The laws of the Netherlands may be materially different from the equivalent law in the home jurisdiction of prospective investors in its application to the Notes.

Return on an Investment in Notes Will Be Affected by Charges Incurred by Investors

An investor's total return on an investment in any Notes will be affected by the level of fees charged by the nominee service provider and/or clearing system used by the investor. Such a person or institution may charge fees for the opening and operation of an investment account, transfers of Notes, custody services and on payments of interest, principal and other amounts. Potential investors are therefore advised to investigate the basis on which any such fees will be charged on the relevant Notes.

Legal Investment Considerations May Restrict Certain Investments

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

RESPONSIBILITY STATEMENT

The Issuer accepts responsibility for the information contained in this Base Prospectus. The Issuer declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Base Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

NOTICE

This Base Prospectus should be read and understood together with any supplements as referred to in article 16.1 of the Prospectus Directive hereto and with any other documents incorporated by reference herein, including any Final Terms. Information regarding the Issuer and any Series or Tranche of Notes is only available by combining the information in this Base Prospectus with the information in the applicable Final Terms.

This Base Prospectus includes forward-looking statements (within the meaning of the U.S. federal securities laws) that involve risks and uncertainties that are discussed in more detail in the "Risk Factors"-section above and in the "Forward-looking statements notice"-section of the Ahold 2006 Annual Report.

The Issuer has confirmed to the Dealers named under "Subscription and Sale" below that this Base Prospectus (including for this purpose, each applicable Final Terms) contains all information which is (in the context of the Program, the issue, offering and sale of the Notes) material; that such information is true and accurate in all material respects and is not misleading in any material respect; that any opinions, predictions or intentions expressed herein are honestly held or made and are not misleading in any material respect; that this Base Prospectus does not omit to state any material fact necessary to make such information, opinions, predictions or intentions (in the context of the Program, the issue, offering and sale of the Notes) not misleading in any material respect; and that all proper enquiries have been made to verify the foregoing.

The Issuer has undertaken to furnish a supplement to this Base Prospectus in the event of any significant new factor, material mistake or inaccuracy with respect to the information contained in this Base Prospectus which is capable of affecting the assessment of the Notes and which arises or is noticed between the time when this Base Prospectus has been approved and the final closing of any Tranche of Notes offered to investors or, as the case may be, when trading of any Tranche of Notes on a regulated market begins, in respect of Notes issued on the basis of this Base Prospectus.

No person has been authorized to give any information or to make any representation not contained in or not consistent with this Base Prospectus, any amendment or supplement thereto, any document incorporated by reference herein, or the applicable Final Terms, or any other information supplied in connection with the Program or the Notes and, if given or made, such information or representation should not be relied upon as having been authorized by the Issuer, the Arranger or any Dealer.

No representation or warranty is made or implied by the Dealers or any of their respective affiliates, and neither the Dealers nor any of their respective affiliates make any representation or warranty or accept any responsibility as to the accuracy or completeness of the information contained in this Base Prospectus.

This Base Prospectus is valid for 12 months following its Publication Date and this Base Prospectus and any amendment or supplement hereto, as well as any Final Terms, reflect the status as of their respective dates of issue. The delivery of this Base Prospectus or any Final Terms and the offering, sale or delivery of any Notes shall not in any circumstances imply that the information contained in such documents is correct at any time subsequent to their respective dates of issue or that there has been no adverse change in the

financial situation of the Issuer since such dates or that any other information supplied in connection with the Program or the Notes is correct at any time subsequent to the date on which it is supplied or, if different, the time indicated in the document containing the same. The Arranger and any Dealer expressly do not undertake to review the financial condition or affairs of the Issuer during the life of the Program. Investors should review, inter alia, the most recent financial statements of the Issuer when deciding whether or not to purchase any Notes. Each recipient of this Base Prospectus and any Final Terms shall be taken to have made its own investigation and appraisal of the condition, financial and otherwise, of the Issuer.

Neither this Base Prospectus nor any other information supplied in connection with the Program or any Notes should be considered as a recommendation by the Issuer, the Arranger or any Dealer that any recipient of this Base Prospectus or any other information supplied in connection with the Program should subscribe for or purchase any Notes. Accordingly, no representation, warranty or undertaking, express or implied, is made by the Arranger or any Dealer in their capacity as such. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes (including an evaluation of the financial condition, creditworthiness and affairs of the Issuer) and the information contained or incorporated by reference in this Base Prospectus, the applicable Final Terms and any supplements;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes with principal or interest payable in one or more currencies, or where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Notes and be familiar with the behavior of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks (including, without limitation, those described in "Risk Factors" in this Base Prospectus).

Some Notes are complex financial instruments. Sophisticated institutional investors generally do not purchase complex financial instruments as stand-alone investments. Instead, they purchase complex financial instruments as a way to reduce risk or enhance yield with an understood, measured and appropriate addition of risk to their overall portfolios. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial adviser) to evaluate how the Notes may perform under changing conditions, the resulting effects on the value of the Notes and the impact this investment may have on the potential investor's overall investment portfolio.

The distribution of this Base Prospectus and any Final Terms and the offer or sale of Notes may be restricted by law in certain jurisdictions. Persons into whose possession this Base Prospectus or any Final Terms come must inform themselves about, and observe, any such restrictions. See "Subscription and Sale" in this Base Prospectus.

In particular, Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "Securities Act"), and certain of the Notes are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons (see "Subscription and Sale" below).

This Base Prospectus may only be used for the purpose for which it has been published.

This Base Prospectus and any Final Terms do not constitute an offer or an invitation to subscribe for or purchase any Notes.

This Base Prospectus and any Final Terms may not be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. None of the Issuer, the Arranger and the Dealers represent that this Base Prospectus may be lawfully distributed, or that Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any jurisdiction other than in certain EEA States of which the competent authorities have obtained a notification within the meaning of article 18 of the Base Prospectus Directive, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, no action has been taken by the Issuer, the Arranger or any Dealer appointed under the Program which would permit a public offering of the Notes or distribution of this document in any jurisdiction where action for that purpose is required, other than in certain Member States of the EEA.

Internal Revenue Service Circular 230 Disclosure

Pursuant to Internal Revenue Service Circular 230, the description set forth herein with respect to U.S. federal tax issues was not intended or written to be used, and such description cannot be used, by any taxpayer for the purpose of avoiding any penalties that may be imposed on the taxpayer under the U.S. Internal Revenue Code. Such description was written to support the marketing of the Notes. Such description is limited to the U.S. federal tax issues described herein. It is possible that additional issues may exist that could affect the U.S. federal tax treatment of the Notes, or the matter that is the subject of the description noted herein, and such description does not consider or provide any conclusions with respect to any such additional issues. Taxpayers should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

In this Base Prospectus, unless otherwise specified, references to a "**Member State**" are references to a country which is a party to the EEA Agreement, references to "\$", "**U.S.\$**", "**U.S. dollars**" or "**dollars**" are to United States dollars, references to "¥", "**Japanese yen**" and "**yen**" refer to the currency of Japan and references to "£", "**GBP**" or "**pounds sterling**" refer to the currency of the United Kingdom and references to "€", "**EUR**" or "**euro**" are to the single currency introduced at the start of the third stage of European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended.

In connection with the issue and distribution of any Tranche of Notes, the Dealer or Dealers (if any) specified in the applicable Final Terms as the stabilizing manager or any person acting for it or them may over-allot Notes (provided that the aggregate principal amount of Notes allotted does not exceed 105% of the aggregate principal amount of the relevant Tranche of Notes) or effect transactions with a view to supporting the market price of the Notes of the Series of which such Tranche forms part at a level higher than that which might otherwise prevail. However, there is no assurance that such Dealer or other person will undertake any such stabilizing action. Any stabilization action may commence at any time after the adequate public disclosure of the Final Terms of the offer of the Notes and, if commenced, may be ended at any time, but it must end no later than the earlier of 30 days after the Issue Date of the relevant Tranche of Notes and 60 days after the allotment of the relevant Tranche of Notes. Such stabilizing shall be in compliance with all applicable laws and regulations.

KONINKLIJKE AHOLD N.V.

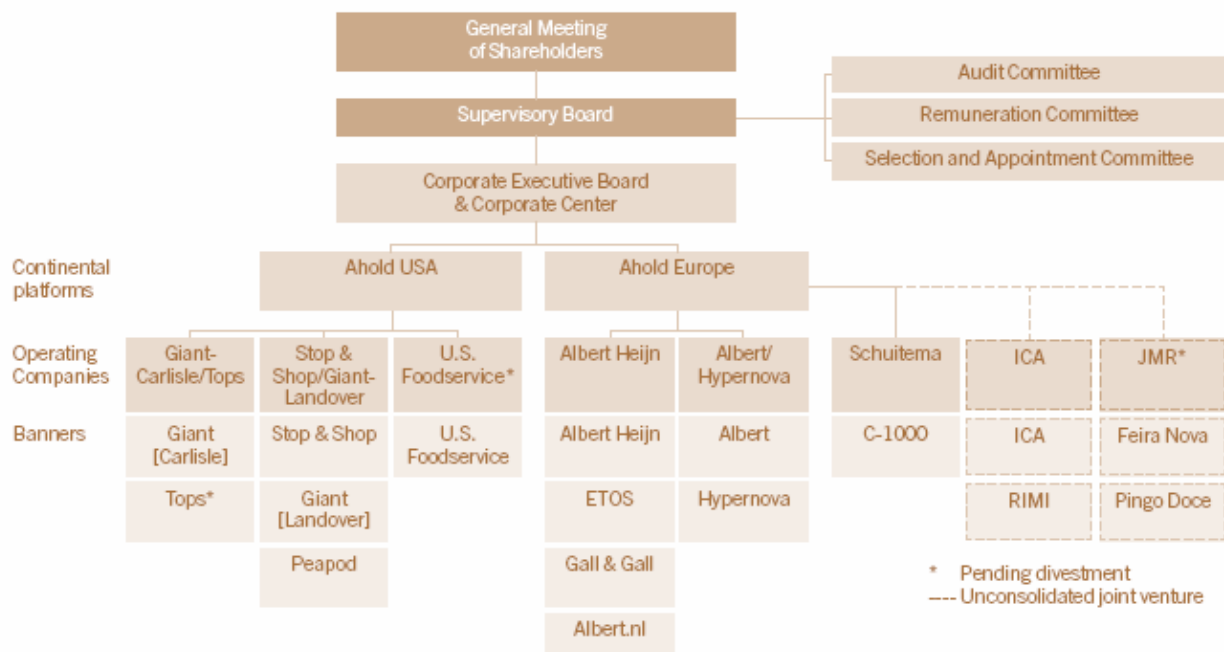
History and Development

The registered commercial names of Ahold are Koninklijke Ahold N.V., Royal Ahold and Ahold. Koninklijke Ahold N.V. is the parent company of the Ahold group. It was founded in 1887 and incorporated as a public company with limited liability (*naamloze vennootschap*) for an unlimited term under the laws of the Netherlands on April 29, 1920. Ahold has its registered seat in Zaandam (municipality Zaanstad), the Netherlands, and its principal place of business at (1019 GM) Amsterdam, the Netherlands, Piet Heinkade 167-173. Ahold is registered in the Trade Register at the Chamber of Commerce and Industries for Amsterdam under number 35000363 with listings of shares or depositary shares on the Amsterdam and New York stock exchanges. The telephone number of the Corporate Center is +31 (0)20 509 5100.

Organizational Structure

Ahold is an international group of supermarkets and foodservice operators based in the United States and Europe. Ahold is a group holding company that conducts business internationally through its subsidiaries and joint ventures. Ahold does not conduct any material business operations of its own. For a detailed list of subsidiaries, joint ventures and associates of the Company as of December 31, 2006, see Note 36 to Ahold's consolidated financial statements included in the Ahold 2006 Annual Report.

Ahold's structure is based on two continental platforms, Ahold USA and Ahold Europe, headed by continental COOs. This enables the Company to execute its strategy more effectively as a group. Each continental platform contains several operating companies made up of one or more banners. Certain Corporate Center activities in which there is the most opportunity to leverage continental capabilities will now be carried out at a continental level. The COOs will lead these activities in the areas of Finance, Human Resources, Information Technology and Legal in each of the continental platforms. The following diagram shows the governance structure of Ahold and its businesses. A list of subsidiaries, joint ventures and associates is included in Note 36 to the consolidated financial statements in the Ahold 2006 Annual Report.



BOARD AND MANAGEMENT

CORPORATE EXECUTIVE BOARD (in Dutch: "Raad van Bestuur")

Ahold is managed by the Corporate Executive Board, which is supervised by the Supervisory Board. The Corporate Executive Board as a whole is responsible for the management and the general affairs of Ahold.

Composition

Our Articles of Association provide that the Corporate Executive Board must consist of at least three members and that in the event of a vacancy the remaining members or the sole remaining member will conduct the management of the Company. As of May 18, 2006, the Corporate Executive Board consists of three members: Anders Moberg, President and CEO, John Rishton, Executive Vice President and Chief Financial Officer and Peter Wakkie, Executive Vice President and Chief Corporate Governance Counsel. John Rishton began serving as acting Executive Vice President and CFO on January 2, 2006 and was appointed to the Corporate Executive Board at the annual General Meeting of Shareholders on May 18, 2006. On May 10, 2006 Ahold announced that Dick Boer was nominated for appointment to the Corporate Executive Board. Dick Boer assumed the position of acting Corporate Executive Board member on that date and was appointed to the Corporate Executive Board at the annual General Meeting of Shareholders on May 3, 2007. On April 27, 2007, Ahold announced that Anders Moberg, President and Chief Executive Officer, will leave the company effective July 1, 2007. The Supervisory Board has appointed John Rishton as Acting President and CEO, effective July 1, 2007. While in that position, Rishton will continue to conduct his duties as CFO. It is expected that a final decision on succession will be announced in the latter part of 2007.

Ahold's Corporate Executive Board consists of the following persons:

Anders Moberg

President and Chief Executive Officer

Anders Moberg (March 21, 1950) is a Swedish national. He assumed the position of acting CEO on May 5, 2003. On September 4, 2003, our shareholders appointed him to the Corporate Executive Board in the position of President and CEO. Mr. Moberg is the former CEO and President of IKEA Group and former Division President-International at Home Depot in the United States. Currently, Mr. Moberg is Chairman of the Supervisory Board of Clas Ohlson AB and a member of the Supervisory Boards of Velux A/S, Husqvarna AB and DFDS A/S.

John Rishton

Executive Vice President and Chief Financial Officer

John Rishton (February 21, 1958) is a British national. He assumed the position of acting Executive Vice President and CFO on January 2, 2006. On May 18, 2006 our shareholders appointed him to the Corporate Executive Board in the position of CFO. Ahold's Supervisory Board has appointed Mr. Rishton as Acting President and CEO, effective July 1, 2007. Mr. Rishton is former CFO of British Airways PLC. He has also worked for Ford Europe in various executive positions. Mr. Rishton is a non-executive director of Rolls-Royce Group Plc.

Peter Wakkie

Executive Vice President and Chief Corporate Governance Counsel

Peter Wakkie (June 22, 1948) is a Dutch national. Mr. Wakkie joined Ahold as acting Executive Vice President and Chief Corporate Governance Counsel on October 15, 2003. This position was formalized when our shareholders appointed him a member of the Corporate Executive Board on November 26, 2003. Prior to joining Ahold, he was a partner at law firm De Brauw Blackstone Westbroek. Mr. Wakkie is a member of the Supervisory Boards of the Albert Heijn Vaste Klanten Fonds, Schuitema N.V. and Wolters Kluwer N.V.

Dick Boer

Corporate Executive Board Member and COO, Europe President and CEO of the Albert Heijn Arena

Dick Boer (August 31, 1957) is a Dutch national. He assumed the position of acting Corporate Executive Board member on May 10, 2006 and was appointed Chief Operating Officer, Europe as of November 6, 2006. Mr. Boer joined Ahold in 1998 as CEO of Ahold Czech Republic and was appointed President and CEO of Albert Heijn in 2000. In 2003, he became President and CEO of the Albert Heijn operating company. On May 3, 2007 our shareholders appointed him to the Corporate Executive Board. Prior to joining Ahold, Mr. Boer spent more than 17 years in various retail positions for SHV Holdings in the Netherlands and abroad, and for Unigro N.V., now Laurus N.V. He is Chairman of the Supervisory Boards of SVM-pact and Kobalt B.V. Mr. Boer is a member of the Supervisory Board of the Red Cross Hospital in Beverwijk, the Netherlands.

The business address of each member of Ahold's Corporate Executive Board is the address of Ahold's registered office.

Appointment, suspension and dismissal

Corporate Executive Board members are appointed for a term of four years and may be reappointed for additional terms not exceeding four years. The Supervisory Board may at any time suspend a Corporate Executive Board member. The General Meeting of Shareholders appoints, suspends, or dismisses a Corporate Executive Board member by an absolute majority of votes cast, upon a proposal made by the Supervisory Board. If another party makes the proposal, an absolute majority of votes cast, representing at least one third of the issued share capital, is required. If this qualified majority is not achieved but a majority of the votes exercised was in favor of the proposal, then a second meeting may be held. In the second meeting, only a majority of votes exercised, regardless of the number of shares represented at the meeting is required to adopt the proposal to appoint, suspend or dismiss a Corporate Executive Board member. Unless Peter Wakkie's employment agreement is otherwise terminated, he will retire in 2008.

Retirement and reappointment schedule

Name	Date of birth	Date of initial appointment	Date of possible reappointments	Date of retirement
Anders Moberg	March 21, 1950	September 4, 2003	Not applicable	July 1, 2007
Peter Wakkie	June 22, 1948	November 25, 2003	Not applicable	2008
John Rishton	February 21, 1958	May 18, 2006	2010	-

Conflict of Interest

Each member of the Corporate Executive Board shall immediately report any potential conflict of interest to the chairman of the Supervisory Board and to the other members of the Corporate Executive Board. A member of the Corporate Executive Board with such conflict or potential conflict of interest must provide the chairman of the Supervisory Board and the other members of the Corporate Executive Board with all relevant information. The chairman of the Supervisory Board will determine whether there is a conflict of interest. If a member of the Corporate Executive Board has a conflict of interest with the Company, such member shall not participate in the discussions and/or decision making process on a subject or transaction in relation to which such member has a conflict of interest. The chairman of the Supervisory Board shall arrange for such transactions to be disclosed in the annual report. As of the date of this Base Prospectus, Ahold was not aware of any potential conflict of interest.

KEY CORPORATE OFFICERS

Lawrence Benjamin

COO, USA and CEO of U.S. Foodservice

Lawrence Benjamin (November 6, 1955) is a U.S. national. He was appointed Chief Operating Officer, USA as of November 6, 2006. Mr. Benjamin joined U.S. Foodservice in October 2003 as President and Chief Executive Officer. From 2002 to October 2003, he was Chief Executive Officer of the NutraSweet Company in Chicago, Illinois. Prior to joining NutraSweet, Mr. Benjamin worked with the private equity firm of Oak Hill Capital Management and served as President and Chief Executive Officer of Stella Foods and Specialty Foods Corporation. Mr. Benjamin also held a number of management-level positions in the retail and ingredient divisions of Kraft Foods from 1986 to 1994.

Business Planning & Performance

Paul Alikor

Senior Vice President and Chief Business Control Officer, Ahold

Paul Alikor (September 30, 1949) is a British national. He joined Ahold in April 2006 as Chief Business Control Officer. Prior to joining Ahold, Mr. Alikor held a succession of senior Finance positions in the airline and automotive industries, including Head of Internal Control at British Airways and Finance Director, Ford Italy.

Internal Audit

Joop Brakenhoff

Senior Vice President and Chief Internal Audit Officer, Ahold

Joop Brakenhoff (July 2, 1965) is a Dutch national. He joined Ahold in June 2002 in the position of Vice President Internal Audit Europe. In February 2004, he was appointed Vice President Accounting. In February 2005 he was appointed Vice President Internal Control. From February 2005 until September 2005 Mr. Brakenhoff served as both Vice President Accounting and Vice President Internal Control. In September 2005 he was appointed to his current position of Senior Vice President and Chief Internal Audit Officer. Prior to joining Ahold, Mr. Brakenhoff held various management positions at KPMG before joining the Heerema Group in 1994 and the Burg Industries Group two years later as group controller and starting in 1998 as CFO.

