

The Depository Trust Company

IMPORTANT

Revision for conversion date

B#: 2405

DATE: September 06, 2001

TO: All Participants

CATEGORY: Dividends

FROM: Nilesh Desai, Supervisor, Dividend Department

ATTENTION: Dividend Managers, Cashiers & Reorganization Managers

SUBJECT: Optional Dividend: Koninklijke Ahold N.V. ADR
CUSIP#: 500467303 R/D: 9/05/01 P/D: 10/24/01 Rate: U.S.
Dollar equivalent to Euro 0.22 per ADR or 1% in stock of
Addl. ADRs of Koninklijke Ahold N.V. DTC C/O: 9/28/01

***** WARNING TIME CRITICAL *****

IMPORTANT: KONINKLIJKE AHOLD N.V., WILL PAY A DIVIDEND OF EURO 0.22 PER ADR OR 1% IN STOCK PER ADR AT EACH AHOLD SHAREHOLDERS DISCRETION. FRACTIONAL ENTITELMENTS WILL BE SOLD BY THE BANK OF NEW YORK AND PROCEEDS DISTRIBUTED ACCORDINGLY. IF NO ELECTIONS ARE RECEIVED, YOU WILL RECEIVE THE DIVIDEND IN STOCK.

** WHETHER YOU ELECT STOCK OR CASH, YOU WILL BE SUBJECT TO U.S. FEDERAL INCOME TAX ON THE VALUE ON THE AMOUNT RECEIVED.

Participants who have positions in the above captioned security, can elect to receive the dividend distribution as follows:

OPTION #1: You may elect to receive U.S. Dollar equivalent to EUR 0.22 in cash less 25%
CASH Netherlands Withholding Tax per ADR. The Bank of New York shall convert funds to U.S. dollars on **October 15, 2001.**

OPTION #2: You may elect to receive additional ADRs of Koninklijke Ahold N.V. If you
STOCK elected stock, you will receive 1 share for every 100 shares held on record date.
Fractional ADRs will be paid in cash.

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PARTICIPANTS SHOULD SUBMIT ELECTION INSTRUCTIONS OVER THE PARTICIPANT TERMINAL SYSTEM (PTS) THROUGH THE ELECTIVE DIVIDEND SYSTEM (EDS) FUNCTION TO ELECT ALL OR A PORTION OF THEIR POSITION ENTITLED TO THE APPLICABLE OPTION.

PARTICIPANTS NOT RESPONDING TO THE ABOVE OPTION BY 09/28/01 WILL RECEIVE THE MANDATORY OPTION IN ACCORDANCE WITH OPTION #2 (ADDITIONAL ADRS).

To confirm your record date position, participants should access the Dividend and Allocation History (DPAL) option, via the PTS Dividend Announcements Inquiry (DIVA) Function.

For holders electing to receive cash-

HOLDERS WHO ELECT CASH WILL RECEIVE PAYMENT AT THE STANDARD TAX WITHHOLDING RATE OF 25% ON ADR PAYABLE DATE. INFORMATION ABOUT THE ABILITY TO OBTAIN A TAX REFUND UNDER THE TAX CONVENTION OF DECEMBER 18, 1992, BETWEEN THE UNITED STATES AND THE NETHERLANDS (THE "TAX CONVENTION OF 1992") IS CONTAINED IN THE ATTACHEMENT THAT FOLLOWS:

THE BANK OF NEW YORK MUST RECEIVE THE SPLIT LETTER AT THE FOLLOWING ADDRESS **BY NOVEMBER 13, 2001:**

**THE BANK OF NEW YORK
ADR DEPARTMENT
101 BARCLAY STREET 15 EAST
NEW YORK, N.Y. 10286
ATTN.: ROBERT KELLETT**

Following are the criteria available to holders choosing to receive the beneficial tax treaty rates:

1. **IF AN INDIVIDUAL OR CORPORATION OF THE UNITED STATES** (claiming eligibility for the 15 % withholding rate):
 - Does not carry on a business in the Netherlands through a permanent establishment or perform in the Netherlands independent personal services from a fixed base, if the holding in respect of which the dividends are paid, forms part of the business property of such permanent establishment or pertains to such fixed base.
2. **IF A CORPORATION OF THE UNITED STATES** (claiming eligibility for the 15% withholding rate):
 - Satisfies the conditions of Article 26 (Limitation in Benefits) of the Tax Convention of 1992.
3. **IF AN EXEMPT PENSION TRUSTS** (claiming eligibility for the 0% withholding rate under Article 35 of the Tax Convention of 1992):
 - Is constituted and operated exclusively to administer or provide pension, retirement or other employee benefits.

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IMPORTANT NOTE: ANY EXEMPT ORGANIZATIONS operated exclusively for religious, charitable, scientific, educational or other public purposes (claiming eligibility for the 0% withholding rate under Article 36 of the Tax Convention of 1992) **MUST FILE DIRECTLY WITH THE DUTCH TAX OFFICE VIA CLAIM FORM IB-95 USA PER BENEFICIAL OWNER ALONG WITH A BANK OF NEW YORK PRODUCED PROOF OF WITHHOLDING.**

Questions regarding the attached notice and split letter from The Bank of New York should be directed to Mr. Robert Kellett, at (212) 815-2726.

If there are any questions regarding this Important Notice or the processing of related instructions via EDS, DTC participants should contact Mr. John McCarthy or Mr. Ray Lew of DTC's Dividend Department at (212) 855-4521/4523

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IMPORTANT NOTICE

KONINKLIJKE AHOLD N.V.

AMERICAN DEPOSITARY RECEIPTS

Final Dividend in Respect of the Year 2000

**Payable: October 24, 2001 to
Holders of Record: September 5, 2001**

**To Banks, Brokers and Nominees
in the United States holding
KONINKLIJKE AHOLD N.V. American Depositary Receipts - CUSIP No. 500467303**

KONINKLIJKE AHOLD N.V. has announced an **Interim** dividend in cash in respect of the year **2001** amounting to **EUR 0.22** per common share. One American Depositary Share (evidenced by an American Depositary Receipt) represents one Common Share.

The **Interim** dividend shall be paid by us on **October 24, 2001** to holders of record at the close of business on **September 5, 2001**. Payment shall be made by U.S. dollar check or by wire transfer less the 25% Netherlands withholding tax on dividend.

Important: Please note that the purpose of this document is to explain how The Bank of New York ("BNY") will process payments for the cash dividend as well as address the reclaim procedures required for obtaining the dividend at both the tax-exempt and favorable tax rates.

Netherlands Withholding Tax on Dividends

The basic Netherlands withholding tax rate on dividends is 25%. With effect from January 1, 1994, the Tax Convention of December 18, 1992, between the United States and the Netherlands (the "Tax Convention") entered into force.

General:

Individuals resident in the United States, as well as the U.S. Government, its political subdivisions and its local authorities can claim treaty benefits. U.S. resident persons other than the before mentioned must satisfy the conditions of Article 26 (Limitation on Benefits) of the Tax Convention in order to qualify for treaty reduction of withholding tax.

As described below, there is a procedure for relief at source except for exempt organizations (e.g. charities) as dealt with in Article 36 of the Tax Convention. Since relief at source is not available to charities, an alternative method of reclaim must be utilized for a refund to be obtained.

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This paragraph and those below are only a brief and incomplete summary for convention. With regard to any particular situation advice should be obtained from your tax counsel.

15% Withholding Tax:

Under the Tax Convention, the reduced rate of 15% dividend withholding tax applies to individuals resident in the United States and to corporations organized under the laws of the United States that satisfy the conditions of article 26 of the Tax Convention or of a state or territory thereof and any other legal person subject to United States Federal Income Tax with respect to its worldwide income provided that American Depositary Receipts (“ADRs” or “ADR”) on which the dividend is paid are not effectively connected with a permanent establishment or a fixed base of the ADR holder in the Netherlands.

