

Cumulative preference share option agreement

The undersigned:

1. Koninklijke Ahold N.V., with its registered office in Zaandam (municipality of Zaanstad), hereafter referred to as the "Company";

and

2. Stichting AHOLD Continuïteit, with its registered office in Zaandam (municipality of Zaanstad), hereafter referred to as the "Foundation";

whereas:

- a. on 26 March 1997 the Company and the Foundation entered into an agreement set out in a private deed dated 26 March 1997, which agreement was amended on 14 December 2001, hereafter referred to as the "Agreement";
- b. in the Agreement, the Company grants to the Foundation the right to acquire, with due regard to the provisions of the Agreement, cumulative preference shares in the capital of the Company up to a maximum of eight hundred thousand (800,000) cumulative preference shares with a nominal value of five hundred euros (EUR 500) each;
- c. to implement the resolution of the general meeting of shareholders of the Company dated 26 November 2003 the articles of association of the Company were amended with effect from 26 November 2003, whereby the authorized share capital of the Company was increased to one billion two hundred and fifty million euros (EUR 1,250,000,000) divided into one million two hundred and fifty thousand (1,250,000) cumulative preference shares with a nominal value of five hundred euros (EUR 500) each, five hundred million (500,000,000) cumulative preference financing shares with a nominal value of twenty-five eurocents (EUR 0.25) each and two billion (2,000,000,000) ordinary shares with a nominal value of twenty-five eurocents (EUR 0.25) each;
- d. the general meeting of shareholders of the Company on 26 November 2003 empowered the Management Board for a period of 18 months to resolve, with the approval of the Supervisory Board, inter alia to issue or grant rights to acquire cumulative preference shares, such up to a maximum of the number of cumulative preference shares in the authorized share capital of the Company at the date of the resolution or at any time in the future;
- e. the Management Board of the Company resolved on __ December 2003, with the approval of the Supervisory Board:
 - (i) to grant to the Foundation the right to acquire a number of cumulative preference shares up to a maximum of the number of cumulative preference shares in the authorized share capital of the Company at the date of the resolution;
 - (ii) to enter into the amended option agreement;

hereby re-enact the Agreement in full as follows:

Article 1.

- 1.1 The Company hereby grants to the Foundation and the Foundation accepts from the Company the right to acquire, with due regard to the provisions of the Agreement, cumulative preference shares in the capital of the Company up to a maximum of the number of cumulative preference shares in the authorized share capital of the Company at the date of the Agreement.
- 1.2 The Foundation may exercise the aforementioned right in full or in part at any time provided that the cumulative preference shares acquired by the Foundation whenever the right is exercised do not exceed a maximum total nominal sum equal to the total nominal amount of all of the ordinary shares and cumulative preference financing shares in the capital of the Company in issue at that time, the latter sum to be reduced by the total nominal sum of cumulative preference shares already held at that time by the Foundation. If new ordinary shares or cumulative preference financing shares are subsequently issued, the Foundation may again make use of its right up to the maximum referred to in the preceding sentence.
- 1.3 Any repurchase or cancellation of cumulative preference shares by the Company shall not restrict the aforementioned right in that those cumulative preference shares may also be purchased by the Foundation or may be acquired again by the Foundation.
- 1.4 In the event of a change in the authorized share capital of the Company, the number referred to in clause 1 shall by operation of law follow the new number of cumulative preference shares included in the new established authorized share capital of the Company after the appropriately authorized bodies have passed the underlying resolutions.

Article 2.

- 2.1 The Foundation shall exercise the right by serving the Company with a notice to that end. The notice shall state the number of cumulative preference shares that the Foundation wishes to acquire, with due regard for the maximum referred to in article 1.
- 2.2 Immediately after receipt of the notice, the Company shall issue the notified cumulative preference shares to the Foundation against simultaneous payment by the Foundation of the amount to be paid up on them.
- 2.3 On acquiring the cumulative preference shares, the Foundation shall pay up one-quarter of the nominal value in cash.
- 2.4 The above provisions shall apply mutatis mutandis to a purchase of cumulative preference shares by the Foundation, such shares being delivered by the Company to the Foundation against payment of the nominal value.

Article 3.

- 3.1 The Foundation shall be entitled to a dividend on the cumulative preference shares that shall be calculated pursuant to article 39(3) of the articles of association of the Company.
- 3.2 The dividend on cumulative preference shares acquired by the Foundation during a financial year shall for that financial year be a proportion of the dividend calculated pursuant to article 39(3) of the articles of association; that proportion shall be expressed as a fraction with a denominator of 360 and a numerator of the number of days between the day of acquisition of the relevant cumulative preference shares and the end of the financial year concerned.

Article 4.

- 4.1 The Foundation may not alienate or encumber the rights under this agreement.
- 4.2 The Agreement is entered into for a period of 15 (fifteen) years and may not be cancelled by the Company during this period. Parties shall, if one of them so requests at least 1 (one) year before the expiry of this period, consult on extension of the Agreement.

Thus enacted and signed in duplicate on 15 December 2003

For the Foundation
By
Title

Chairman SAC
Treasurer SAC

For the Company
By
Title

Executive Vice-president