Human Resources

Jim Lawler

Senior Vice President and Chief Human Resources Officer, Ahold

Jim Lawler (December 20, 1958) is a U.S. national. He joined Ahold in August 1999 as Executive Vice President of Human Resources for Giant-Landover. In November 2001, he became Executive Vice President of Human Resources for Ahold USA. In November 2003, he assumed his current role of Senior Vice President and Chief Human Resources Officer. Prior to joining Ahold, Mr. Lawler held the position of Senior Vice President of Human Resources in Rexam PLC's Coated Films and Papers sector and a variety of executive human resource positions at PepsiCo and Nordson Corporation.

Information Technology

Dave McNally

Senior Vice President and Chief Information Officer, Ahold

Dave McNally (December 24, 1954) is a U.S. national. He joined Ahold in 2005 in the position of Chief Information Officer, EVP Business Process for U.S. Foodservice. In September 2005 he was appointed to his current position of Senior Vice President and Chief Information Officer Ahold. Prior to joining Ahold, Mr. McNally held the position of Senior Director at AlixPartners LLC where he ran the IT Turnaround Services practice. In this capacity he served as the interim Chief Information Officer for U.S. Foodservice from February 2004.

Treasury and Tax

Kimberly Ross

Senior Vice President and Chief Treasury and Tax Officer, Ahold

Kimberly Ross (May 5, 1965) is a U.S. national. She joined Ahold in September 2001 as Assistant Treasurer. In April 2002, she became Vice President and Group Treasurer and was promoted to Senior Vice President and Group Treasurer in January 2004. She was appointed Senior Vice President and Chief Treasury and Tax

Officer in April, 2005. Prior to joining Ahold, Mrs. Ross held the position of Senior Manager at Ernst & Young in New York and Director of Corporate Finance for the Americas at Joseph E. Seagram & Sons Inc. Mrs. Ross also held a number of other management positions at Joseph E. Seagram & Sons Inc. from 1995 through 2001 as well as at Anchor Glass from 1992 to 1995.

OPERATING COMPANIES

Dick Boer

President and CEO, Albert Heijn

Lawrence Benjamin

CEO, U.S. Foodservice

Johan Boeijenga

President and CEO, Albert/Hypernova

José Alvarez

President and CEO, Stop & Shop/Giant-Landover

Carl Schlicker

President and CEO, Giant-Carlisle/Tops

Robert Aiken

President, U.S. Foodservice

SUBSIDIARIES AND JOINT VENTURES

Bert Roetert

President and CEO, Schuitema N.V.

Kenneth Bengtsson

President and CEO, ICA AB (Unconsolidated joint venture)

Luis Palha da Silva

CEO, Jerónimo Martins Retail (Unconsolidated joint venture)

SUPERVISORY BOARD (in Dutch: "Raad van Commissarissen")

The Supervisory Board is an independent corporate body responsible for supervising and advising the Corporate Executive Board and overseeing the general course of affairs and the strategy of the Company. The Supervisory Board is guided in its duties by the interests of the Company, taking into consideration the overall good of the enterprise and the relevant interests of all those involved in the Company.

For detailed information on the activities of the Supervisory Board, see the "Supervisory Board report" in the Ahold 2006 Annual Report.

Ahold's Supervisory Board consists of the following persons:

Rene Dahan, Chairman

Chairman of the Selection and Appointment Committee

René Dahan (August 26, 1941) is a Dutch national. He was first appointed to the Supervisory Board on June 2, 2004, and his term runs until 2008. Mr. Dahan is former Executive Vice President and Director of Exxon Mobil Corporation. He is a member of the Supervisory Boards of TNT N.V. and Aegon N.V. and the International Advisory Boards of the Guggenheim group in New York, United States, and the Instituto de Empresa, Madrid, Spain.

Jan H.M. Hommen, Vice-Chairman

Chairman of the Audit Committee

Jan Hommen (April 29, 1943) is a Dutch national. He was first appointed to the Supervisory Board on May 13, 2003, and his term runs until 2007. Mr. Hommen is former CFO and Vice-Chairman of the Board of

Management of Royal Philips Electronics N.V and current Chairman of the Board of Reed Elsevier N.V. He is Chairman of the Supervisory Boards of TNT N.V., the Academic Hospital Maastricht and TiasNimbas Business School of Tilburg University. Mr. Hommen is a member of the Supervisory Boards of ING Groep N.V. and Campina B.V.

Karen de Segundo

Karen de Segundo (December 12, 1946) is a Dutch national. She was first appointed to the Supervisory Board on June 2, 2004, and her term runs until 2008. Mrs. de Segundo is former CEO of Shell International Renewables and President of Shell Hydrogen and prior to that CEO of Shell International Gas & Power. She is a member of the Board of Pöyry Group Oyj and Director of Lonmin Plc, Ensus Ltd and Merrill Lynch New Energy Technology Plc. Mrs. de Segundo is a member of the Eco Advisory Board of General Electric.

Derk C. Doijer

Chairman of the Remuneration Committee

Derk Doijer (October 9, 1949) is a Dutch national. He was first appointed to the Supervisory Board on May 18, 2005, and his term runs until 2009. Mr. Doijer is a former member of the Executive Board of Directors of SHV Holdings N.V. and, prior to that, held several executive positions in the Netherlands and South America. He is non-executive Chairman of the Board of Van der Sluijs Group Holding B.V. and Chairman of the Supervisory Board of Lucas Bols B.V. and a member of the Supervisory Boards of Corio N.V. and the Stihl Group.

Myra M. Hart

Myra Hart (August 5, 1940) is a U.S. national. She was first appointed to the Supervisory Board on May 18, 2005, and her term runs until 2009. She is an academic (professor of entrepreneurship) by profession and holds the MBA Class of 1961 Chair of Entrepreneurship at Harvard Business School. Prior to joining Harvard in 1995, Professor Hart was on the founding team of Staples, serving as Vice President of Growth and Development from launch through initial public offering. She is a member of the Boards of Office Depot, Intellivid, Nina McLemore, eCornell and Summer Infant Inc. Professor Hart is a member of the Board of Trustees of Cornell University and a director of the Center for Women's Business Research.

Stephanie M. Shern

Stephanie Shern (January 7, 1948) is a U.S. national. She was first appointed to the Supervisory Board on May 18, 2005, and her term runs until 2009. Mrs. Shern was with Ernst & Young for over 30 years, most recently as Vice-Chairman and Global Director of Retail and Consumer Products and a member of Ernst & Young's U.S. Management Committee. She is the lead Director of GameStop and a member of the Boards and Chair of the Audit Committees of GameStop, Scotts Miracle-Gro and Embarq. She is also a member of the Compensation Committee of Embarq and a member of the Advisory Board of Pennsylvania State University, School of Business.

Judith A. Sprieser

Judith Sprieser (August 3, 1953) is a U.S. national. She was first appointed to the Supervisory Board on May 18, 2006 and her term runs until 2010. Mrs. Sprieser is former CEO of Transora, Inc. Prior to founding Transora in 2000, she was Executive Vice President (formerly CFO) of Sara Lee Corporation. She is a Director of Allstate Corporation, USG Corporation, Reckitt Benckiser plc and Intercontinental Exchange, Inc. and a member of Northwestern University's Board of Trustees.

The business address of each member of Ahold's Supervisory Board is the address of Ahold's registered office.

Independence of Supervisory Board members

The Supervisory Board confirms that as of March 21, 2007 all Supervisory Board members are independent within the meaning of provision III.2.2 of the Dutch Corporate Governance Code and the applicable U.S. securities regulations and NYSE listing standards.

Committees of the Supervisory Board

The Supervisory Board has established three permanent committees to which certain tasks are assigned, the composition of which is reflected in the following table.

	Audit Committee	Remuneration Committee	Selection and Appointment Committee
René Dahan, Chairman			Chairman
Jan Hommen, Vice-Chairman	Chairman		
Karen de Segundo	Member		Member
Derk Doijer		Chairman	Member
Myra Hart		Member	Member
Stephanie Shern	Member	Member	
Judith Sprieser	Member	Member	

For detailed information on the these three permanent committees established by the Supervisory Board as well as Ahold's compliance with the Dutch corporate governance code, see the section "Corporate governance – Committees of the Supervisory Board" in the Ahold 2006 Annual Report.

Conflict of interest

Each member of the Supervisory Board is required to immediately report any potential conflict of interest to the Chairman of the Supervisory Board and provide him all relevant information. Each member of the Corporate Executive Board is required to immediately report any potential conflict of interest to the Chairman of the Supervisory Board and to the other members of the Corporate Executive Board and provide the Chairman of the Supervisory Board and the other members of the Corporate Executive Board with all relevant information. The Chairman determines whether there is a conflict of interest. If a member of the Supervisory Board or a member of the Corporate Executive Board has a conflict of interest with the Company, the member may not participate in the discussions and/or decision-making process on a subject or transaction in relation to the conflict of interest. The Chairman of the Supervisory Board shall arrange for such transactions to be disclosed in the Annual Report. No such conflicts of interest occurred in 2006 and as of the date of this Prospectus, Ahold is not aware of any potential conflict of interest. In accordance with provision III.6.4 of the Dutch Corporate Governance Code, Ahold reports that no transactions between the Company and legal or natural persons who hold at least 10 percent of the shares in the Company have occurred in 2006.

SHARE CAPITAL

For details on the number of outstanding shares, see Note 23 to the consolidated financial statements included in the Ahold 2006 Annual Report. For details on listings, share performance, and dividend policy with respect to our common shares, see the "Investor relations" section of the Ahold 2006 Annual Report.

Major shareholders

We are not directly or indirectly owned or controlled by another corporation or by any government. Except as described under "Cumulative preferred shares" below, we do not know of any arrangements that may, at a subsequent date, result in a change in our control.

Significant ownership of voting shares

Pursuant to the Dutch Financial Markets Supervision Act, any person or legal entity who, directly or indirectly, acquires or disposes of an interest in our capital or voting rights must immediately give written notice to the Netherlands Authority for the Financial Markets ("*Stichting Autoriteit Financiële Markten*") (the "AFM"), if, as a result of that acquisition or disposal, the percentage of capital interest or voting rights held

by that person or legal entity reaches, exceeds or falls below a certain threshold. There is no obligation to notify a change if the interest remains between the same thresholds.

The threshold percentages are: 5 percent, 10 percent, 15 percent, 20 percent, 25 percent, 30 percent, 35 percent, 40 percent, 50 percent, 60 percent, 75 percent and 95 percent.

In addition local rules may apply to investors.

Anyone whose capital or voting interest reaches or crosses the thresholds as a result of a change in our outstanding capital or voting rights must notify the AFM within four trading days of the publication by the AFM of that change. Once every calendar year, holders of a 5 percent or larger interest in capital or voting rights whose interest as a result of certain acts has changed since their most recent notification, must notify the AFM thereof within four weeks after the calendar year.

As of March 21, 2007, except as set forth below, we do not know of any record-owners of more than 5 percent of any class of capital interest and/or the related voting rights.

We have reviewed the public notifications on record with the AFM. The following companies are registered to have notified the AFM of the following capital interests and interests in voting rights:

		Capital Interest	Interest in voting rights
Stichting Administratiekantoor Preferente Financieringsaandelen Ahold ¹	December 20, 2006	14.0%	4.4%
DeltaFort Beleggingen B.V.	November 1, 2006	9.2%	3.3%
Capital Research & Management Company	November 1, 2006	7.6%	8.9%
ING Groep N.V.	November 1, 2006	6.1%	3.7%

¹ All of the outstanding cumulative preferred financing shares are held by SAPFAA, for which SAPFAA issued corresponding depositary receipts to three investors.

In addition, Ahold has reviewed the public filings with the SEC. The following filings were made with the SEC:

- Brandes Investment Partners, L.P. filed a Schedule 13G with the SEC, dated February 14, 2007, showing that it owned 210.7 million or 13.4 percent of Ahold's common shares as of December 31, 2006.
- Capital Research & Management Company filed a Schedule 13G with the SEC, dated February 12, 2007, showing that it owned 137.3 million or 8.8 percent of Ahold's common shares as of December 29, 2006.

Cumulative preferred shares

No cumulative preferred shares are currently outstanding. We entered into an option agreement with Stichting Ahold Continuïteit ("**SAC**") designed to exercise influence with respect to a potential change in control over us. SAC is a Dutch foundation whose statutory purpose is to safeguard our interests and all our stakeholders and to resist to the best of its ability influences which might conflict with those interests by affecting our continuity, independence or identity. As of March 21, 2007, the members of the board of SAC were:

Name	Principal or former occupation
N.J. Westdijk, Chairman	Former CEO of Royal Pakhoed N.V.
M. Arentsen	Former CFO of CSM N.V.
G.H.N.L. van Woerkom	President & CEO of ANWB
W.G. van Hassel	Former lawyer/former chairman, Dutch Bar Association

The members of the Corporate Executive Board and the members of the board of SAC declare that they are jointly of the opinion that SAC is independent of the Company as required by the General Rules for the Euronext Amsterdam Stock Market. For details on our cumulative preferred shares, see Note 23 to the

consolidated financial statements in the Ahold 2006 Annual Report.

ARTICLES OF ASSOCIATION

Ahold's current Articles of Association are available to the public at the Trade Register of the Amsterdam Chamber of Commerce and Industries and on the Ahold website at www.ahold.com.

Pursuant to article 2 of our Articles of Association, our objectives are “to promote or join others in promoting companies and enterprises, to participate in companies and enterprises, to finance – including the giving of guarantees and acting as surety for the benefit of third parties as security for liabilities of companies and enterprises with which the Company is joined in a group or in which the Company owns an interest or with which the Company collaborates in any other way, – to conduct the management of and to operate companies engaged in the wholesale and retail trade in consumer and utility products and companies that produce such products, to operate restaurants and companies engaged in rendering public services, including all acts and things which relate or may be conducive thereto in the broadest sense, as well as to promote, to participate in, to conduct the management of and, as the case may be, to operate businesses of any other kind.”

Pursuant to Article 37.1 of Ahold's Articles of Association, the fiscal year of Ahold ends on the Sunday nearest to December 31 of each calendar year. The quarters used by Ahold for interim financial reporting are determined as follows. The first quarter consists of the first 16 weeks of the fiscal year; the second, third and fourth quarters consist of the subsequent 12-week periods provided that years consisting of 53 weeks have one 13-week fourth quarter.

For a list of our significant subsidiaries, see Note 36 to our consolidated financial statements included in the Ahold 2006 Annual Report.

AUTHORISATIONS

The update of the Program and each future issue of Notes under the Program was duly authorized by a resolution of Ahold's Corporate Executive Board dated May 4, 2007. All consents, approvals, authorizations or other orders of all regulatory authorities required by the Issuer under the laws of the Netherlands have been or will be obtained for the issue of Notes and for the Issuer to undertake and perform its obligations under the Dealership Agreement, the Agency Agreement and the Notes.

TREND INFORMATION

There has been no material adverse change in the prospects of Ahold since March 29, 2007, being the date of publication of the Ahold 2006 Annual Report. All information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on Ahold's prospects for the current financial year are disclosed in this Base Prospectus and in the Ahold 2006 Annual Report.

NO SIGNIFICANT CHANGE IN FINANCIAL OR TRADING POSITION

There has been no significant change in the financial or trading position of Ahold since March 29, 2007, being the date of the Ahold 2006 Annual Report.

LEGAL PROCEEDINGS

Save as disclosed in Note 34 to the Ahold 2006 Annual Report Ahold is not or has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Ahold is aware) in the 12 months preceding the date of this Prospectus which may have, or have had in such period, significant effects on Ahold's financial position.

BUSINESS

PROFILE

Ahold is an international group of quality supermarket and foodservice operators based in the United States and Europe. We are dedicated to providing an easy, convenient and appealing shopping experience through a continuous focus on the customer. We are committed to offering consumers the best value, the highest quality and healthy choices, while also creating value for our shareholders.

To set ourselves apart from the competition, and further increase customer loyalty, we are working to build our banners into powerful local consumer brands. As a Group, we are able to leverage knowledge and scale across our businesses, in order to operate in a simple, responsible and efficient way.

We love being in the food business. We believe our people make the difference as we strive to build strong relationships with our customers and answer their needs. Our aim is to achieve continuous and sustainable growth, in part by innovating products, services and store formats.

STRATEGY

In early 2006, our management commissioned a strategic review of our businesses. The objective of the review was to define how we could accelerate identical sales growth, improve profit returns and strengthen our foundation for future expansion, and in doing so create additional value for shareholders.

I. Refocusing the Company's portfolio

Our companies will operate as market leaders in local food retail markets in the United States and Europe where we can secure a number one or number two position with clear prospects for profitable and sustainable growth.

Our portfolio of retail businesses is fundamentally strong. We have a number one or number two position in the Netherlands and the Czech Republic, as well as in the ICA, Giant-Carlisle, Stop & Shop and Giant-Landover market areas. All of these businesses have significant potential for profitable growth.

We have decided to divest retail businesses that would require a significant level of investment and management attention. The Company will now focus on accelerating improvements across its remaining businesses.

1. Divest U.S. Foodservice

We are pleased with the progress made at U.S. Foodservice following our decision to retain this business in 2003. Since that time the company has created significant shareholder value. We have improved the company's financial performance through restructuring and rebuilding the organization and culture and have resolved the outstanding material legal matters with significant financial exposure related to the announcement we made on February 24, 2003 that our 2000 and 2001 annual report had to be restated in part because of, amongst others, accounting irregularities at U.S. Foodservice. Our new long-term strategy for U.S. Foodservice launched at the end of 2005 is showing good results.

U.S. Foodservice has the potential to further improve its performance, but we see limited near-term synergies between U.S. Foodservice and our retail operations. Therefore, we have decided to focus its resources and expertise wholly on the future growth of its retail businesses. On May 2, 2007 we announced the divestiture of U.S. Foodservice. Finalization of this divestiture would complete our exit from the foodservice

industry. For additional information on the divestiture of U.S. Foodservice, see Ahold's press release dated May 2, 2007, incorporated by reference herein.

2. Focus on the Czech Republic and divest retail activities in Poland and Slovakia

We will focus our investment in Central Europe on our leadership position in the Czech Republic. Although the Czech Republic is a highly competitive market, our position and strengthened organization there provide us with the basis for successful growth.

We are divesting our retail operations in Poland and Slovakia where we are not a number one or number two player. While these two markets are expected to continue to grow, and offer good long-term opportunities, establishing a leading position for us would require a significant level of investment and management attention. We have therefore decided to exit these markets.

3. Divest Tops retail banner in the United States

Further to our announcement to divest Tops stores in Northeast Ohio, we have concluded that we should also sell the remaining Tops operation in New York and Pennsylvania. Although we are a market leader in these areas, the divestment will allow us to focus resources on our remaining retail growth businesses.

4. Divest minority ownership position in Jerónimo Martins Retail

We have been a 49 percent shareholder in Jerónimo Martins Retail ("**JMR**") since 1992. JMR has developed into a successful player in the Portuguese retail market with good results and strong management. However, as we will focus on retail activities in which we own a majority shareholding or we are able to drive considerable synergies, we have entered into negotiations with Jerónimo Martins Holdings, the other shareholder in JMR, to begin the process of divesting our stake in JMR.

5. Continue to retain majority ownership in ICA

We have a 60 percent majority shareholding in ICA AB ("**ICA**"), which has operations in Sweden, Norway and the three Baltic states. The value of the business has improved significantly over the past year. We see further potential in the close cooperation that exists between ICA and Albert Heijn. We have recently established joint European sourcing organizations, and we are working closely together on areas including private label development, IT infrastructure and development and supply chain optimization.

6. Continue to retain majority ownership in Schuitema

We have a 73% majority shareholding in Schuitema, a successful player in the Dutch market. Within the jointly agreed governance structure in place between us and Schuitema, we will make continental synergy opportunities available to Schuitema.

7. Return approximately EUR 3 billion to our shareholders and reduce our debt by approximately EUR 2 billion, following divestments

Approximately EUR 3 billion will be returned to shareholders, through a share buyback program, the details of which will be announced in due course, and EUR 2 billion will be used to reduce debt. On April 11, 2007, Ahold announced that it has repurchased bonds to a total principal notional amount of approximately EUR 110 million as detailed in the April 11 press release incorporated by reference herein. The funding for both will come primarily from divestment proceeds (net of restructuring and other costs), as well as from improved cash flow. In addition to driving operating cash flow, Ahold is undertaking a special exercise to improve cash generation from working capital and from more efficient capital expenditure. The Company will also continue to evaluate the potential to generate value from its real estate assets.

8. Future portfolio opportunities

We will look at all opportunities to improve shareholder and stakeholder value, including acquisitions, divestments, and other potential cooperative ventures.

II. Building brands for profitable growth

We will be a company of innovative and powerfully branded stores on two continents, rather than a portfolio of stores that distribute supplier brands. As part of our new strategy we intend to gain the loyalty of our customers by understanding them better than our competitors. Our operating companies will provide the products and services that customers want at prices that are competitive with all food channels.