0% Withholding Tax:

Under the Tax Convention, the rate of withholding tax is generally reduced to 0% for dividends received by certain United States resident organizations that are generally exempt from United States Federal Income Tax and that are constituted and operated exclusively to administer or provide pension, retirement or other employee benefits (Exempt Pension Trusts, Article 35 of the Tax Convention).

Full refund from Netherlands Tax Authorities of 25% withholding tax:

Under the Tax Convention, certain United States resident organizations that are generally exempt from United States Federal Income Tax and that are constituted and operated exclusively for religious, charitable, scientific, educational or public purposes (Exempt Organizations, Article 36 of the Tax Convention), are now subject to an initial 25% withholding rate. Such an exempt organization, if it would be exempt from tax in the Netherlands if it were organized and carried on all its activities therein, is entitled to reclaim directly from the Netherlands Tax Authorities a full refund of the 25% Netherlands dividend tax (see below).

Reduced withholding tax rates under other Tax Conventions and the Tax Regulation for the Kingdom of the Netherlands.

Where ADRs are beneficially owned by non-residents of the United States, any exemption from, or reduction or refund of, the Netherlands withholding tax is governed by the “Tax Regulation for the Kingdom of the Netherlands” or by the respective tax conventions between the Netherlands and the country of their residence.

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PROCEDURES

I. Procedure for Banks, Brokers and others who are participants in a Depository System:

Enclosed with this notice is a Declaration of Beneficial Ownership or "Split Letter" on which Banks, Brokers and others who are participants in a Depository System must certify the number of ADRs in their account on the record date which are beneficially owned by:

- (1) exempt pension trust resident in the United States, as referred to in Article 35 of the Tax Convention;
- (2) exempt organizations resident in the United States, as referred to in Article 36 of the Tax Convention;
- (3) other residents of the United States;
- (4) residents of Aruba, Netherlands Antilles and residents of other countries with which the Netherlands has concluded a tax convention (whilst enclosing the required tax forms 'IB 92' etc.); and
- (5) persons who cannot or do not claim the application of any tax convention concluded with the Netherlands or the Tax Regulation for the Kingdom of the Netherlands.

"Split Letters" and dividend checks may be subject to review by the Tax Authorities in the Netherlands.

On **October 24, 2001** we will make available to each Depository an amount of 75% of the declared dividend for all ADRs registered in the nominee name of the Depository. In order to receive a refund of Netherlands withholding tax on or about **December 10, 2001**, a completed Split Letter and any applicable tax forms must be received by BNY by **November 13, 2001**. All refunds will take place after the payment date. For Split Letters received after **November 13, 2001** refunds will take place on or about **December 10, 2002**.

Note: Split Letters will be accepted by BNY for a one year period that ends on **August 12, 2002**. Consequently, Declarations in Lieu of the Dividend Note (the proof of withholding) will not be available from BNY until after **August 12, 2002**, except for charities under Article 36.

Shortly after receipt of a duly completed split letter BNY shall mail each participant:

- (1) a supplemental check for 25% of the dividend with respect to those ADRs reported to be beneficially owned by exempt pension trusts as dealt with in Article 35 of the Tax Convention that are resident in the United States and that satisfy the conditions of article 26 of the Tax Convention

- (2) a supplemental check for 10% of the dividend with respect to those ADRs reported to be beneficially owned by residents of the United States within the meaning of the Tax Convention (other than exempt pension trusts and exempt organizations, as dealt with in Articles 35 and 36, respectively, of that Convention) and that satisfy the conditions of Article 26 of that Convention.

The checks under (1) and (2) will have printed on the reverse side thereof a form of Declaration of Residence. The manual signature of the payee in the place indicated on the reverse side of the check will constitute the endorsement of the check, the execution of the declaration of residence and said entitlement on behalf of your clients. The check will be honored for one year period that ends on **August 12, 2002**. Thereafter, any refund of Netherlands tax must be obtained directly from the Netherlands Tax Authorities within three years after the expiration of the calendar year in which the dividend tax has been levied. In this case, a separate request must be filed by each individual owner of ADRs with the Belastingdienst/Particulieren/Ondernemingen buitenland, P.O. Box 2865, 6401 DJ Heerlen, the Netherlands on a duly completed Tax Form IB 92 USA which should be accompanied by the "Declaration in Lieu of the Dividend Note" which is the proof of withholding. This document is to be obtained from BNY (ref. Annex I and II).