To achieve our growth objectives, we will transform our individual retail banners into powerful local consumer brands. The three critical elements of this transformation are: creating an improved product and service offering, delivering an improved price position and lowering operating costs. The key enabler for building these consumer brands is the application of deep consumer insight.

We have elements of successful consumer branding in all of our banners. Albert Heijn in the Netherlands and ICA in Sweden have been particularly successful in bringing together all of these elements to create true consumer brands. The transformation at these banners has been achieved through the highly successful implementation of repositioning programs.

Our ability to access and transfer the successful elements of its European branding programs across all of our retail banners gives us significant competitive advantage compared with many of our U.S.- based competitors. All banners will focus on: providing the best choice, making shopping easy for the customer and offering everyday competitive prices. The transformation plans to drive and fund future growth are based on the proven success of each of these elements.

1. Improving product and service offering

The creation of an improved product and service offering, based on the application of deep consumer insight, is a critical element of transforming stores into powerful consumer brands. We will replicate key components to improve our offering in each banner by:

- Providing the best choice. Our operating companies will excel in fresh foods by improving quality, selection and presentation. They will significantly increase their selection of innovative private label products at a variety of price and quality levels. They will improve and expand their General Merchandise assortment.
- Making shopping easy. The operating companies are simplifying their overall assortment with the goal of making shopping easier. They will also provide more convenience focused products and services and are enhancing the overall customer experience to make shopping more convenient. Format development will be an important tool in achieving this. The operating companies are improving existing formats and developing new concepts for store formats using different layouts, assortments, sizes and service models.

To clearly convey powerful brand positionings, we are strengthening the quality, quantity, variety and form of consumer communications, both inside and outside our stores.

2. Improving price positioning

Our operating companies will strengthen customer trust and loyalty of customers to their brands by continuing to build our value offering across all banners. At Albert Heijn and ICA, we have demonstrated the power of a well executed value repositioning in a highly competitive supermarket environment.

At all of our banners, we are lowering prices across a wide range of products and, at the same time, reducing the emphasis on promotions. We are improving everyday value to customers and continue to offer attractive promotional prices on selected ranges. Our increased focus on private label is a key component of our strategy to provide a wider selection of price points.

3. Strengthening consumer insight capability

Our core assets are our customer base and our knowledge of customer shopping behavior. We are gathering detailed customer data across all of our banners. We are improving the way we translate this data into insight and share it among our operating companies to deepen our understanding of customer behavior. Effective application of customer insight and a clear understanding of broader consumer trends are key elements of our plans to enhance our value proposition in each market.

4. Building on successful continental sourcing strategy

We are continuing to build upon a successful continental sourcing strategy. In Europe, we are consolidating purchases through our combined European sourcing organizations based in Zaandam and Stockholm. In the United States, our consolidating purchases through organizations such as Ahold's Perishables Procurement Organization, based in Massachusetts, and the American Sales Company, based in New York.

5. Implementing company-wide EUR 500 million cost reduction program

To support our value repositioning programs, we are reducing operating costs by EUR 500 million by the end of 2009. We are achieving these cost reductions by focusing on simplification and efficiency across all of the retail businesses, including store operations, shrink, logistics, energy usage and local overhead. We are also taking a more disciplined and rigorous approach to dealing with underperforming stores. Due to the nature of these plans, the savings will accelerate over time.

6. Supplementing growth with additional store openings and targeted fill-in expansions

We will continue to reach new customers in areas where we can achieve an attractive return. It will open stores with new format concepts and upgrade existing stores. We will also continue to look at targeted fill-in acquisitions to provide us with opportunities to reach new customers.

III. Leveraging organizational structure

Our difference is our people and the way that they work together. We will develop and attract the best people in the food retail industry, equipped with and empowered by a common set of core values, operating principles and capabilities.

The most effective structure to execute our strategy is one that balances local, continental and global decision-making. Our new organizational approach is designed to facilitate this while adding strong management focus on and accountability for the execution of our plans.

The backbone of our competitive strength has been and will continue to be our consumer-focused local organizations. In the near term, we believe that we have an unrealized opportunity to leverage our continental capabilities and scale more effectively in support of our local organizations.

Our global scale provides us with immediate opportunities to transfer knowledge and expertise across the continents, to leverage core corporate activities, and to attract, develop and energize talent and capabilities across all of our markets.

1. Reorganizing into two continentally-based organizations

In order to improve our customer-focus while also driving company-wide initiatives across all of our banners, we are reorganizing our arena structure into two continental platforms, based in the United States and Europe.

Continental teams are responsible for the oversight of local operating companies, as well as the implementation of company-wide growth initiatives.

This reorganization is creating the foundation for further expansion and is facilitating integration.

2. Appointment of European Chief Operating Officer and U.S. Chief Operating Officer

Two Chief Operating Officers have been appointed, both reporting to Ahold's President and CEO, to lead the continental teams.

They are responsible for the direct oversight of local banners and also responsible for identifying and implementing synergies among its businesses.

In addition, we have put company-wide oversight of retail marketing strategies in the hands of the European COO.

3. Reduction of Corporate Center costs by 50 percent

We are streamlining our Corporate Center, reducing core costs by 50 percent by the end of 2008. The savings are being achieved by staff reductions and substantial cuts in discretionary spend. The core costs in 2005 were EUR 189 million. The core responsibilities of the Corporate Center in the future will include Corporate Finance, Corporate Strategy, Internal Audit, Legal, Human Resources, Information Management and Communications.

In addition, Ahold's General Merchandise initiatives, which are highly dependent on global sourcing, are continuing to be coordinated centrally by the Corporate Center.

Certain Corporate Center activities where we see the most opportunity to leverage continental capabilities and scale will now be performed at the continental level.

Other Corporate Center costs that have been incurred directly in support of the operating companies will be reviewed, and charged directly to the respective operations.

IV. Financial targets

As part of our new plans, we are reaffirming our primary targets. However, based on our repositioning experience at Albert Heijn and ICA, we anticipate that margins and sales growth will initially decline before recovering. In addition, there will be non-recurring gains and losses related to the disposal and repositioning of companies.

- Net sales growth: We reaffirm our target to achieve a sustainable retail net sales growth of 5 percent. Following the implementation of our repositioning plans, we expect that this net sales growth will come mainly from identical sales growth.
- Return on net sales: We reaffirm our target to achieve a sustainable retail operating margin of 5 percent on average for the retained retail banners.
- Investment grade: We reaffirm our target to achieve investment grade.

BUSINESS OVERVIEW

Our principal business is the operation of retail food stores in the United States and Europe and foodservice wholesale activities in the United States through corporately owned business units, subsidiaries and joint ventures.

Ahold's retail and foodservice operations in the United States represented 74 percent of its consolidated net sales in 2006. In addition to the Company's principal activities, some subsidiaries finance, develop and manage store sites and shopping centers primarily in support of its retail operations. For a list of Ahold's significant subsidiaries, see the information in Note 36 to the consolidated financial statements included in the Ahold 2006 Annual Report.

On November 6, 2006, Ahold announced that it will divest its foodservice operations in order to focus exclusively on its core food retail businesses (in 2006 retail operations accounted for 66 percent of the Company's consolidated net sales). In addition, on May 2, 2007 Ahold announced the divestiture of U.S. Foodservice. For additional information on the divestiture of U.S. Foodservice, see Ahold's press release dated May 2, 2007, incorporated by reference herein.

Food retail business

In 2006 our food retail business was organized in arenas that included two or more supermarket chains operating under local brand names. As a result of our 2006 strategic review, we have reorganized our management structure to support two continental platforms, Ahold USA and Ahold Europe. Our retail sales consist of consumer sales, sales to franchise stores and sales to associated stores. Franchise stores typically operate under the same format as, and are not distinguishable from, Ahold-operated stores. Franchisees generally purchase merchandise from us, pay a franchise fee and receive support services that include management training and field support as well as marketing and administrative assistance. Operators of associated stores purchase product and services from us, but operate as independent retailers with their own unique store formats. Our retail business generally experiences a seasonal increase in net sales in the fourth quarter of each year, mainly due to the holiday season.

Stop & Shop/Giant-Landover Arena

This arena, headquartered in Quincy, Massachusetts, operates retail food stores and standalone pharmacies and is comprised primarily of the following entities:

- The Stop & Shop Supermarket Company LLC ("**Stop & Shop**"), acquired in 1996, which has a market area consisting of Massachusetts, Connecticut, Rhode Island, New Jersey, New York and New Hampshire.
- Giant of Maryland LLC ("**Giant-Landover**"), acquired in 1998, which has a market area consisting of Maryland, Virginia, Delaware and the District of Columbia.
- Peapod, LLC ("**Peapod**"), acquired in 2000–2001, which provides an internet-based home shopping and grocery delivery service as an integrated part of the Stop & Shop/ Giant-Landover Arena, along with service to the metropolitan areas of Chicago and Milwaukee.

Giant-Carlisle/Tops Arena

This arena, headquartered in Carlisle, Pennsylvania, operates retail food stores and is comprised primarily of the following entities:

- Giant Food Stores, LLC ("**Giant-Carlisle**"), acquired in 1981, which has a market area consisting of Pennsylvania, Maryland, Virginia and West Virginia.
- Tops Markets, LLC ("**Tops**"), acquired in 1991, which has a market area consisting of northern New York, northern Pennsylvania and, during 2006, Northeast Ohio. Consistent with the refocusing of our portfolio, we announced in November 2006 plans to divest our stores operating under the Tops retail banner. This is consistent with selective Tops divestments and store closures in 2005 and 2006.

Albert Heijn Arena

This arena, headquartered in Zaandam, the Netherlands, is comprised primarily of the following entities:

- Albert Heijn B.V. ("**Albert Heijn**"), established in 1887, which operates retail food stores and has a market area consisting of the Netherlands. Albert Heijn also operates Albert, an internet-based home shopping and grocery delivery service.
- Gall & Gall B.V. ("**Gall & Gall**"), acquired in 1974, which operates wine and liquor stores in the Netherlands.
- Etos B.V. ("**Etos**"), acquired in 1974, which operates stores specializing in health and beauty care in the Netherlands and, at selected locations, prescription drugs.

- Ahold Coffee Company B.V. (“**ACC**”), acquired in 1971, which supplies coffee mainly to Ahold’s subsidiaries and joint ventures.

Central Europe Arena

This arena, headquartered in Prague, the Czech Republic, operates retail food stores under the Hypernova and Albert brands and is comprised primarily of the following entities:

- Ahold Czech Republic, a.s., established in 1991, which has a market area consisting of the Czech Republic.
- Ahold Polska Sp. z o.o., established as a joint venture in 1995 and acquired fully in 1999, which has a market area consisting of Poland.
- Ahold Retail Slovakia, k.s., established in 2001, which has a market area consisting of Slovakia.

In November 2006, we announced our decision to divest retail operations in Poland and Slovakia. On December 4, 2006, we announced agreement for the sale of our Polish retail operations to Carrefour. The Company expects to close this transaction with Carrefour mid-year 2007, subject to meeting certain conditions, including anti-trust approval. As a result, Poland has been classified as a discontinued operation and its results are excluded from operating income.

Schuitema

We acquired a 73.2 percent interest in Schuitema N.V. (“**Schuitema**”) in 1988. Schuitema, headquartered in Amersfoort, the Netherlands, is a retail and wholesale company that owns and operates retail food stores and provides retail support services to independent retailers and associated stores operating under the trade name “C1000.” Schuitema services the Dutch market.

Foodservice business

U.S. Foodservice

U.S. Foodservice, acquired in 2000 and headquartered in Columbia, Maryland, is the second largest foodservice distributor in the United States. U.S. Foodservice’s operations cover a geographic area in which over 95 percent of the U.S. population resides. U.S. Foodservice provides food and related products and services to independent restaurants, healthcare providers, hospitality customers, large chain restaurants and other foodservice customers. Following the 2006 strategic review, we decided to divest U.S. Foodservice and complete our exit from the foodservice industry in order to concentrate our attention on our core retail businesses. On May 2, 2007 Ahold announced the divestiture of U.S. Foodservice. For additional information on the divestiture of U.S. Foodservice, see Ahold’s press release dated May 2, 2007, incorporated by reference herein.

Corporate Center

Corporate Center activities include:

- Ahold Corporate Center, comprised of our corporate headquarters in Amsterdam, the Netherlands and U.S. offices in Braintree, Massachusetts.
- Ahold Finance Group (Suisse), located in Geneva, Switzerland, which provides treasury operations and related control and corporate functions.

Joint ventures and associates

We have interests in other food retail operations through investments in joint ventures, the most significant of which are ICA AB and Jerónimo Martins Retail.

ICA AB

In April 2000, we acquired a 50 percent partnership stake in ICA, which in turn owns the ICA group. In November 2004, we increased our stake in ICA to 60 percent. The other 40 percent stake in ICA is held by Hakon Invest AB, a Swedish company listed on the Stockholm Stock Exchange. Under the shareholders' agreement with Hakon Invest AB, our 60 percent shareholding stake in ICA does not entitle us to unilateral decision making authority over ICA, because the agreement provides that strategic, financial and operational decisions will be made only on the basis of mutual consent.

ICA is an integrated food retail and wholesale group, headquartered in Stockholm, Sweden. As of December 31, 2006, ICA served over 2,200 retailer-owned and company operated retail food stores in Sweden, Norway and the Baltic States. ICA also provides limited consumer financial services in Sweden through its bank.

JMR

In 1992, we became a 49 percent partner in JMR with Gestão de Empresas de Retalho, SGPS, S.A. JMR, headquartered in Lisbon, Portugal, owned and operated approximately 240 retail food stores in Portugal as of December 31, 2006, trading under the brand names Pingo Doce and Feira Nova. Under the terms of our shareholders' agreement, we share equal voting power in JMR with Gestão de Empresas de Retalho, SGPS, S.A. Following the 2006 strategic review, we announced our intention to divest our stake in JMR.

Properties

Retail locations and 2006 changes to our store count were as follows:

	January 1, 2006	Opened/ Acquired	Closed/ Sold/ Divested	December 31, 2006
Stop & Shop / Giant-Landover Arena	573	15	13	575
Giant-Carlisle / Tops Arena	267	20	67	220
Albert Heijn Arena	1,651	94	34	1,711
Central Europe Arena	502	33	19	516
Schuitema	462	6	10	458
Total	3,455	168	143	3,480

As of December 31, 2006, of the 3,480 locations, 1,088 were operated by franchisees or associates. Of the 2,392 locations not operated by franchisees or associates, 16 percent were subject to finance leases, 65 percent to operating leases and 19 percent were company owned. Our retail locations range in size from 35 to 10,000 square meters.

We also operated the following other properties as of December 31, 2006:

Warehouses / distribution centers / production facilities	247
Offices	89
Properties held for future development or sale / not in use	445
Properties under construction / development	79
Residential properties	142
Total	1,002

Of these other properties, 6 percent were subject to finance leases, 45 percent to operating leases and 49 percent were company owned. Further, of these 1,002 properties 36 percent were subleased to franchisees, operators of associated stores or third parties.

Our leased properties have terms ranging up to 25 years with renewal options for additional periods. Store rentals are normally payable monthly at a stated amount or at a guaranteed minimum amount plus a percentage of sales over a defined base. For additional information on lease obligations, see Notes 27 and 34 to the consolidated financial statements included in the Ahold 2006 Annual Report.

We believe that our current facilities are adequate to meet the requirements of our present and foreseeable future operations.

Capital expenditures of EUR 1.5 billion in 2006, EUR 1.4 billion in 2005 and EUR 1.7 billion in 2004 were primarily related to the construction and expansion of stores and supply chain infrastructure improvements. The increase in capital expenditures over 2005 was primarily due to the acquisition of Konmar stores in the Netherlands and Clemens Markets in the United States.

Business segment results

Our principal business is the operation of retail food stores in the United States and Europe and foodservice wholesale activities in the United States through corporately owned business units, subsidiaries and joint ventures.

On November 6, 2006, we announced that we will divest our foodservice operations in order to focus exclusively on our core food retail businesses (in 2006 retail operations accounted for 66 percent of our consolidated net sales). In addition, on May 2, 2007 Ahold announced the divestiture of U.S. Foodservice. For additional information on the divestiture of U.S. Foodservice, see Ahold's press release dated May 2, 2007, incorporated by reference herein.

Our retail and foodservice operations in the United States represented 74 percent of our consolidated net sales in 2006. In addition to our principal activities, some subsidiaries finance, develop and manage store sites and shopping centers primarily in support of our retail operations. For a list of our significant subsidiaries, see the information in Note 36 to the consolidated financial statements included in the Ahold 2006 Annual Report.

Sources of supplies

Our food retail and foodservice businesses purchase from over 10,000 independent sources; our businesses are not dependent on any individual supplier or supply contract. Our purchases are made for resale to customers or for internal use. For-resale purchases make up the majority of our purchases and are comprised of products intended for sale to our customers. The for-resale sources of supply consist generally of corporations selling branded and private label products, as well as perishable goods. Products are purchased at multiple levels within the organization, with some selections made at local operating companies and others at regional and continental (U.S. and European) purchasing organizations. Though selected general merchandise is purchased at a global level, most retail purchasing is conducted on a regional or continental basis. Not-for-resale purchases represented a much smaller selection and include only those products and services that are intended for our internal consumption.

Environmental matters

Our operations are governed by environmental laws and regulations in the countries in which we operate, including those concerning the discharge, storage, handling and disposal of hazardous or toxic substances. We believe that we possess all of the material permits required for the conduct of our operations and that our current operations are in material compliance with all applicable environmental laws and regulations.

We use hazardous substances and generate hazardous wastes in some of our operations. Under the U.S. Federal Comprehensive Environmental Responsibility, Compensation and Liability Act ("CERCLA") and similar state laws, generators of hazardous wastes may be jointly and severally liable for the clean-up of hazardous wastes from the facilities to which the generator sent those wastes for disposal. However, we are not aware of any material asserted or threatened claims against us relating to any such offsite disposal location.

Clean-up of hazardous substances or petroleum releases to soil or groundwater takes place at certain of our facilities. At other of our facilities, studies have shown that soil and groundwater have been impacted by gasoline or petroleum constituents, but the relevant regulatory agencies have not required remediation at those sites. In addition, certain of our facilities are located on premises that are currently or were formerly gasoline stations or other industrial sites at which contamination from prior operations may exist, but there have been no environmental investigations to determine the condition of those sites. We do not believe that any potential clean-up costs associated with those facilities that may be allocated to us will materially impact our financial position.

Government regulation

U.S. regulations

As a marketer and distributor of food products in the United States, we are subject to regulation by numerous federal, state and local regulatory agencies. At the federal level, we are subject to the Federal Food, Drug and Cosmetic Act, the Bioterrorism Act and regulations promulgated by the U.S. Food and Drug Administration (the “**FDA**”). The FDA regulates manufacturing and holding requirements for foods, over-the-counter drug products and pharmaceuticals, specifies the standards of identity for certain foods and prescribes the format and content of certain information required to appear on food product labels.

For certain product lines, we are also subject to the Federal Meat Inspection Act, the Poultry Products Inspection Act, the Perishable Agricultural Commodities Act, the Country of Origin Labeling Act and regulations promulgated thereunder by the U.S. Department of Agriculture (the “**USDA**”). The USDA imposes standards for product quality and sanitation, including the inspection and labeling of meat and poultry products and the grading and commercial acceptance of produce shipments from our vendors.

Money order and wire transfer services offered by our stores are subject to regulations promulgated under the USA Patriot Act, which is administered by the U.S. Department of the Treasury. Our lottery, alcohol and tobacco sales and operations are regulated at the federal and state level.

We and our products are also subject to state and local regulation through such measures as the licensing of our facilities, enforcement by state and local health agencies of state and local standards for our products and facilities and regulation of our trade practices in connection with the sale of our products. Our advertising, weights and measures of products, as well as other marketing, labeling and consumer protection issues, are regulated by state agencies and state attorney general offices, which have jurisdiction over state consumer protection statutes and antitrust statutes.

Our pharmacy operations are subject to federal, state and local regulations and licensing, including state pharmacy boards, Medicaid and Medicare reimbursement regulations and third-party insurance regulations, as well as the Health Insurance Portability and Accountability Act and regulations promulgated by the U.S. Department of Health & Human Services. Our premises are generally inspected at least annually by federal and/or state authorities. These facilities are also subject to inspections and regulations issued pursuant to the Occupational Safety and Health Act by the U.S. Department of Labor, which require us to comply with certain manufacturing, health and safety standards to protect our employees from accidents and to establish hazard communication programs to transmit information about the hazards of certain chemicals present in certain products we distribute.

We are also subject to regulation by numerous federal, state and local regulatory agencies. Our store operations and real estate operations are subject to zoning, environmental and building regulations, as well as laws that prohibit discrimination in employment on the basis of disability, including the Americans with Disabilities Act, and other laws relating to accessibility and the removal of barriers. Our workers' compensation

and workers' compensation self-insurance are subject to regulation by state regulatory agencies. In addition, our captive insurance company, The MollyAnna Company ("**MollyAnna**"), which insures our operating companies for losses relating to self-insurance, is regulated by the Insurance Division of the State of Vermont. Because our securities are publicly traded in the United States, we are also subject to the rules and regulations promulgated by the SEC, including those promulgated under the Sarbanes-Oxley Act. In addition, we are subject to the provisions of the U.S. Foreign Corrupt Practices Act relating to the maintenance of books and records and anti-bribery.

Dutch regulations

As in other jurisdictions, we are subject to various legislative provisions in the Netherlands relating to our products, facilities, health and safety of our employees, environmental matters, antitrust matters, privacy matters, our relationship with franchisees, tax matters and use of local employees and vendors, among others.

We are subject to Dutch zoning regulations, which restrict retailers from opening large retail outlets just outside of towns or in rural areas in order to protect retailers in town centers, thereby preserving the traditional retail structure in these towns. Similar regulations apply in certain other European countries in which we have operations.

As an employer in the Netherlands, we are subject to various labor laws that set employment practice standards for workers, including occupational health and safety standards.

The legislative provisions relating to privacy impose obligations on us and restrict our use of personal data (for example, the use of customer data relating to customer loyalty programs or in direct marketing activities).

Regulations in other jurisdictions

We operate our business in the United States and in a number of countries in Europe and accordingly, are subject to a wide variety of national and EU laws and regulations governing standards for our products and facilities, health and safety of our employees, currency conversions and repatriation, taxation of foreign earnings and earnings of expatriate personnel and use of local employees and vendors, among others. Within the EU, our business is also subject to and restricted by EU rules, including directives and regulations. To the extent these rules have "direct effect", they must be applied by the authorities of the member states even if they have not yet been implemented in national law.

EU regulations set minimum standards that must be applied by all EU member states. In many cases, the authorities of the member states are free to set higher standards equally on all products and producers from all EU member states.

SELECTED FINANCIAL INFORMATION

Selected financial data

The selected financial data below should be read in conjunction with our consolidated financial statements included in the Ahold 2006 Annual Report. The selected financial data as of December 31, 2006 and January 1, 2006 and for the two years then ended have been derived from these consolidated financial statements.

For information about significant accounting policies, acquisitions and non-current assets held for sale and discontinued operations affecting the periods presented, see the "Management's discussion & analysis" section as well as Notes 3, 4 and 12 to the consolidated financial statements included in the Ahold 2006 Annual Report. For information on the changes in equity attributable to common shareholders, see Note 23 to the consolidated financial statements included in the Ahold 2006 Annual Report.

IFRS consolidated statements of operations data

IFRS consolidated statements of operations data

EUR in millions, except margin and per share data	2006	2005	2004
Net sales	44,872	43,979	44,040
Operating income	1,293	253	967
Operating margin	2.9%	0.6%	2.2%
Income (loss) from continuing operations	836	(65)	661
Income from discontinued operations	79	211	222
Net income	915	146	883
Net income attributable to common shareholders	899	120	870
Income (loss) from continuing operations per common share:			
Basic	0.53	(0.06)	0.42
Diluted	0.52	(0.06)	0.42
Income from discontinued operations per common share:			
Basic	0.05	0.14	0.14
Diluted	0.05	0.14	0.14
Net income attributable to common shareholders per share:			
Basic	0.58	0.08	0.56
Diluted	0.57	0.08	0.56

IFRS consolidated balance sheets data

IFRS consolidated balance sheets data

Euros in millions, except share data	December 31, 2006	January 1, 2006
Total assets	18,442	19,958
Equity attributable to common shareholders of Ahold	5,270	4,661
Total share capital and additional paid in capital	13,842	13,811
Weighted average number of common shares (in thousands):		
Basic	1,555,475	1,554,713
Diluted	1,653,823	1,554,713

Other financial information

Other financial information

EUR in millions, except share and employee data	2006	2005	2004
IFRS consolidated statements of cash flows data			
Net cash from operating activities	1,818	1,854	2,171
Net cash from investing activities	(790)	193	(138)
Net cash from financing activities	(1,277)	(3,194)	(2,008)
Share data (in thousands)			
Common shares outstanding at year end	1,555,678	1,555,313	1,554,263
Data per common share			
Dividends	–	–	–
Share price at Euronext	high 8.50	7.45	7.40
Share price at Euronext	low 6.13	5.69	5.04
Share price at Euronext	at year end 8.06	6.33	5.70
Number of employees¹			
Number of employees at year end in FTE	164,078	167,801	206,441
Average number of employees in FTE	163,866	168,568	231,003

1 Consolidated, excluding joint ventures and associates, including discontinued operations.

Exchange rates

The following table sets forth, for the years indicated, certain information concerning the exchange rate of the U.S. dollar relative to the euro, expressed in U.S. dollar per euro based on the rate in New York City for cable transfers in foreign currencies as certified for customs purposes by the Federal Reserve Bank of New York (the “noon buying rate”). The rates used in the preparation of our consolidated financial statements may vary in certain minor respects from the noon buying rate.

Year	Period end	Average	High	Low
2002	1.0438	0.9441	1.0438	0.8594
2003	1.2429	1.1299	1.2597	1.0361
2004	1.3538	1.2487	1.3525	1.1801
2005	1.1842	1.2449	1.3476	1.1667
2006	1.3197	1.2563	1.3327	1.1860

The following table sets forth the high and low noon buying rates of the U.S. dollar against the euro for each of the last six months. The noon buying rate of the U.S. dollar against the euro as of May 1, 2007 was USD 1.36 = EUR 1.

	High	Low
November 2006	1.3261	1.2705
December 2006	1.3327	1.3073
January 2007	1.3286	1.2904
February 2007	1.3246	1.2933
March 2007	1.3374	1.3094
April 2007	1.3660	1.3363

Fluctuations in the exchange rates between the U.S. dollar and the euro have affected the U.S. dollar equivalent of the euro prices of our common shares on the Official Segment of Euronext Amsterdam N.V.'s stock market ("**Euronext Amsterdam**" or "**Euronext**") and, as a result, are likely to have affected the market price of our ADSs, evidenced by ADRs, listed on the New York Stock Exchange (the "**NYSE**"). Such fluctuations will also affect the U.S. dollar amounts received by holders of Ahold's ADSs on conversion by The Bank of New York, as depositary (the "**Depositary**"), of cash dividends, if any, paid in euros on the common shares represented by the ADSs.

Auditors' Report

Introduction

We have audited whether the accompanying abbreviated financial statements of Koninklijke Ahold NV. ('Royal Ahold'), Zaandam, for the years 2006, 2005 and 2004 as set out on pages 43 till 45 of the Base Prospectus dated May 9, 2007 (collectively 'financial information') have been derived consistently from the audited financial statements of Royal Ahold, for the year 2006. In our auditors' report dated March 21, 2007 we expressed an unqualified opinion on these financial statements. Management is responsible for the preparation of the abbreviated financial statements in accordance with the accounting policies as applied in the 2006 financial statements of Royal Ahold. Our responsibility is to express an opinion on these abbreviated financial statements.

Scope

We conducted our audit in accordance with Dutch law. This law requires that we plan and perform the audit to obtain reasonable assurance that the abbreviated financial statements have been derived consistently from the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these abbreviated statements have been derived consistently, in all material respects from the 2006 financial statements.

Emphasis of matter

For a better understanding of the company's financial position and results and the scope of our audit, we emphasize that the abbreviated financial statements should be read in conjunction with the unabridged financial statements from which the abbreviated financial statements were derived and our unqualified auditors' report thereon dated March 21, 2007. Our opinion is not qualified in respect of this matter.

Deloitte Accountants B.V.
M.R. van Leeuwen

Rotterdam, the Netherlands
May 9, 2007

TERMS AND CONDITIONS OF THE NOTES

The following are the Terms and Conditions of Notes to be issued by Koninklijke Ahold N.V. (the "**Issuer**") which will be incorporated by reference into each global Note and which will be endorsed on (or, if permitted by the relevant stock exchange and agreed between the Issuer and the relevant Dealer, incorporated by reference into) each definitive Note in the standard euromarket form and K-form and will be applicable to each definitive Note in CF-form. The applicable Final Terms in relation to any Tranche of Notes may specify other terms and conditions which shall to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Tranche of Notes. The applicable Final Terms will be endorsed on, incorporated by reference into, or attached to, each global Note and definitive Note in the standard euromarket form and K-form and will be applicable to each definitive Note in CF-form. Reference should be made to "Form of the Notes" above for a description of the content of Final Terms which includes the definition of certain terms used in the following Terms and Conditions.

This Note is one of a Series (as defined below) of Notes issued by the Issuer (which expression shall include any Substituted Debtor pursuant to Condition 17) pursuant to the Agency Agreement (as defined below). References herein to the "**Notes**" shall be references to the Notes of this Series (as defined below) and shall mean (i) in relation to any Notes represented by a global Note, units of the lowest Specified Denomination in the Specified Currency, (ii) definitive Notes issued in exchange for a global Note and (iii) any global Note. The Notes, the Receipts (as defined below) and the Coupons (as defined below) also have the benefit of an Amended and Restated Agency Agreement dated May 9, 2007 (the "**Agency Agreement**") made between the Issuer and Citibank N.A. as issuing and principal paying agent and agent bank (in such capacity the "**Agent**", which expression shall include any successor agent) and the other paying agents named therein (together with the Agent, the "**Paying Agents**", which expression shall include any additional or successor paying agents).

Interest bearing definitive Notes in the standard euromarket form (unless otherwise indicated in the applicable Final Terms) have interest coupons ("**Coupons**") and, if indicated in the applicable Final Terms, talons for further Coupons ("**Talons**") attached on issue. Any reference herein to Coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons. Definitive Notes in the standard euromarket form repayable in instalments have receipts ("**Receipts**") for the payment of the instalments of principal (other than the final instalment) attached on issue. Global Notes do not have Receipts, Coupons or Talons attached on issue. Any reference herein to "**Noteholders**" shall mean the holders of the Notes, and shall, in relation to any Notes represented by a global Note, be construed as provided below. Any reference herein to "**Receiptholders**" shall mean the holders of the Receipts and any reference herein to "**Couponholders**" shall mean the holders of the Coupons, and shall, unless the context otherwise requires, include the holders of the Talons.

Interest bearing definitive Notes in K-form will have Coupons and, if indicated in the applicable Final Terms, Talons attached but will not be issued with Receipts attached. Interest bearing definitive Notes in CF-form will have Coupon sheets attached but will not be issued with Talons or Receipts attached. References in these Terms and Conditions to "**Coupons**" will include references to such Coupon sheets.

The Final Terms for this Note is endorsed hereon or attached hereto or applicable hereto or incorporated by reference herein and supplements these Terms and Conditions and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these Terms and Conditions, replace or modify these Terms and Conditions for the purposes of this Note. References herein to the "**applicable Final Terms**" are to the Final Terms for this Note.

As used herein, "**Tranche**" means Notes which are identical in all respects (including as to listing) and "**Series**" means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to

listing) from the date on which such consolidation is expressed to take effect except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

Copies of the Agency Agreement and the applicable Final Terms are available at the specified offices of each of the Agent and the other Paying Agents save that a Final Terms relating to an unlisted Note will only be available for inspection by a Noteholder upon such Noteholder producing evidence as to identity satisfactory to the relevant Paying Agent. The Noteholders, the Receiptholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement and the applicable Final Terms which are binding on them. The statements in these Terms and Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement.

Words and expressions defined in the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless otherwise stated provided that in the event of any inconsistency between the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

In these Terms and Conditions, the terms set out below shall have the following meanings:

"Amsterdam Business Day" means the expression a day (other than a Saturday or Sunday) on which banks and foreign exchange markets are open for business in Amsterdam.

"Borrowings" means any transactions that, in accordance with IFRS are treated as borrowings.

"Borrowed Moneys" means any indebtedness for borrowed money with an original maturity of 12 months or more, the aggregate principal amount of which is greater than EUR 25,000,000 or the equivalent thereof in any other currency or currencies.

"Business Day" means a day which is both:

- (A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in any Additional Business Centre specified in the applicable Final Terms; and
- (B) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than any Additional Business Centre and which if the Specified Currency is Australian dollars shall be Sydney) or (2) in relation to any sum payable in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) System (the **"TARGET System"**) is open.

"Day Count Fraction" means in respect of the calculation of an amount of interest in accordance with Condition 5(a):

- (i) if "Actual/Actual (ICMA)" is specified in the applicable Final Terms:
 - (a) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the **"Accrual Period"**) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
 - (b) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
 - (1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and

- (2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
- (ii) if "30/360" is specified in the applicable Final Terms, the number of days in the period from and including the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to but excluding the relevant payment date (such number of days being calculated on the basis of 12 30-day months) divided by 360.

"Day Count Fraction" means, in respect of the calculation of an amount of interest in accordance with Condition 5(b):

- (i) if "Actual/365" or "Actual/Actual" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (ii) if "Actual/365 (Fixed)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (iii) if "Actual/365 (Sterling)" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (iv) if "Actual/360" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (v) if "30/360", "360/360" or "Bond Basis" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months (unless (a) the last day of the Interest Period is the 31st day of a month but the first day of the Interest Period is a day other than the 30th or 31st day of a month, in which case the month that includes that last day shall not be considered to be shortened to a 30-day month or (b) the last day of the Interest Period is the last day of the month of February in which case the month of February shall not be considered to be lengthened to a 30-day month)); and
- (vi) if "30E/360" or "Eurobond Basis" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360 (the number of days to be calculated on the basis of a year of 360 days with 12 30-day months, without regard to the date of the first day or last day of the Interest Period unless, in the case of the final Interest Period the Maturity Date is the last day of the month of February, in which case the month of February shall not be considered to be lengthened to a 30-day month).

"Determination Period" means each period from and including a Determination Date to but excluding the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to and ending on the first Determination Date falling after, such date);

"Established Rate" means the rate for conversion of the Specified Currency (including compliance with rules relating to roundings in accordance with applicable European Community regulations) into euro established by the Council of the European Union pursuant to Article 123 of the Treaty.

"euro" means the currency introduced from the start of the third stage of European economic and monetary union pursuant to the Treaty.

"Fixed Interest Period" means the period from and including an Interest Payment Date (or the Interest Commencement Date) to but excluding the next (or first) Interest Payment Date.

"IFRS" means the International Financial Reporting Standards as endorsed by the European Union.

"ISDA Rate" for the purposes of sub-paragraph 5(A) (ISDA Determination for Floating Rate Notes), for an Interest Period means a rate equal to the Floating Rate that would be determined by the Agent under an

interest rate swap transaction if the Agent were acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2000 ISDA Definitions as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first tranche of the Notes (the "**ISDA Definitions**") and under which:

- (1) the Floating Rate Option is as specified in the applicable Final Terms;
- (2) the Designated Maturity is the period specified in the applicable Final Terms; and

the relevant Reset Date is either (i) if the applicable Floating Rate Option is based on the London inter-bank offered rate ("**LIBOR**") or on the Euro-zone inter-bank offered rate ("**EURIBOR**"), the first day of that Interest Period or (ii) in any other case, as specified in the applicable Final Terms.

"**London Business Day**" means the expression a day (other than a Saturday or Sunday) on which banks and foreign exchange markets are open for business in London.

"**Payment Day**" means any day (subject to Condition 9) which is both:

- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
 - (A) the relevant place of presentation; and
 - (B) any Additional Financial Centre specified in the applicable Final Terms; and
- (ii) either (1) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than the place of presentation and any Additional Financial Centre and which if the Specified Currency is Australian dollars shall be Sydney) or (2) in relation to any sum payable in euro, a day on which the TARGET System is open.

"**Principal Subsidiary**" means any company or entity of which the Issuer directly or indirectly has control and of which the total assets exceed 10 per cent. of the Issuer's consolidated assets.

"**Private Debt**" means:

- (i) loans, debts, guarantees, obligations repayable on demand (*opvorderbare gelden*) and/or other obligations arising out of Borrowings by the Issuer from parties that are not a Subsidiary; and
- (ii) guarantees issued by the Issuer guaranteeing financial obligations of parties which are not a Subsidiary of the Issuer in respect of Borrowings,

not being Public Debt. It is understood that if one financial indebtedness can be considered a financial indebtedness of both the Issuer and any Subsidiary or two Subsidiaries at the same time, it will be considered a financial indebtedness of the Issuer or one Subsidiary only.

"**Public Debt**" means any loan, debt, guarantee, obligation repayable on demand and/or other obligation of the Issuer represented by bonds, notes, debentures or other publicly issued debt securities which are, or are capable of being, traded or listed on any stock exchange or other organized financial market.

"**Redenomination Date**" means (in the case of Interest Bearing Notes) any date for payment of interest under the Notes or (in the case of Zero Coupon Notes) any date, in each case specified by the Issuer in a notice given to the Noteholders and which falls on or after the date on which the country of the Specified Currency first participates in the third stage of European economic and monetary union.

"**Relevant Date**" means the date on which any payment with respect to any Note, Receipt or Coupon first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 14.

"**Subsidiary**" means at any time, each entity, the financial statements of which are consolidated in the audited financial statements of the Issuer, as most recently made public.

"**sub-unit**" means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, means one cent.

"**Total Consolidated Fixed Assets**" means at any time the total consolidated fixed assets of the Issuer and its Subsidiaries determined in accordance with generally accepted accounting principles as applied to the Issuer, including property, plant and equipment as well as investment property and as referred to in note 14 and note 15 respectively of the Ahold 2006 Annual Report incorporated by reference herein.

"**Treaty**" means the treaty establishing the European Communities, as amended.

1. Form, Denomination and Title

The Notes are in bearer form and, in the case of definitive Notes, serially numbered, in the Specified Currency, the Specified Denomination(s) and the Specified Form(s).

This Note may be a Senior Note or a Subordinated Note, as indicated in the applicable Final Terms.

This Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note, an Index Linked Interest Note, a Dual Currency Interest Note or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms.

This Note may be an Index Linked Redemption Note, an Instalment Note, a Dual Currency Redemption Note, a Partly Paid Note or a combination of any of the foregoing, depending on the Redemption/Payment Basis shown in the applicable Final Terms.

Notes in definitive form are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in these Terms and Conditions are not applicable.

Subject as set out below, title to the Notes, Receipts and Coupons will pass by delivery. Except as ordered by a court of competent jurisdiction or as required by law or applicable regulations, the Issuer, the Agent and any Paying Agent may deem and treat the bearer of any Note, Receipt or Coupon as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a global Note held on behalf of Euroclear Bank S.A./N.V., as operator of the Euroclear System ("**Euroclear**") and/or Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**"), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer and any Paying Agent as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on the Notes, for which purpose the bearer of the relevant global Note shall be treated by the Issuer and any Paying Agent as the holder of such Notes in accordance with and subject to the terms of the relevant global Note (and the expressions "**Noteholder**" and "**holder of Notes**" and related expressions shall be construed accordingly). Notes which are represented by a global Note held by a common depositary for Euroclear or Clearstream, Luxembourg will be transferable only in accordance with the rules and procedures for the time being of Euroclear or of Clearstream, Luxembourg, as the case may be.

References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

2. Status of the Notes

(a) Status of the Senior Notes

The Senior Notes and the relative Receipts and Coupons constitute unsecured and unsubordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and with all other present and future unsecured and unsubordinated obligations of the Issuer save for those preferred by mandatory provisions of law.

(b) Status and Subordination of the Subordinated Notes

The status and subordination of the Subordinated Notes is as set out in the applicable Final Terms.

3. Negative pledge

So long as any of the Notes or any relative Receipts or Coupons remain outstanding, neither the Issuer nor any Subsidiary will secure:

(i) any Public Debt, or

(ii) any Private Debt in excess of 30 per cent. of the Total Consolidated Fixed Assets, not being Public Debt, then or thereafter existing, by any lien, pledge or other charge upon any of its present or future assets or revenues unless the Notes and any relative Receipts and Coupons shall be secured by such lien, pledge, or other charge in the same manner. The foregoing shall not apply to (i) any security arising solely by mandatory operation of law, (ii) any security over assets existing at the time of acquisition thereof, (iii) any security comprised within the assets of any company acquired by or merged with the Issuer or any Subsidiary where such security is created prior to the date of such merger or acquisition, (iv) any security over assets pursuant to the general terms and conditions of a bank, for example in the form of the General Banking Conditions ("*Algemene Bankvoorwaarden*") prepared by the Dutch Bankers Association ("*Nederlandse Vereniging van Banken*"), if and in so far as applicable, (v) any security approved by an Extraordinary Resolution (as defined in the Agency Agreement) of Noteholders and, (vi) any security arising out of contractual obligations entered into prior to the date of this Prospectus.

4. Redenomination

Redenomination

Where redenomination is specified in the applicable Final Terms as being applicable, the Issuer may, without the consent of the Noteholders, the Receiptholders and the Couponholders, on giving prior notice to the Agent, Euroclear and Clearstream, Luxembourg and at least 30 days' prior notice to the Noteholders in accordance with Condition 14, elect that, with effect from the Redenomination Date specified in the notice, the Notes shall be redenominated in euro.

Subject to any applicable regulations, the election will have effect as follows:

- (i) the Notes and the Receipts shall be deemed to be redenominated into euro in the denomination of euro 0.01 with a nominal amount for each Note and Receipt equal to the nominal amount of that Note or Receipt in the Specified Currency, converted into euro at the Established Rate, provided that, if the Issuer determines, with the agreement of the Agent, that the then prevailing market practice in respect of the redenomination in euro of internationally offered securities is different from the provisions specified above, such provisions shall be deemed to be amended so as to comply with such market practice and the Issuer shall promptly notify the Noteholders, the stock exchange (if any) on which the Notes may be listed and the Paying Agents of such deemed amendments;
- (ii) save to the extent that an Exchange Notice has been given in accordance with paragraph (iv) below, the amount of interest due in respect of the Notes will be calculated by reference to the aggregate nominal amount of Notes presented (or, as the case may be, in respect of which Coupons are

presented) for payment by the relevant holder and the amount of such payment shall be rounded down to the nearest euro 0.01;

- (iii) if definitive Notes are required to be issued after the Redenomination Date, they shall be issued at the expense of the Issuer in the denominations of euro 1,000, euro 10,000, euro 100,000 and (but only to the extent of any remaining amounts less than euro 1,000 or such smaller denominations as the Agent may approve) euro 0.01 and such other denominations as the Agent shall determine and notify to the Noteholders;
- (iv) if issued prior to the Redenomination Date, all unmatured Coupons denominated in the Specified Currency (whether or not attached to the Notes) will become void with effect from the date on which the Issuer gives notice (the "**Exchange Notice**") that replacement euro-denominated Notes, Receipts and Coupons are available for exchange (provided that such securities are so available) and no payments will be made in respect of them. The payment obligations contained in any Notes and Receipts so issued will also become void on that date although those Notes and Receipts will continue to constitute valid exchange obligations of the Issuer. New euro-denominated Notes, Receipts and Coupons will be issued in exchange for Notes, Receipts and Coupons denominated in the Specified Currency in such manner as the Agent may specify and as shall be notified to the Noteholders in the Exchange Notice. No Exchange Notice may be given less than 15 days prior to any date for payment of principal or interest on the Notes;
- (v) after the Redenomination Date, all payments in respect of the Notes, the Receipts and the Coupons, other than payments of interest in respect of periods commencing before the Redenomination Date, will be made solely in euro as though references in the Notes to the Specified Currency were to euro. Payments will be made in euro by credit or transfer to a euro account (or any other account to which euro may be credited or transferred) specified by the payee or, at the option of the payee, by a euro cheque;
- (vi) if the Notes are Fixed Rate Notes and interest for any period ending on or after the Redenomination Date is required to be calculated for a period ending other than on an Interest Payment Date, it will be calculated by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention;
- (vii) if the Notes are Floating Rate Notes, the applicable Final Terms will specify any relevant changes to the provisions relating to interest; and
- (viii) such other changes shall be made to this Condition as the Issuer may decide, after consultation with the Agent, and as may be specified in the notice, to conform it to conventions applicable to instruments denominated in euro.

5. Interest

(a) Interest on Fixed Rate Notes

Each Fixed Rate Note bears interest on its outstanding nominal amount (or, if it is a Partly Paid Note, the amount paid up) from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to and including the Maturity Date.

Except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

If interest is required to be calculated for a period other than a Fixed Interest Period, such interest shall be calculated by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

- (b) Interest on Floating Rate Notes and Index Linked Interest Notes
- (i) Interest Payment Dates

Each Floating Rate Note and Index Linked Interest Note bears interest on its outstanding nominal amount (or, if it is a Partly Paid Note, the amount paid up) from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (A) the Specified Interest Payment Date(s) (each an "**Interest Payment Date**") in each year specified in the applicable Final Terms; or
- (B) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each an "**Interest Payment Date**") which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period (which expression shall, in these Terms and Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (1) in any case where Specified Periods are specified in accordance with Condition 5(b)(i)(B) above, the "**Floating Rate Convention**", such Interest Payment Date (i) in the case of (x) above, shall be the last day that is a Business Day in the relevant month and the provisions of (B) below shall apply mutatis mutandis or (ii) in the case of (y) above, shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or
 - (2) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
 - (3) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
 - (4) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.
- (ii) Rate of Interest

The Rate of Interest payable from time to time in respect of the Floating Rate Notes and Index Linked Interest Notes will be determined in the manner specified in the applicable Final Terms.

- (A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any).

For the purposes of this sub-paragraph (A), "**Floating Rate**", "**Calculation Agent**", "**Floating Rate Option**", "**Designated Maturity**" and "**Reset Date**" have the meanings given to those terms in the ISDA Definitions.

(B) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (1) the offered quotation (if there is only one quotation on the Relevant Screen Page); or
- (2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations, (expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Agent. If five or more such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

The Agency Agreement contains provisions for determining the Rate of Interest pursuant to this subparagraph (B) in the event that the Relevant Screen Page is not available or if, in the case of (1) above, no such offered quotation appears or, in the case of (2) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph.

If the Reference Rate from time to time in respect of Floating Rate Notes is specified in the applicable Final Terms as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided in the applicable Final Terms.

(iii) Minimum and/or Maximum Rate of Interest

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(iv) Determination of Rate of Interest and Calculation of Interest Amounts

The Agent, in the case of Floating Rate Notes, and the Calculation Agent, in the case of Index Linked Interest Notes, will, at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period. In the case of Index Linked Interest Notes, the Calculation Agent will notify the Agent of the Rate of Interest for the relevant Interest Period as soon as practicable after calculating the same.

The Agent will calculate the amount of interest (the "**Interest Amount**") payable on the Floating Rate Notes or Index Linked Interest Notes in respect of each Specified Denomination for the relevant Interest Period. Each Interest Amount shall be calculated by applying the Rate of Interest to each Specified Denomination, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention.

(v) Notification of Rate of Interest and Interest Amount

The Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and any stock exchange on which the relevant Floating Rate Notes or Index Linked Interest Notes are for the time being listed and notice thereof to be published in accordance with Condition 14 as soon as possible after their determination but in no event later than the fourth Amsterdam Business Day or London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the Notes are for the time being listed and to the Noteholders in accordance with Condition 14.

(vi) Certificates to be Final

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this paragraph (b), whether by the Agent or if applicable, the Calculation Agent shall (in the absence of willful default, bad faith or manifest error) be binding on the Issuer, the Agent, the Calculation Agent, if applicable, the other Paying Agents and all Noteholders, Receiptholders and Couponholders and (in the absence as aforesaid) no liability to the Issuer, the Noteholders, the Receiptholders or the Couponholders shall attach to the Agent or the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(c) Interest on Dual Currency Interest Notes

The rate or amount of interest payable in respect of Dual Currency Interest Notes shall be determined in the manner specified in the applicable Final Terms.

(d) Interest on Partly Paid Notes

In the case of Partly Paid Notes (other than Partly Paid Notes which are Zero Coupon Notes), interest will accrue as aforesaid on the paid-up nominal amount of such Notes and otherwise as specified in the applicable Final Terms.

(e) Accrual of Interest

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless, upon due presentation thereof, payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

- (1) the date on which all amounts due in respect of such Note have been paid; and
- (2) five days after the date on which the full amount of the moneys payable has been received by the Agent and notice to that effect has been given to the Noteholders in accordance with Condition 14 or individually.

6. Payments

(a) Method of Payment

Subject as provided below:

- (i) payments in a Specified Currency other than euro will be made by credit or transfer to an account in the relevant Specified Currency (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) maintained by the payee with, or, at the option of the payee, by a cheque in such Specified Currency drawn on, a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars, shall be Sydney); and

- (ii) payments in euro will be made by credit or transfer to a euro account (or to any other account to which euro may be credited or transferred) specified by the payee, or, at the option of the payee, by a euro cheque.

Payments will be subject in all cases to any fiscal or other laws and regulations applicable thereto in the place of payment, but without prejudice to the provisions of Condition 8.

(b) Presentation of Notes, Receipts and Coupons

Other than in the case of definitive Notes in CF-Form, payments of principal in respect of definitive Notes will (subject as provided below) be made in the manner provided in paragraph (a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of definitive Notes, and payments of interest in respect of definitive Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)).

Payments of principal in respect of any definitive Notes in CF-form will be made in the manner provided in paragraph (a) above only against surrender of definitive Notes together with the Coupon sheet attached. Payments of interest in respect of any definitive Notes in CF-form will be made in conformity with the agreement concluded between the Issuer and the "*Algemeen Obligatiekantoor van het Centrum voor Fondsenadministratie B.V.*" in Amsterdam (the "**Obligatiekantoor**"), under which agreement the Issuer has accepted the rules and regulations of the *Obligatiekantoor*.

Payments of installments of principal (if any), other than the final instalment, will (subject as provided below) be made in the manner provided in paragraph (a) above against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Receipt. Payment of the final instalment will be made in the manner provided in paragraph (a) above against surrender (or, in the case of part payment of any sum due, endorsement) of the relevant Note. Each Receipt must be presented for payment of the relevant instalment together with the definitive Note to which it appertains. Receipts presented without the definitive Note to which they appertain do not constitute valid obligations of the Issuer. Upon the date on which any definitive Note becomes due and repayable, unmatured Receipts (if any) relating thereto (whether or not attached) shall become void and no payment shall be made in respect thereof.

Fixed Rate Notes in definitive form (other than Dual Currency Notes, Index Linked Notes and Long Maturity Notes (as defined below)) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any time before the expiry of five years after the Relevant Date in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 9) or, if later, five years from the date on which such Coupon would otherwise have become due. Upon any Fixed Rate Note becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons in respect of any such Talons will be issued.

Upon the date on which any Floating Rate Note, Dual Currency Note, Index Linked Interest Note or Long Maturity Note in definitive form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A "**Long Maturity Note**" is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Fixed Interest Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

If the due date for redemption of any definitive Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Note.

Payments of principal and interest (if any) in respect of Notes represented by any global Note will (subject as provided below) be made in the manner specified above in relation to definitive Notes and otherwise in the manner specified in the relevant global Note against presentation or surrender, as the case may be, of such global Note at the specified office of any Paying Agent outside the United States which expression, as used in this Condition, means the United States of America (including the States and District of Columbia and its possessions). A record of each payment made against presentation or surrender of such global Note, distinguishing between any payment of principal and any payment of interest, will be made on such global Note by such Paying Agent and such record shall be prima facie evidence that the payment in question has been made.

The holder of a global Note shall be the only person entitled to receive payments in respect of Notes represented by such global Note and the Issuer will be discharged by payment to, or to the order of, the holder of such global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such global Note must look solely to Euroclear or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such global Note. No person other than the holder of such global Note shall have any claim against the Issuer in respect of any payments due on that global Note.

Notwithstanding the foregoing, U.S. dollar payments of principal and interest in respect of the Notes will be made at the specified office of a Paying Agent in the United States if:

- (i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Notes in the manner provided above when due; and
 - (ii) payment of the full amount of such interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars;
- (c) Payment Day

If the date for payment of any amount in respect of any Note, Receipt or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay.

(d) Interpretation of Principal and Interest

Any reference in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (i) any additional amounts which may be payable with respect to principal under Condition 8;
- (ii) the Final Redemption Amount of the Notes;
- (iii) the Early Redemption Amount of the Notes;
- (iv) the Optional Redemption Amount(s) (if any) of the Notes;
- (v) in relation to Instalment Notes, the Instalment Amounts;
- (vi) in relation to Zero Coupon Notes, the Amortized Face Amount (as defined in Condition 7(e)); and
- (vii) any premium and any other amounts which may be payable by the Issuer under or in respect of the Notes, other than amounts which may be payable with respect to interest.

Any reference in these Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 8.

7. Redemption and Purchase

(a) At Maturity

Unless previously redeemed or purchased and cancelled as specified below, each Note (including each Index Fixed Redemption Note and Dual Currency Redemption Note) will be redeemed by the Issuer at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms in the relevant Specified Currency on the Maturity Date.

(b) Redemption for Tax Reasons

Unless otherwise specified in the applicable Final Terms, the Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (in the case of Notes other than Floating Rate Notes, Dual Currency Interest Notes or Index Linked Interest Notes) or on any Interest Payment Date (in the case of Floating Rate Notes, Dual Currency Interest Notes or Index Linked Interest Notes), on giving not less than 30 nor more than 60 days' notice to the Noteholders in accordance with Condition 14 (which notice shall be irrevocable) if, on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8, as a result of any change in, or amendment to, the laws or regulations of the jurisdiction in which the Issuer is incorporated and/or any jurisdiction in which the Issuer is engaged in the conduct of a trade or business (each, the "**Relevant Jurisdiction**") or any political subdivision or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the Issue Date of the first Tranche of the Notes and provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Agent a certificate signed by an authorized signatory of the Issuer stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognized standing to the effect that the Issuer has or will become obliged to pay such additional amounts as a result of such change or amendment.

(c) Redemption at the Option of the Issuer (Issuer Call)

If Issuer Call is specified in the applicable Final Terms, the Issuer may, having given:

- (i) not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 14; and
 - (ii) not less than 15 days before the giving of the notice referred to in (i), notice to the Agent,
- (both of which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on the Optional Redemption Date(s) and at the Optional Redemption Amount(s) specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date(s).

Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount or not more than the Maximum Redemption Amount, both as indicated in the applicable Final Terms. In the case of a partial redemption of Notes, the Notes to be redeemed ("**Redeemed Notes**") will be selected individually by lot, in the case of Redeemed Notes represented by definitive Notes, and in accordance with the rules of Euroclear and/or Clearstream, Luxembourg, in the case of Redeemed Notes represented by a global Note, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the "**Selection Date**"). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 14 not

less than 15 days prior to the date fixed for redemption. The aggregate nominal amount of Redeemed Notes represented by definitive Notes shall bear the same proportion to the aggregate nominal amount of all Redeemed Notes as the aggregate nominal amount of definitive Notes outstanding bears to the aggregate nominal amount of the Notes outstanding, in each case on the Selection Date, provided that such first mentioned nominal amount shall, if necessary, be rounded downwards to the nearest integral multiple of the Specified Denomination, and the aggregate nominal amount of Redeemed Notes represented by a global Note shall be equal to the balance of the Redeemed Notes. No exchange of the relevant global Note will be permitted during the period from and including the Selection Date to and including the date fixed for redemption pursuant to this sub-paragraph (c) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 14 at least 5 days prior to the Selection Date.

(d) Redemption at the Option of the Noteholders (Investor Put)

If Investor Put is specified in the applicable Final Terms, upon the holder of any Note giving to the Issuer in accordance with Condition 14 not less than 15 nor more than 30 days' notice or such other period of notice as is specified in the applicable Final Terms (which notice shall be irrevocable), the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, in whole (but not in part), such Note on the Optional Redemption Date and at the Optional Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date.

To exercise the right to require redemption of this Note the holder of this Note must, if this Note is in definitive form and held outside Euroclear and Clearstream, Luxembourg deliver, at the specified office of any Paying Agent at any time during normal business hours of such Paying Agent falling within the notice period, a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent (a "**Put Notice**") and in which the holder must specify a bank account (or, if payment is required to be made by cheque, an address) to which payment is to be made under this Condition accompanied by this Note or evidence satisfactory to the Paying Agent concerned that this Note will, following delivery of the Put Notice, be held to its order or under its control.

If this Note is represented by a global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depositary for them to the Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time and, if this Note is represented by a global Note, at the same time present or procure the presentation of the relevant global Note to the Agent for notation accordingly.

Any Put Notice given by a holder of any Note pursuant to this paragraph shall be irrevocable except where prior to the due date of redemption an Event of Default shall have occurred and be continuing in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this paragraph and instead to declare such Note forthwith due and payable pursuant to Condition 10.

(e) Early Redemption Amounts

For the purpose of paragraph (b) above and Condition 10, each Note will be redeemed at its Early Redemption Amount calculated as follows:

- (i) in the case of a Note with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof; or
- (ii) in the case of a Note (other than a Zero Coupon Note but including an Instalment Note and Partly Paid Note) with a Final Redemption Amount which is or may be less or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Notes are denominated at the amount specified in, or determined in the manner specified in, the applicable Final Terms or, if no such amount or manner is so specified in the applicable Final Terms at its nominal amount; or

- (iii) in the case of a Zero Coupon Note, at an amount (the "**Amortized Face Amount**") calculated in accordance with the following formula:

Early Redemption Amount = $RP * (1 + AY)^x$ where:

"RP" means the Reference Price;

"AY" means the Accrual Yield expressed as a decimal; and

"x" is a fraction the numerator of which is equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator of which is 360,

or on such other calculation basis as may be specified in the applicable Final Terms.

- (f) Instalments

Instalment Notes will be redeemed in the Instalment Amounts and on the Instalment Dates. In the case of early redemption, the Early Redemption Amount will be determined pursuant to paragraph (e) above.

- (g) Partly Paid Notes

If the Notes are Partly Paid Notes, they will be redeemed, whether at maturity, early redemption or otherwise, in accordance with the provisions of this Condition and the applicable Final Terms.

- (h) Purchases

The Issuer or any Subsidiary may at any time purchase Notes (provided that, in the case of definitive Notes, all unmatured Receipts, Coupons and Talons appertaining thereto are purchased therewith) at any price in the open market or otherwise. Such Notes may be held or, at the option of the purchaser, surrendered to any Paying Agent for cancellation.

- (i) Cancellation

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Receipts and Coupons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and the Notes purchased and cancelled pursuant to paragraph (h) above (together with all unmatured Receipts, Coupons and Talons cancelled therewith) shall be forwarded to the Agent and cannot be re-issued or resold.

- (j) Late Payment on Zero Coupon Notes

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraph (a), (b), (c) or (d) above or upon its becoming due and repayable as provided in Condition 10 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph (e)(iii) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
(ii) five days after the date on which the full amount of the moneys payable has been received by the Agent and notice to that effect has been given to the Noteholders, in accordance with Condition 14.

8. Taxation

All payments of principal and interest in respect of the Notes, Receipts and Coupons by the Issuer will be made free from withholding or deduction of or for any present or future taxes of whatever nature imposed, levied, withheld or assessed by the Relevant Jurisdiction or any political subdivision or taxing authority thereof or therein, unless such withholding or deduction is required by law. In such event, the Issuer will, depending on which provision is specified in the applicable Final Terms, either (1) make the required

withholding or deduction of such taxes, duties, assessments or governmental charges for the account of the holders of the Notes, Receipts or Coupons, as the case may be, and shall not pay any additional amounts to the holders of the Notes, Receipts or Coupons or (2) pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes, Receipts or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes, Receipts or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note, Receipt or Coupon:

- (i) presented for payment in respect of Notes issued other than by Koninklijke Ahold N.V., in Zaandam the Netherlands; or
- (ii) presented for payment by or on behalf of a Noteholder, Receiptholder or Couponholder who is liable for such taxes or duties in respect of such Note, Receipt or Coupon by reason of his having some connection with the Relevant Jurisdiction other than the mere holding of such Note, Receipt or Coupon or the receipt of principal or interest in respect thereof; or
- (iii) presented for payment by or on behalf of a Noteholder, Receiptholder or Couponholder who would not be liable or subject to the withholding or deduction by making a declaration of non-residence or other similar claim for exemption to the relevant tax authority; or
- (iv) presented for payment more than 30 days after the Relevant Date except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such thirtieth day (assuming that day to have been a Payment Day); or
- (v) where such withholding or deduction is imposed on a payment to an individual and is required to be made pursuant to EU Directive 2003/48/EC or any related arrangements, or any law implementing or complying with, or introduced in order to conform to, such Directive (together, the "**EU Directive**"); or
- (vi) presented for payment by or on behalf of a Noteholder, Receiptholder or Couponholder who would have been able to avoid such withholding or deduction by presenting the relevant Note, Receipt or Coupon to another Paying Agent in a Member State of the European Union; or
- (vii) for taxes that are payable otherwise than by withholding from a payment on the Note, Receipt or Coupon; or
- (viii) for any estate, inheritance, gift, sale, excise, transfer, personal property or similar tax, assessment or other governmental charge; or
- (ix) any combination of items (i) through (viii) above.

Additional amounts will also not be payable with respect to any payment on such Note, Receipt or Coupon to any Noteholder, Receiptholder or Couponholder who is a fiduciary, partnership or any person other than the sole beneficial owner of such payment, to the extent that a beneficiary or settlor with respect to such fiduciary, a member of such partnership or the beneficial owner of such payment would not have been entitled to the additional amounts had such beneficiary, settlor, member or beneficial owner been the actual Noteholder, Receiptholder or Couponholder.

9. Prescription

Claims for payment in respect of the Notes, Receipts and Coupons will be prescribed unless presented for payment within a period of five years after the date on which such claims for payment under the Notes, Receipts and Coupons first become due.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon, the claim for payment in respect of which would be void pursuant to this Condition or Condition 6(b) or any Talon which would be void pursuant to Condition 6(b).

10. Events of Default

If any one or more of the following events (each an "**Event of Default**") shall have occurred and be continuing:

- (i) the Issuer defaults for any reason whatsoever for more than 30 days with respect to the payment of principal or the payment of interest due on the Notes;
- (ii) the Issuer defaults in the performance of any other obligation under these Conditions and, if such default is capable of being remedied, such default has not been remedied within 30 days after written notification from any Noteholder requiring such default to be remedied shall have been given to the Issuer through the Agent as intermediary;
- (iii) the Issuer or any Principal Subsidiary defaults in the payment of the principal of, or interest on, any other obligation in respect of Borrowed Moneys of, assumed or guaranteed by the Issuer or the Principal Subsidiary, as the case may be, when and as the same shall become due and payable, if such default shall continue for more than the period of grace, if any, applicable thereto and the time for payment of such interest, or principal, has not been effectively extended, or if any obligation in respect of Borrowed Moneys, of, assumed or guaranteed by the Issuer or the Principal Subsidiary shall have become repayable before the due date thereof as a result of acceleration of maturity by reason of the occurrence of an event of default thereunder;
- (iv) an "**executory attachment**" ("*executoriaal beslag*"), or an "**interlocutory attachment**" ("*conservatoir beslag*") or similar measure under foreign law is made on any substantial part of the assets of the Issuer or similar measure under foreign law is made thereon and, in either case, is not cancelled or withdrawn within 30 days after the making thereof or the Issuer becomes bankrupt, applies for suspension of payment or is wound up (or a similar measure under foreign law is made or taken), or the Issuer offers a compromise to its creditors or negotiates with all its creditors another agreement relating to its payment difficulties, or such measures are officially decreed;
- (v) any mortgage, charge, pledge, lien or other encumbrance, present or future, created or assumed by the Issuer or any of its Principal Subsidiaries over the whole or substantially all of the undertaking, assets or revenues of the Issuer or any of its Principal Subsidiaries becomes enforceable and any step is taken to enforce it (including the taking of possession or the appointment of a receiver, administrative receiver, administrator, manager or other similar person in respect thereof) and is not discharged or stayed within 30 days;
- (vi) the Issuer shall cease to carry on substantially the whole of its business or shall dispose of substantially the whole of its assets;
- (vii) Any Substituted Debtor ceases to be at least 95 per cent. owned and controlled (directly or indirectly) by the Issuer;
- (xiii) any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in the foregoing paragraph (v),

then any Noteholder may, by written notice to the Issuer at the specified office of the Agent, effective upon the date of receipt thereof by the Agent, declare the Notes held by the holder to be forthwith due and payable whereupon the same shall become forthwith due and payable at its Early Redemption Amount (as described in Condition 7(e)), together with accrued interest (if any) to the date of repayment, without presentment, demand, protest or other notice of any kind.

11. Replacement of Notes, Receipts, Coupons and Talons

Should any Note, Receipt, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Agent upon payment by the claimant of such costs and expenses as

may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Receipts, Coupons or Talons must be surrendered before replacements will be issued.

12. Agent and Paying Agents

The names of the initial Agent and the other initial Paying Agents and their initial specified offices are set out below.

The Issuer is entitled to vary or terminate the appointment of any Paying Agent and/or appoint additional or other Paying Agents and/or approve any change in the specified office through which any Paying Agent acts, provided that:

- (i) so long as the Notes are listed on any stock exchange, there will at all times be a Paying Agent with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange;
- (ii) there will at all times be a Paying Agent with a specified office in a city in continental Europe;
- (iii) there will at all times be an Agent;
- (iv) a notice in accordance with Condition 14 below will be published in the case of any change in Paying Agents; and
- (v) the Issuer undertakes that it will ensure that it maintains a Paying Agent in a Member State of the European Union that will not be obliged to withhold or deduct tax pursuant to the EU Directive.

In addition, the Issuer shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in the final paragraph of Condition 6(b). Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 14.

In acting under the Agency Agreement, the Paying Agents act solely as agents of the Issuer and do not assume any obligation to, or relationship of agency or trust with, any Noteholders, Receiptholders or Couponholders.

The Agency Agreement contains provisions permitting any entity into which any Paying Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent.

13. Exchange of Talons

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 9. Each Talon shall, for the purposes of these Terms and Conditions, be deemed to mature on the Interest Payment Date on which the final Coupon comprised in the relative Coupon sheet matures.

14. Notices

All notices regarding the Notes shall be published on the website of the Issuer. The Issuer shall also ensure that all notices are duly published in a manner which complies with the rules and regulations of any listing authority or other relevant authority, stock exchange and/or other quotation system on which the Notes are

for the time being listed. Any such notice will be deemed to have been given on the date of the first publication or, if published on one or more different dates, on the first date on which the publication is made.

Until such time as any definitive Notes are issued, there may (provided that, in the case of any publication required by a stock exchange, the rules of the stock exchange so permit), so long as the global Note(s) is or are held in its or their entirety on behalf of Euroclear and Clearstream, Luxembourg, be substituted for publication referred to above, the delivery of the relevant notice to Euroclear and Clearstream, Luxembourg for communication by them to the holders of the Notes, provided that, if and for so long as any Notes are listed on a stock exchange and the rules of that stock exchange or other relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by that stock exchange or other relevant authority. Any such notice shall be deemed to have been given to the holders of the Notes on the seventh day after the day on which the said notice was given to Euroclear and Clearstream, Luxembourg or, if such publication is required on the date of the first publication in all required newspapers.

Where the identity of all the holders of the Notes is known to the Issuer, the Issuer may (after consultation with the relevant stock exchange (where relevant)) give notice individually to such holders in lieu of publication as provided above.

Notices to be given by any holder of the Notes shall be in writing and given by lodging the same, together with the relative Note or Notes, with the Agent. Whilst any of the Notes are represented by a global Note, such notice may be given by any holder of a Note to the Agent via Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Agent and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

15. Meetings of Noteholders, Modification and Waiver

The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Receipts, the Coupons or certain provisions of the Agency Agreement. Such a meeting may be convened by the Issuer or Noteholders holding not less than five per cent. in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing not less than 50 per cent. in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes, Receipts and the Coupons (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or canceling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes, Receipts or Coupons), the necessary quorum for passing an Extraordinary Resolution will be one or more persons holding or representing not less than two-thirds, or at any adjourned such meeting not less than one-third, in nominal amount of the Notes for the time being outstanding. An Extraordinary Resolution requires a 75 per cent. majority of the votes cast. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all Receiptholders and Couponholders.

The Agent and the Issuer may agree, without the consent of the Noteholders, Receiptholders or Couponholders, to:

- (i) any modification (except as mentioned above) of the Agency Agreement which is not materially prejudicial to the interests of the Noteholders; or
- (ii) any modification of the Notes, the Receipts, the Coupons or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of the laws of the Netherlands.

Any such modification shall be binding on the Noteholders, the Receiptholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 14 as soon as practicable thereafter.

16. Further Issues

The Issuer shall be at liberty from time to time without the consent of the Noteholders, Receiptholders or Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Notes.

17. Substitution of the Issuer

- (a) The Issuer (which for the purpose of this Condition, save where the context requires otherwise, includes any previous substitute of the Issuer) under this Condition may and the Noteholders, the Receiptholders and the Couponholders hereby irrevocably agree in advance that the Issuer under this Condition may at any time, substitute either (i) any company (incorporated in any country in the world), more than 90 per cent. of the shares or other equity interest carrying voting rights of which are directly or indirectly held by the Issuer or (ii) any branch of the Issuer, as the principal debtor in respect of the Notes (any such company, the "**Substituted Debtor**"), provided that:
- (i) such documents shall be executed, and notices be given, by the Substituted Debtor and the Issuer as the Agent may deem reasonably necessary to give full effect to the substitution and pursuant to which the Substituted Debtor shall undertake in favor of each Noteholder, Receiptholder and Couponholder to be bound by these Terms and Conditions and the provisions of the Agency Agreement as the principal debtor in respect of the Notes, Receipts and Coupons in place of the Issuer;
 - (ii) in accordance with and subject to Condition 8, no taxes or duties shall be required to be withheld or deducted at source in the territory where the Substituted Debtor is incorporated, domiciled or resident (unless the withholding or deduction would be borne by the Substituted Debtor, in which case Condition 8 shall apply or unless the Issuer was required by law to make such withholding or deduction before the substitution);
 - (iii) all necessary governmental and regulatory approvals and consents for such substitution shall have been obtained and be in full force and effect;
- (b) The Substituted Debtor shall forthwith give notice of the substitution to the Noteholders, the Receiptholders and the Couponholders in accordance with Condition 14.

18. Governing Law and Submission to Arbitration

The Agency Agreement, the Notes, the Receipts and the Coupons are governed by, and shall be construed in accordance with, the laws of the Netherlands.

The Issuer submits for the exclusive benefit of the Noteholders, the Receiptholders and the Couponholders to the jurisdiction of the courts of Amsterdam, the Netherlands, judging in first instance, and their appellate courts. Without prejudice to the foregoing, the Issuer further irrevocably agrees that any suit, action or proceedings arising out of or in connection with the Agency Agreement, the Notes, the Receipts or the Coupons may be brought in any other court of competent jurisdiction.

FORM OF FINAL TERMS

The Final Terms in respect of each Tranche of Notes will be substantially in the following form, duly supplemented (if necessary), amended (if necessary) and completed to reflect the particular terms of the relevant Notes being issued.

Copies of the Final Terms will be provided upon request by the Issuer. In addition, the Final Terms will be displayed on the website of Euronext Amsterdam (www.euronext.com).

Final Terms

Koninklijke Ahold N.V.

(incorporated under the laws of the Netherlands with limited liability and having its registered seat in Zaandam (municipality Zaanstad), the Netherlands and its principal place of business at (1019 GM) Amsterdam, the Netherlands, Piet Heinkade 167-173)

Issue of [up to] [Aggregate Nominal Amount of Tranche] [Title of Notes] (the "**Notes**")
issued under Koninklijke Ahold N.V.'s Debt Issuance Program

dated [•]

This document constitutes the Final Terms of the issue of Notes under the Debt Issuance Program (the "**Program**") of Koninklijke Ahold N.V. (the "**Issuer**"), described herein for the purposes of article 5.4 of Directive 2003/71/EC (the "**Prospectus Directive**"). It must be read in conjunction with the Issuer's base prospectus pertaining to the Program, dated May 9, 2007 (the "**Base Prospectus**") and any supplements as referred to in article 16.1 of the Prospectus Directive thereto, which together constitute a base prospectus for the purposes of the Prospectus Directive. Full information on the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus and any such supplements thereto. The Base Prospectus (and any supplements thereto) is available for viewing at the office of the Issuer at Piet Heinkade 167-173, 1019 GM, Amsterdam, the Netherlands, where copies may also be obtained. Electronic copies can be obtained by e-mail through investor.relations@ahold.com.

These Final Terms shall be read in conjunction with the Terms and Conditions (the "**Terms and Conditions**") set forth in the Base Prospectus. The Terms and Conditions, as supplemented, amended and/or disapplied by these Final Terms, constitute the conditions (the "**Conditions**") of the Notes. Capitalized terms not defined herein have the same meaning as in the Terms and Conditions. Certain capitalized terms in the Terms and Conditions which are not defined therein have the meaning set forth in these Final Terms. All references to numbered Conditions and sections are to Conditions and sections of the Terms and Conditions set forth in the Base Prospectus.

[Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or subparagraphs. Italics denote directions for completing the Final Terms.]

[When adding any other final terms or information at, for example, items 9, 10, 15, 16, 17, 18 or 30 or in relation to disclosure relating to the interests of natural and legal persons involved in the issue/offer consideration should be given as to whether such terms or information constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the

Prospectus Directive, the publication of which would in turn trigger the investors' right to withdraw their acceptances within a period of 2 business days.]

1. Issuer: []
2. [(i)] Series Number: []
- [(ii)] Tranche Number: []
- (If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible)*
3. Specified Currency or Currencies: []
4. Aggregate Nominal Amount:
 [(i)] Tranche: [Up to]
 [(ii)] Series: [Up to]
(if Aggregate Nominal Amount is not fixed, description of the arrangements and time for announcing to the public the definitive amount of the offer)
5. [(i)] Issue Price of Tranche: [] per cent. of the Aggregate Nominal Amount
 [plus accrued interest from [insert date] (in the case of fungible issues only, if applicable)]
- [(ii)] Dealer Commission:] []
6. [(i)] Specified Denominations: []
- [(ii)] Form of Definitive Notes] [K/CF/Standard Euromarket]
7. [(i)] Issue Date: []
- [(ii)] Interest Commencement Date *(if different from the Issue Date):*
 []
8. Maturity Date: [Fixed rate – specify date/Floating rate – Interest Payment Date falling in or nearest to [specify month and year]]
9. Interest Basis: [[] per cent. Fixed Rate]
 [[LIBOR/EURIBOR/other] +/- [] per cent. Floating Rate]
 [Dual Currency Interest]
 [Zero Coupon]
 [Index Linked Interest]
 [Non Interest Bearing]
 [specify other]
(further particulars specified below)

10. Redemption/Payment Basis: [Redemption at par]
[Index Linked Redemption]
[Dual Currency Redemption]
[Instalment]
[specify other]
11. Change of interest Basis or Redemption/
Payment Basis: [Specify details of any provision
for change of Notes into another
Interest Basis or
Redemption/Payment Basis]
12. Put/Call Options: [Investor Put]
[Issuer Call]
[(further particulars specified below)]
13. Status of the Notes: [Senior/Tier1 Subordinated/Tier 2
Subordinated/Tier 3 Subordinated]
14. Method of distribution: [Syndicated/Non-syndicated/Not applicable]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

15. Fixed Rate Note Provisions [Applicable/Not Applicable]
*(If not applicable, delete the remaining sub-
paragraphs of this paragraph)*
- (i) Rate(s) of Interest: [] per cent. per annum [payable
[annually/semi-annually/quarterly] in arrear]
*(If payable other than annually, consider
amending Condition 4)*
- (ii) Interest Payment Date(s): [] in each year
*(NB: This will need to be amended in the case of
long or short coupons)*
- (iii) Fixed Coupon Amount(s): [] per [] in nominal amount
- (iv) Broken Amount(s): *[Insert particulars of any initial or final broken
interest amounts which do not correspond with
the Fixed Coupon Amount{(s)} and the Interest
Payment Date(s) to which they relate]*
- (v) Day Count Fraction: [30/360 or Actual/Actual (ICMA) or [specify other]]
- (vi) Other terms relating to
the method of calculating
interest for Fixed Rate Notes: [None/give details]
16. Floating Rate Note Provisions [Applicable/Not Applicable]

(If not applicable, delete the remaining subparagraphs of this paragraph)

- (i) Specified Period(s): [] *[only applicable if no Specified Interest Payment Dates are set out]*
- (ii) Specified Interest Payment Dates: []
- (iii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/No Adjustment/Preceding Business Day Convention/[specify other]]
- (iv) Additional Business Centre(s): []
- (v) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination/specify other]
- (vi) Party responsible for calculating the Rate of Interest and interest Amount (if not the Agent): []
- (vii) Screen Rate Determination: [Yes/No]
- Reference Rate: []
(Either LIBOR, EURIBOR or other, although additional information is required if other – including fallback provisions in the Agency Agreement)
- Interest Determination Date(s): []
(Second London business day prior to the start of each Interest Period if LIBOR (other than sterling or euro LIBOR), first day of each Interest Period if sterling LIBOR and the second day on which the TARGET System is open prior to the start of each Interest Period if EURIBOR or euro LIBOR)
- Relevant Screen Page: []
(In the case of EURIBOR, if not Reuters EURIBOR 01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately)
- Relevant Time: []
(For example, 11.00 a.m. London time/Brussels time)
- (viii) ISDA Determination: [Yes/No]

- Floating Rate Option: []
 - Designated Maturity: []
 - Reset Date: []
- (ix) Margin(s): [+/-] [] per cent. per annum
- (x) Minimum Rate of Interest: [] per cent. per annum
- (xi) Maximum Rate of Interest: [] per cent. per annum
- (xii) Floating Day Count Fraction: [Actual/365
Actual/365 (Fixed)
Actual/365 (Sterling)
Actual/360
30/360
30E/360
Other]
[(See Condition 5 for alternatives)]
- (xiii) Fall back provisions, rounding provisions and any other terms relating to the method of calculating interest on Floating Rate Notes, if different from those set out in the Conditions: []
- (xiv) Description of any market disruption or settlement disruption events that affect the underlying: [] *[(include adjustment rules with relation to events concerning the underlying if any)]*
17. Zero Coupon Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Accrual Yield: [] per cent. per annum
 - (ii) Reference Price: []
 - (iii) Any other formula/basis of determining amount payable: []
18. Index Linked Interest Note Provisions [Applicable/Not Applicable]
(If not applicable, delete the remaining subparagraphs of this paragraph)
- (i) Index/Formula: *[Give or annex details, name index and description]*
 - (ii) Calculation Agent responsible

- for calculating the principal and/or interest due: []
- (iii) Alternative Provisions for determining coupon where calculation by reference to index and/or Formula is impossible or impracticable: []
- (iv) Specified Period(s)/Specified Interest Payment Dates: []
- (v) Business Day Convention: [*Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention/ specify other*]
- (vi) Additional Business Centre(s): []
- (vii) Minimum Rate of Interest: [] per cent. per annum
- (viii) Maximum Rate of Interest: [] per cent. per annum
- (ix) Floating Day Count Fraction: []
- (x) Description of any market disruption or settlement disruption events that affect the underlying: []
19. Dual Currency Note Provisions [Applicable/Not Applicable]
(*If not applicable, delete the remaining sub paragraphs of this paragraph*)
- (i) Rate of Exchange/method of calculating Rate of Exchange: [Give details]
- (ii) Calculation Agent, if any, responsible for calculating the principal and/or interest payable: []
- (iii) Provisions applicable where calculation by reference to Rate of Exchange impossible or impracticable: []
- (iv) Person at whose option Specified Currency(ies) is/are payable: []

PROVISIONS RELATING TO REDEMPTION

20. Issuer Call: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): []
- (ii) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s): []
- (iii) If redeemable in part:
 (a) Minimum Redemption Amount: []
 (b) Maximum Redemption Amount: []
- (iv) Notice period (if other than as set out in the Conditions): []
- (N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)
21. Investor Put: [Applicable/Not Applicable]
(If not applicable, delete the remaining sub-paragraphs of this paragraph)
- (i) Optional Redemption Date(s): []
- (ii) Optional Redemption Amount(s) and method, if any, of calculation of such amount(s): [] per Note of [] Specified Denomination
- (iii) Notice period (if other than as set out in the Conditions): []
(N.B. If setting notice periods which are different to those provided in the Conditions, the Issuer is advised to consider the practicalities of distribution of information through intermediaries, for example, clearing systems and custodians, as well as any other notice requirements which may apply, for example, as between the Issuer and the Agent)
22. Final Redemption Amount [par/specify other/see Appendix]
23. Early Redemption Amount(s) payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in

Condition 7(e): []

GENERAL PROVISIONS APPLICABLE TO THE NOTES

24. Form of Notes: [Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes only upon the occurrence of an Exchange Event.]
- [Temporary Global Note exchangeable for Definitive Notes on and after the Exchange Date.]
- [Permanent Global Note exchangeable for Definitive Notes only upon an Exchange Event.]
- [Permanent Global Note not exchangeable for Definitive Notes]
25. Additional Financial Centre(s) or other special provisions relating to payment Dates: [Not Applicable/give details]
(Note that this item relates to the date and place of payment and not Interest Period end dates to which items 15(ii), 16(ii) and 18(iv) relate)
26. Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature): [Yes/No. *If yes, give details*]
27. Details relating to Instalment Notes; amount of each instalment, date on which each payment is to be made: [Not Applicable/*give details*]
28. Redenomination: [Redenomination [not] applicable
(if Redenomination is applicable, include either the applicable Fixed Day Count Fraction or any provisions necessary to deal with floating rate interest calculation (including alternative reference rates))]
29. Whether Condition 8 first paragraph of the Notes applies (*in which case Condition 7(b) of the Notes will not apply*) [Condition 8 first paragraph applies and Condition 7 (b) does not apply]
30. Other terms or special conditions: [Not Applicable/*give details*]
- (when adding any other final terms consideration should be given as to whether such terms constitute "significant new factors" and consequently trigger the need for a supplement to the Base Prospectus under Article 16 of the Prospectus Directive)*

(If the Notes are derivative securities, the following items will be set out here:

(i) a description of the settlement procedure;

(ii) a description of how any return on the Notes takes place, the payment or delivery date, and the way it is calculated;

(iii) the exercise or the final reference price of the underlying; and

(iv) the exercise date or final reference date.)

DISTRIBUTION

31. (i) [If syndicated, names of Managers and underwriting commitments] [Not Applicable/ give names/ give legal names, addresses and underwriting commitments]

(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers.)

(Where not all of the issue is underwritten, a statement of the portion not covered.)

[(ii) Date of Syndication Agreement: []]**

[(iii) Stabilizing Manager (if any): [Not Applicable/give legal name]

32. If non-syndicated, name and address of relevant Dealer: [specify name [and address]** of Dealer/Not applicable. The Notes are not being underwritten by any Dealer(s).]

33. Total commission and concession**: [] per cent. of the Aggregate Nominal Amount**

OTHER PROVISIONS

34. Whether TEFRA D or TEFRA C rules applicable [TEFRA D/TEFRA C]

35. Additional selling restrictions: [Not Applicable/give details]

36. Listing

(i) Listing [Eurolist by Euronext Amsterdam/other (specify)/ None]

(ii) Admission to trading: [Application has been made for the Notes to be admitted to trading on Eurolist by Euronext Amsterdam with effect from [___], [Not Applicable].

*(Where documenting a fungible issue need to indicate that original securities are already admitted to trading.)** [___]***

37. Ratings:

The Notes to be issued have been rated:

[S & P: []]

[Moody's: []]

[[Other]: []]

*[Include here a brief explanation of the meaning of the ratings if this deviates from the explanations given in "General Information" published by the rating provider.]***

38. [Notification]

the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*) [has been requested to provide/has provided – include first alternative for an issue which is contemporaneous with the update of the Program and the second alternative for subsequent issues] the [names of competent authorities of host Member States] with a notification that the Base Prospectus has been drawn up in accordance with the Prospectus Directive.]

39. Interests of Natural and Legal Persons Involved in the Issue

[Save for any fees payable to the Dealers, so far as the Issuer is aware, no person involved in the issue of the Notes has an interest, including conflicting ones, material to the offer. – Amend as appropriate if there are other interests]

40. [Reasons for the Offer (if different from making a profit and/or hedging certain risks)]

41. Estimated net proceeds and total expenses

(i) Estimated net proceeds []

(Also see "Use of Proceeds" wording in Base Prospectus – if reasons for offer different from making profit and/or hedging certain risks will need to include those reasons here. If proceeds are intended for more than one use will need to split out and present in order of priority. If proceeds insufficient to fund all proposed uses state amount and sources of other funding.)

(ii) Estimates total expenses:

[]. *(Include breakdown of expenses, such as any expenses and taxes specifically charged to the subscriber or purchaser)*

42. Yield (Fixed Rate Notes only)

Indication of yield:

[]

*[Calculated as [include details of method of calculation in summary form] on the Issue Date.]***

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

43. Historic Interest Rates (Floating Rate Notes only)**

Details of historic [LIBOR/EURIBOR/other] rates can be obtained from [Reuters EURIBOR01]

44. Performance of index/formula, explanation of effect on value of investment and associated risks
(*Index-Linked Interest Notes only*)**

[Name of index] []

[Description of index
if composed by Issuer:] []

[Information on index if
not composed by Issuer:] []

[Need to include details of where past and future performance and volatility of the index/formula can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]

The underlying is a security: [Name of the issuer of the security]
[ISIN Code or other identification code]

The underlying is a basket of
underlyings: [disclosure of relevant weightings of each underlying in the
basket]

The underlying is an interest rate: [a description of the interest rate]

45. Performance of rate[s] of exchange and explanation of effect on value of investment (Dual Currency
Notes only)

[Need to include details of where past and future performance and volatility of the relevant rates can be obtained and a clear and comprehensive explanation of how the value of the investment is affected by the underlying and the circumstances when the risks are most evident.]

46. Operational Information

(i) ISIN Code: []

(ii) Common Code: []

(iii) *Fondscore*: [] [Not Applicable]

(iv) WKN Code: [] [Not Applicable]

(v) [Other relevant code:] []

[Not Applicable/*give name(s) and numbers(s)*]

(vi) Offer Period: [[The offer of the Notes is expected to open at [] hours
([] time) on [] and close at [] hours ([] time) on
[] or such earlier or later date or time as the Issuer may
determine[, following consultation with the relevant Dealer
where practical,] (and announce)]]

[The aggregate principal amount of the Notes to be issued
and allotted will be announced by the Issuer at [] hours
([] time) on [] or such earlier or later date or time as the
Issuer may determine by means of [].]

[[No]/[D/d]ealing in the Notes will be possible before the
aggregate principal amount of the Notes is announced.]

[Not Applicable]

(vii) Reduction of subscriptions: [(A description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants.)]

[Not applicable]

(viii) Maximum and minimum subscription amount: [] and [].

(ix) Delivery: Delivery [against/free of] payment

(x) [Payment: Method and time limits of paying up the Notes – to be included if any agreement in this respect is entered into between Issuer and Manager(s)]

47. [Additional paying agent (if any)] [Name:]
[Address:]

48. [Additional information]
[The following information should be consulted in connection with the offer of the Notes:
[- The Issuer's unaudited consolidated interim financial statements for the 6 months ended 30 June 2007; these are available on the Issuer's website at www.ahold.com.]
[- insert other relevant information which does not necessitate a Supplement to the Base Prospectus].

49. [Other] (insert any other relevant information)

50. [Listing Application]
These Final Terms comprise the final terms required to list and have admitted to trading the issue of Notes described herein pursuant to the Program for the issuance of Notes of[]

Responsibility

The Issuer accepts responsibility for the information contained in this Base Prospectus. The Issuer declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Base Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import. [[] has been extracted from []. The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by [], no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the Issuer:

By:
Duly authorized

By:
Duly authorized

Notes:

* Not required if the minimum denomination is less than €50,000

** Not required if the minimum denomination is €50,000

FORM OF THE NOTES

Each Tranche of Notes initially will (unless otherwise indicated in the applicable Final Terms) be represented by a temporary global note (the "**Temporary Global Note**"), or, if so specified in the applicable Final Terms, a permanent global note (the "**Permanent Global Note**"), without receipts, interest coupons or talons, which will be delivered to a common depositary for Euroclear and Clearstream, Luxembourg and/or any other agreed clearing system. Whilst any Note is represented by a Temporary Global Note, subject to TEFRA D selling restrictions and has a maturity in excess of 183 days, payments of principal and interest (if any) due prior to the Exchange Date (as defined below) will be made against presentation of the Temporary Global Note only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of such Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by the relevant clearing system(s) and the relevant clearing system(s) has or have given a like certification (based on the certifications it has or they have received) to the Agent. Any reference in this section to the relevant clearing system(s) shall mean the clearing and/or settlement system(s) specified in the applicable Final Terms.

On and after the date (the "**Exchange Date**") which is not less than 40 days nor within any other applicable term after the date on which the Temporary Global Note is issued, interests in the Temporary Global Note will be exchangeable (free of charge) upon request as described therein, either for interests in a Permanent Global Note without receipts, interest coupons or talons, or for definitive Notes (as indicated in the applicable Final Terms) in each case (if the Notes are subject to TEFRA D selling restrictions and have maturities in excess of 183 days) against certification of beneficial ownership as described in the second sentence of the preceding paragraph unless such certification has already been given. The holder of a Temporary Global Note will not be entitled to collect any payment of principal or interest due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Global Note for an interest in a Permanent Global Note or for Definitive Notes is improperly withheld or refused.

Pursuant to the Agency Agreement (as defined under "**Terms and Conditions of the Notes**") the Agent shall arrange that, if a Temporary Global Note representing a further Tranche of Notes is issued, the Notes of such Tranche shall be assigned an ISIN and a common code by Euroclear and Clearstream, Luxembourg and/or a *Fondscode* by Clearnet S.A. Amsterdam Branch Stock Clearing (the securities clearing corporation of Euronext Amsterdam N.V.) which are different from the ISIN, common code and *Fondscode* assigned to Notes of any other Tranche of the same Series until at least the expiry of the distribution compliance period (as defined in Regulation S under the Securities Act) applicable to the Notes of such Tranche.

In relation to any issue of Notes which have a denomination consisting of the minimum Specified Denomination plus a higher integral multiple of another smaller amount, so long as such Notes are represented by a Temporary Global Note or Permanent Global Note and the common depositary for Euroclear and Clearstream, Luxembourg and/or any other agreed clearing system so permit, the Notes will be tradeable only in the minimum authorised denomination of EUR 50,000 and higher integral multiples of EUR 1,000, notwithstanding that no definitive notes will be issued with a denomination above EUR 99,000.

Definitive Notes will be either in the standard euomarket form, in K-form (including *verzamelbewijs*) (with coupons ("**Coupons**")) and/or in CF-form (with Coupon sheets). Definitive Notes and global Notes will be payable to bearer. Notes in K-form may, if applicable, have talons ("**Talons**") for further Coupons attached but will not be issued with receipts ("**Receipts**") attached. Notes in CF-form will have neither Talons nor Receipts attached on issue and will be governed by the rules of the *Algemeen Obligatiekantoor van het Centrum voor Fondsenadministratie B.V.* in Amsterdam.

Payments of principal and interest (if any) on a Permanent Global Note will be made through the relevant clearing system(s) against presentation or surrender (as the case may be) of the Permanent Global Note without any requirement for certification. To the extent permitted by applicable rules and procedures a Permanent Global Note will be exchangeable (free of charge), in whole in accordance with the applicable Final Terms for security printed definitive Notes with, where applicable, receipts, interest coupons or coupon sheets and talons attached. Such exchange may be made only upon the occurrence of an Exchange Event. An "**Exchange Event**" means that (1) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or has announced its intention permanently to cease business or has in fact done so and no alternative clearing system is available or (2) any of the circumstances described in Condition 10 has occurred or (3) the Issuer has or will become obliged to pay additional amounts as provided for or referred to in Condition 8 which would not be required if the Notes were in definitive form. The Issuer will promptly give notice to Noteholders in accordance with Condition 14 upon the occurrence of an Exchange Event. In the event of the occurrence of an Exchange Event as described in (1) above, Euroclear and/or Clearstream, Luxembourg, acting on the instructions of any holder of an interest in the global Note, may give notice to the Agent requesting exchange and in the event of the occurrence of an Exchange Event as described in (2) above, the Issuer may also give notice to the Agent requesting exchange. Any such exchange shall occur no later than 15 days after the date of receipt of the relevant notice by the Agent.

Global Notes and definitive Notes will be issued pursuant to the Agency Agreement. At the date hereof, neither Euroclear nor Clearstream, Luxembourg regard Notes in global form as fungible with Notes in definitive form.

Notes which are represented by a global Note will only be transferable in accordance with the rules and procedures for the time being of Euroclear or Clearstream, Luxembourg or any other agreed clearing system as the case may be.

Pursuant to the Agency Agreement the Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes, the Notes of such further Tranche shall be assigned a common code and ISIN which are different from the common code and ISIN assigned to Notes of any other Tranche of the same Series until at least the expiry of the distribution compliance period applicable to the Notes of such Tranche.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

The following legend will appear on all global Notes, definitive Notes, receipts and interest coupons (including talons) which are subject to TEFRA D selling restrictions:

"Any United States person who holds this obligation will be subject to limitations under the United States income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the Internal Revenue Code of 1986, as amended."

The sections referred to provide that United States holders, with certain exceptions, will not be entitled to deduct any loss on Notes, receipts or interest coupons and will not be entitled to capital gains treatment of any gain on any sale, disposition, redemption or payment of principal in respect of Notes, receipts or interest coupons.

To the extent permitted by applicable rules and procedures a Note may be accelerated by the holder thereof in certain circumstances described in Condition 10 of the Notes. In such circumstances, where any Note is still represented by a global Note and a holder of such Note so represented and credited to his account with the relevant clearing system(s) gives notice that it wishes to accelerate such Note, unless within a period of 15 days from the giving of such notice payment has been made in full of the amount due in accordance with the terms of such global Note, holders of interests in such global Note credited to their accounts with the relevant clearing system(s) will become entitled to proceed directly against the Issuer on the basis of statements of account provided by the relevant clearing system(s) on and subject to the terms of the relevant global Note.

USE OF PROCEEDS

Except as otherwise specified in the applicable Final Terms, the net proceeds from each issue of Notes will be applied by the Issuer for its general corporate purposes. If, in respect of any particular issue, there is a specific intended use of proceeds, such specific use of the proceeds will be stated in the applicable Final Terms.

TAXATION

The following describes the principal tax consequences of the acquisition, holding and disposal of the Notes. This summary does not purport to be a comprehensive description of all tax considerations that may be relevant to a decision to acquire, to hold, and to dispose of the Notes. Each investor should consult his or her own professional adviser with respect to the tax consequences of an investment in the Notes. The discussion of certain Netherlands taxes set forth below is included for general information purposes only.

DUTCH TAXATION

This is a general summary and the tax consequences as described here may not apply to a holder of Notes. Any potential investor should consult his own tax adviser for more information about the tax consequences of acquiring, owning and disposing of Notes in his particular circumstances.

This taxation summary solely addresses the principal Netherlands tax consequences of the acquisition, the ownership and disposition of Notes. It does not consider every aspect of taxation that may be relevant to a particular holder of Notes under special circumstances or who is subject to special treatment under applicable law. Where in this summary English terms and expressions are used to refer to Dutch concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Dutch concepts under Dutch tax law.

This summary is based on the tax laws of the Netherlands as they are in force and in effect on the date of this Base Prospectus. The laws upon which this summary is based are subject to change, possibly with retroactive effect. A change to such laws may invalidate the contents of this summary, which will not be updated to reflect any such change. This summary assumes that each transaction with respect to Notes is at arm's length.

Withholding tax

All payments under Notes may be made free from withholding or deduction of or for any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein, except where Notes are issued under such terms and conditions that such Notes are capable of being classified as equity of the Issuer for Dutch tax purposes or actually function as equity of the Issuer within the meaning of article 10, paragraph 1, letter d, of the Dutch Corporation Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*) and where Notes are issued that are redeemable in exchange for, convertible into or linked to shares or other equity instruments issued or to be issued by the Issuer or by any entity related to the Issuer.

Taxes on income and capital gains

Resident holders of Notes

The summary set out in this section "Dutch Taxation - Taxes on income and capital gains - Resident holders of Notes" only applies to a holder of Notes who is a "Dutch Individual" or a "Dutch Corporate Entity."

A holder of Notes is a "Dutch Individual" if:

- he is an individual; and

- he is resident, or deemed to be resident, in the Netherlands for Dutch income tax purposes, or has elected to be treated as a resident of the Netherlands for Dutch income tax purposes.

A holder of Notes is a "Dutch Corporate Entity" if:

- it is a corporate entity (including an association that is taxable as a corporate entity) that is subject to Dutch corporation tax;
- it is resident, or deemed to be resident, in the Netherlands for Dutch corporation tax purposes;
- it is not an entity that, although in principle subject to Dutch corporation tax, is, in whole or in part, specifically exempt from that tax and the benefits derived from any shares held by it in the Issuer are not exempt under the participation exemption as laid down in the Dutch Corporation Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*); and
- it is not an investment institution (*beleggingsinstelling*) as defined in the Dutch Corporation Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*).

If a holder of Notes is not an individual and if it does not satisfy any one or more of these tests, with the exception of the second test, its Dutch tax position is not discussed in this Base Prospectus.

Dutch Individuals deriving profits or deemed to be deriving profits from an enterprise

Any benefits derived or deemed to be derived from Notes, including any gain realized on the disposal thereof, by a Dutch Individual that are attributable to an enterprise from which such Dutch Individual derives profits, whether as an entrepreneur (*ondernemer*) or pursuant to a co-entitlement to the net value of an enterprise (other than as an entrepreneur or a shareholder), are generally subject to Dutch income tax at progressive rates.

Dutch Individuals deriving benefits from miscellaneous activities

Any benefits derived or deemed to be derived from Notes, including any gain realized on the disposal thereof, by a Dutch Individual that constitute benefits from miscellaneous activities (*resultaat uit overige werkzaamheden*) are generally subject to Dutch income tax at progressive rates.

Benefits derived from Notes by a Dutch Individual are taxable as benefits from miscellaneous activities if he, or an individual who is a connected person in relation to him as meant by article 3.91, paragraph 2, letter b, or letter c, of the Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*), has a substantial interest (*aanmerkelijk belang*) in the Issuer.

A person has a substantial interest in the Issuer if such person – either alone or, in the case of an individual, together with his partner (*partner*), if any – owns, directly or indirectly, either a number of shares representing five per cent. or more of the total issued and outstanding capital (or the issued and outstanding capital of any class of shares) of the Issuer, or rights to acquire, directly or indirectly, shares, whether or not already issued, representing five per cent. or more of the total issued and outstanding capital (or the issued and outstanding capital of any class of shares) of the Issuer, or profit participating certificates (*winstbewijzen*) relating to five per cent. or more of the annual profits of the Issuer or to five per cent. or more of the liquidation proceeds of the Issuer.

A person who is entitled to the benefits from shares or profit participating certificates (for instance a holder of a right of usufruct) is deemed to be a holder of shares or profit participating certificates, as the case may be, and such person's entitlement to such benefits is considered a share or a profit participating certificate, as the case may be.

Furthermore, a Dutch Individual may, *inter alia*, derive benefits from Notes that are taxable as benefits from miscellaneous activities in the following circumstances:

- a. if his investment activities go beyond the activities of an active portfolio investor, for instance in the case of the use of insider knowledge (*voorkennis*) or comparable forms of special knowledge; or
- b. if he makes Notes available or is deemed to make Notes available, legally or in fact, directly or indirectly, to certain parties as meant by the articles 3.91 and 3.92 of the Dutch Income Tax Act 2001 under circumstances described there.

Other Dutch Individuals

If a holder of Notes is a Dutch Individual whose situation has not been discussed before in this section "Dutch taxation - Taxes on income and capital gains – Resident holders of Notes", benefits from his Notes are taxed as a benefit from savings and investments (*voordeel uit sparen en beleggen*). Such benefit is deemed to be 4 per cent. per annum of the average of his "yield basis" (*rendementsgrondslag*) at the beginning and at the end of the year, insofar as that average exceeds the "exempt net asset amount" (*heffingvrij vermogen*). The benefit is taxed at the rate of 30 per cent. The value of his Notes forms part of his yield basis. Actual benefits derived from his Notes, including any gain realized on the disposal thereof, are not as such subject to Dutch income tax.

Dutch Corporate Entities

Any benefits derived or deemed to be derived from Notes, including any gain realized on the disposal thereof, that are held by a Dutch Corporate Entity are generally subject to Dutch corporation tax.

Non-resident holders of Notes

The summary set out in this section "Dutch Taxation - Taxes on income and capital gains - Non-resident holders of Notes" only applies to a holder of Notes who is a Non-Resident holder of Notes.

A holder of Notes will be considered a "Non-Resident holder of Notes" if he is neither resident, nor deemed to be resident, in the Netherlands for the purposes of Dutch income tax or corporation tax, as the case may be, and, in the case of an individual, has not elected to be treated as a resident of the Netherlands for Dutch income tax purposes.

Individuals

A Non-Resident holder of Notes who is an individual will not be subject to any Dutch taxes on income or capital gains in respect of benefits derived or deemed to be derived from Notes, including any payment under Notes and any gain realized on the disposal of Notes, except if:

1. he derives profits from an enterprise, whether as an entrepreneur (*ondernemer*) or pursuant to a co-entitlement to the net value of such enterprise, other than as a shareholder, such enterprise is either being managed in the Netherlands or carried on, in whole or in part, through a permanent establishment or a permanent representative in the Netherlands and his Notes are attributable to such enterprise; or
2. he derives benefits or is deemed to derive benefits from Notes that are taxable as benefits from miscellaneous activities in the Netherlands (*resultaat uit overige werkzaamheden in Nederland*).

See the section "Dutch Taxation - Taxes on income and capital gains - Resident holders of Notes - Dutch Individuals deriving benefits from miscellaneous activities" for a description of the circumstances under which the benefits derived from Notes may be taxable as benefits from miscellaneous activities, on the understanding that such benefits will be taxable in the Netherlands only if such activities are performed or deemed to be performed in the Netherlands.

Entities

A Non-Resident holder of Notes other than an individual will not be subject to any Dutch taxes on income or capital gains in respect of benefits derived or deemed to be derived from Notes, including any payment under Notes or any gain realized on the disposal of Notes, except if

- (a) such Non-Resident holder of Notes derives profits from an enterprise, whether as an entrepreneur (*ondernemer*) or pursuant to a co-entitlement to the net value of such enterprise, other than as a holder of securities, such enterprise either being managed in the Netherlands or carried on, in whole or in part, through a permanent establishment or a permanent representative in the Netherlands, and its Notes are attributable to such enterprise, or
- (b) such Non-Resident holder of Notes has a substantial interest in the Issuer.

A person other than an individual has a substantial interest in the Issuer, (i) if it has a substantial interest in the Issuer as described in the section "Dutch taxation – Taxes on income and capital gains - Resident holders of Notes - Dutch Individuals deriving benefits from miscellaneous activities" or (ii) if it has a deemed substantial interest in the Issuer. A deemed substantial interest may be present if its shares, profit participating certificates or rights to acquire shares or profit participating certificates in the Issuer have been acquired by such person or are deemed to have been acquired by such person on a non-recognition basis.

General

Subject to the above, a Non-Resident holder of Notes will not be subject to income taxation in the Netherlands by reason only of the execution (*ondertekening*), delivery (*overhandiging*) and/or enforcement of the documents relating to the issue of Notes or the performance by the Issuer of its obligations thereunder or under the Notes.

Gift tax and inheritance tax

A person who acquires Notes as a gift, in form or in substance, or who acquires or is deemed to acquire Notes on the death of an individual, will not be subject to Dutch gift tax or to Dutch inheritance tax, as the case may be, unless:

- (i) the donor is, or the deceased was resident or deemed to be resident in the Netherlands for purposes of gift or inheritance tax, as the case may be; or
- (ii) the Notes are or were attributable to an enterprise or part of an enterprise that the donor or the deceased carried on through a permanent establishment or a permanent representative in the Netherlands at the time of the gift or of the death of the deceased; or
- (iii) the donor made a gift of Notes, then became a resident or deemed resident of the Netherlands, and died as a resident or deemed resident of the Netherlands within 180 days after the date of the gift.

Other taxes and duties

No Dutch registration tax, transfer tax, stamp duty or any other similar documentary tax or duty, other than court fees, is payable by a holder of Notes in the Netherlands in respect of or in connection with the execution, delivery and/or enforcement by legal proceedings (including the enforcement of any foreign judgment in the courts of the Netherlands) of the documents relating to the issue of Notes or the performance by the Issuer of its obligations thereunder or under the Notes or in respect of or in connection with the transfer of Notes.

EU Savings Directive

Under EU Council Directive 2003/48/EC on the taxation of savings income, Member States are required, from 1 July 2005, to provide to the tax authorities of another Member State details of payments of interest (or similar income) paid by a person within its jurisdiction to an individual resident in that other Member State. However, for a transitional period, Belgium, Luxembourg and Austria are required (unless during that period they elect otherwise) to operate a withholding system in relation to such payments (the ending of such transitional period being dependent upon the conclusion of certain other agreements relating to information exchange with certain other countries). A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland) with effect from the same date.

SUBSCRIPTION AND SALE

The Dealers have, in an amended and restated program agreement (the **Program Agreement**) dated May 9, 2007 agreed with the Issuer a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under "*Terms and Conditions of the Notes*". In the Program Agreement, the Issuer has agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Program and the issue of Notes under the Program and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

Each Dealer has agreed to comply with the following provisions except to the extent that, as a result of any change(s) in, or in the official interpretation of, any applicable laws and/or regulations, non-compliance would not result in any breach of the provisions below.

European Economic Area

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a **Relevant Member State**), each Dealer has represented and agreed, and each further Dealer appointed under the Program will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the **Relevant Implementation Date**) it has not made and will not make an offer of Notes to the public in that Relevant Member State, except that it may, with effect from and including the Relevant Implementation Date, make an offer of Notes to the public in that Relevant Member State:

- (a) in (or in Germany, where the offer starts within) the period beginning on the date of publication of a prospectus in relation to those Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, all in accordance with the Prospectus Directive and ending on the date which is 12 months after the date of such publication;
- (b) at any time to legal entities which are authorized or regulated to operate in the financial markets or, if not so authorized or regulated, whose corporate purpose is solely to invest in securities;
- (c) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or
- (d) at any time in any other circumstances which do not require the publication by the Issuer of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Notes to the public" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression **Prospectus Directive** means Directive 2003/71/EC and includes any relevant implementing measure in each Relevant Member State.

The Netherlands

Zero Coupon Notes in definitive form and other Notes which qualify as savings certificates as defined in the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) may only be transferred or accepted through the mediation of either the Issuer or a Member of Euronext Amsterdam N.V. with due observance of the Savings Certificates Act and its implementing regulations (including registration requirements), provided that no mediation is required in respect of (i) the initial issue of those Notes to the first holders thereof, (ii) any transfer or acceptance by individuals who do not act in the conduct of a profession or trade, and (iii) the transfer and acceptance of those Notes, if they are physically issued outside the Netherlands and are not distributed in the Netherlands in the course of primary trading or immediately thereafter.

United States of America

- 1.1 Regulation S Category 2; TEFRA D; Rule 144A eligible if so specified in the relevant Final Terms;
- 1.2 Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") and may not be offered or sold within the United States or to or for the account or benefit of U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in the preceding sentence have the meanings given to them by Regulation S under the Securities Act.
- 1.3 Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to U.S. persons, except in certain transactions permitted by U.S. tax regulations. Terms used in the preceding sentence have the meanings given to them by the United States Internal Revenue Code and regulations thereunder.
- 1.4 Each Dealer has agreed and each further Dealer appointed under the Program will be required to agree that, except as permitted by the Program Agreement, it will not offer, sell or deliver Notes, (a) as part of their distribution at any time or (b) otherwise until 40 days after the completion of the distribution of the Notes comprising the relevant Tranche, as certified to the Fiscal Agent or the Issuer by such Dealer (or, in the case of a sale of a Tranche of Notes to or through more than one Dealer, by each of such Dealers as to Notes of such Tranche purchased by or through it, in which case the Fiscal Agent or the Issuer shall notify each such Dealer when all such Dealers have so certified) within the United States or to or for the account or benefit of U.S. persons, and such Dealer will have sent to each dealer to which it sells Notes during the restricted period relating thereto a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to or for the account or benefit of U.S. persons. In addition, until 40 days after the commencement of the offering of Notes comprising any Tranche, any offer or sale of Notes within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A under the Securities Act.
- 1.5 Each Tranche of Notes will also be subject to such further United States selling restrictions as the Issuer and the relevant Dealer(s) may agree and as indicated in the relevant Final Terms.

United Kingdom

In relation to each issue of Notes, each Dealer subscribing for or purchasing such Notes represents, warrants and agrees that:

- (a) **Financial promotion:** it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment

activity (within the meaning of section 21 of the Financial Services and Markets Act 2000, the "FSMA") received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA, does not or in the case of the Issuer would not, if it was not an authorized person, apply to the Issuer; and

- (b) **General Compliance:** it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

Republic of France

The Issuer and each Dealer represents and agrees that it (i) has not offered or sold, and will not offer or sell, directly or indirectly, Notes to the public in the Republic of France (*appel public à l'épargne*) and (ii) has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in the Republic of France the Base Prospectus or any other offering material relating to the Notes and (iii) that such offers, sales and distributions have been and will only be made in France to qualified investors (*investisseurs qualifiés*), all as defined in, and in accordance with, articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French Code *monétaire et financier*, but excluding individuals referred to in Article D.411-1 II 2°.

Italy

The offering of the Notes has not been registered pursuant to Italian securities legislation and, accordingly, each Dealer has represented and agreed and each further Dealer appointed under the Program will be required to represent and agree that it has not offered or sold, and will not offer or sell, any Notes in Italy in a solicitation to the public, and that sales of the Notes in Italy shall be effected in accordance with all Italian securities, tax and exchange control and other applicable laws and regulations.

Each Dealer has represented and agreed and each further Dealer appointed under the Program will be required to represent and agree that it will not offer, sell or deliver any Notes or distribute copies of this Base Prospectus or any other document relating to the Notes in Italy except to "professional investors", as defined in Article 31, paragraph 2 of CONSOB Regulation No. 11522 of 1 July 1998 as amended ("**Regulation No. 11522**"), pursuant to Article 30, paragraph 2 and Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended ("**Decree No. 58**"), or in any other circumstances where an express exemption from compliance with the solicitation restrictions provided by Decree No. 58 or CONSOB Regulation No. 11971 of 14 May 1999, as amended applies.

Any such offer, sale or delivery of the Notes or distribution of copies of the Base Prospectus or any other document relating to the Notes in Italy must be:

- (a) made by investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with Legislative Decree No. 385 of 1 September 1993, as amended ("**Decree No. 385**"), Decree No. 58, CONSOB Regulation No. 11522 and any other applicable laws and regulations;
- (b) in compliance with Article 129 of Decree No. 385 and the implementing instructions of the Bank of Italy (*Istruzioni di Vigilanza della Banca d'Italia*), pursuant to which, *inter alia*, the issue and offer of securities in Italy is subject to prior and subsequent notification to the Bank of Italy, unless an exemption applies, depending, *inter alia*, on the aggregate amount and the characteristics of the Notes issued or offered in Italy; and

- (c) in compliance with any other applicable notification requirement or limitation which may be imposed by CONSOB or the Bank of Italy or any other Italian competent authority.

Transfer Restriction in Italy

Article 100-bis of Legislative Decree No. 58 of 24 February 1998 (as amended) affects the transferability of Notes in Italy to the extent that an offer of Notes (or any part of such offer) is made solely to professional investors and such Notes are then transferred in Italy during the period of 12 months from the date of issue of the Notes. Where this occurs, professional investors will be liable to purchasers of the Notes who are non-professional investors for any default by the Issuer in its payment obligations under the Notes if the Issuer is or becomes insolvent, even where the sale by the professional investor took place at the express request of the purchaser. The above provisions will not apply where the professional investor, prior to any such transfer of Notes, delivered to the purchaser an information document containing all such information as is required by CONSOB. As at the date of this Base Prospectus, CONSOB has not implemented any regulations specifying the content of such information document.

Japan

The Notes have not been and will not be registered under the Securities and Exchange Law of Japan (the "**Securities and Exchange Law**") and each Dealer agrees that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in, compliance with, the Securities and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

General

The Issuer and each Dealer acknowledge that, with the exception of (i) requesting and receiving the approval by the Netherlands Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*; the "**AFM**") of the Base Prospectus as a base prospectus issued in compliance with the Prospectus Directive and relevant implementation measures in the Netherlands and (ii) the application to list the Notes on Eurolist by Euronext, the regulated market of Euronext Amsterdam N.V., no action has been taken in any state or jurisdiction by either the Issuer or the Dealers that would permit a public offering of Notes, or possession or distribution of any offering material in relation thereto, in any state or jurisdiction where action for that purpose is required. The AFM may be further requested by the Issuer to provide other competent authorities of states in the European Economic Area with a certificate of approval attesting that the Base Prospectus has been drawn up in accordance with the Prospectus Directive and the Commission Regulation (EC) No. 809/2004 so that application may be made for Notes issued under this Program to be listed on the regulated markets of such states and offered to the public in such states. Persons who take note of the contents of this Base Prospectus or any Final Terms are required by the Issuer and the Dealers through such material to comply with all applicable laws and regulations in each state or jurisdiction in or from which such persons purchase, offer, sell or deliver Notes or have in their possession or distribute such material, in all cases at their own expense.

Each Dealer has agreed and each further Dealer appointed under the Program will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Base Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and neither the Issuer nor any of the other Dealers shall have any responsibility therefore.

None of the Issuer and the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with such other restrictions as the Issuer and the relevant Dealer shall agree and as shall be set out in the applicable Final Terms.

GENERAL INFORMATION

Authorizations

The update of the Program and each future issue of Notes under the Program was duly authorized by a resolution of Ahold's Corporate Executive Board dated May 4, 2007. All consents, approvals, authorizations or other orders of all regulatory authorities required by the Issuer under the laws of the Netherlands have been or will be obtained for the issue of Notes and for the Issuer to undertake and perform its obligations under the Dealership Agreement, the Agency Agreement and the Notes.

Listing

Application has been made to Euronext Amsterdam to allow Notes issued under the Program to be admitted to trading on Eurolist by Euronext Amsterdam.

Documents Available

So long as Notes are outstanding under the Program, copies of the following documents will, when published, be available free of charge from the registered office of the Issuer and from the specified office of the Paying Agent:

- (i) the Deed of Incorporation of Ahold;
- (ii) the Dutch language version and an English translation of the most recent Articles of Association of Ahold;
- (iii) the audited Ahold 2006 Annual Report;
- (iv) the audited 2005 annual financial statements;
- (v) the Program Agreement and the Agency Agreement (which contains the forms of the Temporary and Permanent Global Notes, the Definitive Notes, the Receipts, the Coupons and the Talons);
- (vi) a copy of this Base Prospectus;
- (vii) any future prospectuses, offering circulars, supplementary listing particulars, information memoranda, supplements to this Base Prospectus and any documents incorporated herein by reference; and
- (viii) the Final Terms for each Tranche of Notes.

Clearing and Settlement Systems

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The appropriate common code, ISIN and *Fondscore* for each Tranche allocated by Euroclear, Clearstream, Luxembourg and Clearnet (the securities clearing corporation of Euronext Amsterdam), and any other relevant security code, will be specified in the applicable Final Terms. If the Notes are to clear through an additional or alternative clearing system, the appropriate information will be specified in the applicable Final Terms.

Clearing systems addresses

The address of Euroclear is 1 Boulevard de Roi Albert II, 1210 Brussels, Belgium. The address of Clearstream Luxembourg is 42 Avenue J.F. Kennedy, L-1855 Luxembourg.

Auditors

The auditors of the Issuer are Deloitte Accountants B.V., who have audited Ahold's accounts, without qualification, in accordance with generally accepted accounting principles in the Netherlands for the

financial year ended on 2 January 2005 and in accordance with IFRS for the financial year ended on 1 January 2006. The partner of Deloitte Accountants B.V. who has signed the audit report for the aforementioned accounts is a member of *Nederlands Instituut voor Register Accountants*.

Post-issuance information

The Issuer does not intend to provide any post-issuance information in relation to any issues of Notes.

Ratings

Ahold's solicited credit ratings are published by Moody's and S&P.

Grading scale of Moody's and S&P

		Moody's *	S&P **
Investment grades	Very high quality	Aaa	AAA
		Aa	AA
	High quality	A	A
		Baa	BBB
Non-investment grades	Speculative	Ba	BB
		B	B
	Very poor	Caa	CCC
		Ca	CC
		C	C
	D	D	

* Moody's appends a numerical modifiers, with '1' indicating the upper, '2' the middle and '3' the lower end of each rating category. These are applied for ratings Aa down to Caa

** S&P uses '+' and '-' modifiers to show relative standing within major rating categories. These are applied for ratings AA down to CCC.

Ahold's current long-term corporate credit rating assigned by S&P is BBB- with a stable outlook and BB+ for senior unsecured debt. The current rating of Ahold assigned by Moody's, on the basis of Corporate Family Rating, is Ba1 with a positive outlook. Moody's also applied a rating of Ba1 for senior unsecured debt of Ahold

Standard & Poor's

Outlook	Stable
LT Foreign Issuer Credit	BBB-
LT Local Issuer Credit	BBB-
Senior Unsecured Debt	BB+
ST Foreign Issuer Credit	A-3
ST Local Issuer Credit	A-3
Preferred stock	BB-

Moody's

Outlook	Positive
Corporate Family Rating	Ba1
Senior Unsecured Debt	Ba1

The current rating of Ahold applied by S&P (on a basis of LT Issuer Credit) is investment grade and the current rating of Ahold applied by Moody's (on a basis of Corporate Family Rating) is one notch below the investment grade (investment grade being Baa3).

List of rated securities

Issuer	Amount*	Currency	Coupon	Maturity	Series	S&P	Moody's
Koninklijke Ahold N.V.	66	EUR	2.985	26oct07	EMTN	BB+	Ba1
Koninklijke Ahold N.V.	200	EUR	6.375	30nov07	EMTN	BB+	Ba1
Albert Heijn B.V.	120	EUR	5.875	19dec07		BB+	Ba1
Koninklijke Ahold N.V.	969	EUR	5.875	05sep08	EMTN	BB+	Ba1
Koninklijke Ahold N.V.	95	EUR	5.625	17dec08	EMTN	BB+	Ba1
Ahold Finance U.S.A., LLC	500	USD	6.25	01may09		BB+	Ba1
Ahold Finance U.S.A., LLC	700	USD	8.25	15jul10		BB+	Ba1
Ahold Finance U.S.A., LLC	407	EUR	5.875	14mar12	EMTN	BB+	Ba1
Ahold Finance U.S.A., LLC	250	GBP	6.5	14mar17	EMTN	BB+	Ba1
Ahold Lease U.S.A., Inc.	279	USD	7.82	02jan20	A-1	BBB-	Ba1
Ahold Lease U.S.A., Inc.	251	USD	8.62	02jan25	A-2	BBB-	Ba1
Ahold Finance U.S.A., LLC	500	USD	6.875	01may29		BB+	Ba1

* Outstanding principal amounts in millions

DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published or are published simultaneously with this Base Prospectus and have been approved by the AFM or filed with it in accordance with the Prospective Directive, or with Titles IV and V of Directive 2001/34/EC and relevant implementing measures in the Netherlands, shall be deemed to be incorporated in, and to form part of, this Base Prospectus:

- (a) Ahold's 2006 Annual Report;
- (b) Ahold's 2005 audited annual financial statements;
- (c) Ahold's articles of association as per the Publication Date of this Base Prospectus (in the original Dutch language version as well as in English translation); and
- (d) Ahold's press release dated April 11, 2007,
- (e) Ahold's press release dated April 27, 2007,
- (f) Ahold's press release dated May 2, 2007,
- (g) Ahold's press releases dated May 3, 2007,

save that any statement contained in a document which is incorporated by reference in this Base Prospectus shall, to the extent applicable, be deemed to modify or supersede (whether expressly, by implication or otherwise) statements contained in a document which is incorporated by reference of an earlier date. Any statement so modified or superseded shall not be deemed, except as so modified or suspended, to constitute a part of this Base Prospectus.

These documents can be obtained without charge at the registered office of the Issuer and the Paying Agent, each as set out at the end of this Base Prospectus. In addition these documents are available on the Issuer's website at www.ahold.com.

**REGISTERED OFFICE OF
KONINKLIJKE AHOLD N.V.**

Piet Heinkade 167-173
1019 GM Amsterdam
The Netherlands

LEGAL ADVISORS TO AHOLD

As to Dutch law

De Brauw Blackstone Westbroek N.V.

Burgerweeshuispad 301
1076 HR Amsterdam
The Netherlands

As to U.S. law

White & Case LLP

1155 Avenue of the Americas
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United States of America

THE DEALERS

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1082 PP Amsterdam
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Banc of America Securities Limited

5 Canada Square
London, E14 5AQ
The United Kingdom

BNP Paribas

10 Harewood Avenue
London NW1 6AA
The United Kingdom

CITIGROUP GLOBAL MARKETS LIMITED

Citigroup Centre
Canada Square
Canary Wharf
London E14 5LB
The United Kingdom

**Coöperatieve Centrale Raiffeisen-
Boerenleenbank B.A. (Rabobank International)**

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3521 CB Utrecht
The Netherlands

J.P. Morgan Securities Ltd.

125 London Wall
London EC2Y 5AJ
The United Kingdom

LEGAL ADVISOR TO THE DEALERS

As to Dutch law

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