- (3) a supplemental check for 10% of the dividend with respect to those ADRs reported to be beneficially owned by residents of Aruba, Netherlands Antilles and residents of other countries with which the Netherlands has concluded a tax convention, in respect of whom the required IB 92 tax forms have been submitted. Please call BNY ADR department, Attn.: Bob Kellet (212) 815-2726 to request the appropriate tax forms.

No supplemental checks will be mailed with respect to exempt organizations (e.g. charities) as referred to in Article 36, paragraph 1 of the Tax Convention. These exempt organizations can only obtain a refund of the 25% Netherlands dividend tax withheld directly from the Netherlands Tax Authorities within three years after the expiration of the calendar year in which the dividend tax has been levied. Therefore, a separate request must be filed by each beneficial owner of ADRs with the Belastingdienst/Particulieren/Ondernemingen buitenland, P.O. Box 2865, 6401 DJ Heerlen, the Netherlands on a Tax Form 'IB 95' USA, which must be accompanied by the "Declaration in Lieu of the Dividend Note" which is the proof of withholding. The "Declaration in Lieu of the Dividend Note" can be requested on the "Split Letter". The applicant should state the manner in and the address to which the amount to be refunded is to be transmitted.

In case a Bank, Broker or Nominee, becomes aware that the Split Letter is incomplete or incorrect in any way this should be reported to BNY without delay. Please call BNY ADR Dept. (Attn: Bob Kellett (212) 815-2726) for instructions.

II. Procedure if ADRs are beneficially owned by residents of any country listed below.

If ADRs are held of record in the name of a bank, broker or nominee in the United States and the beneficial owners of the ADRs are residents of any country listed below, we shall make payment at the rate of 75% of the dividend. Supplement payments of the amounts withheld for Netherlands tax may be obtained by filing the appropriate forms with us before the end of a one year period that ends on **August 12, 2002**. Thereafter any refund of Netherlands tax withheld must be obtained directly from the Beleastingdienst/Particulieren/Ondernemingen Buitenland the Netherlands within the number of specified years after the expiration of the calendar year in which the dividend tax has been levied.

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Country of Residence of Beneficial Owner	Tax Form to be filed	Number of Years	Principal Rate of Withholding tax (%)
Aruba	IB 92 ARU	5	15
Australia	IB 92 AUS	3	15
Austria	IN 92 OST	3	15
Belgium	IB 92 BEL	2	15
Brazil	IB 92 BRA	5	15
Canada	IB 92 CEN or IB 92 CFR	3	15
Denmark	IB 92 DEN	5	15
Finland	IB 92 FIN	5	15
France	IB 92 FRA	3	15
Germany	IB 92 BRD	5	15
India	IB 92 INA	3	15
Indonesia	IB 92 INO	3	15
Republic of Ireland	IB 92 IER	6	15
Italy	IB 92 ITA	5	15
Japan	IB 92 JAP	5	15
Country of Residence of Beneficial Owner	Tax Form to be filed	Number of Years	Principal Rate of Withholding tax (%)
Luxembourg	IB 92 LUX	3	15
Netherlands Antilles	IB 92 NAN	5	15
New Zealand	IB 92 NZL	5	15
Norway	IB 92 NOR	5	15
South Africa	IB 92 ZAF	3	15
Spain	IB 92 SPA	2	15
Sweden	IB 92 SWE	3	15
United Kingdom and Northern Ireland)	IB 92 GRB	6	15

In principal, one copy certified by the appropriate tax authority of the country concerned, mentioned on the form is needed.

III) procedure in all other cases.

Where ADRs are beneficially owned by residents of any country not listed above, Netherlands tax at the full rate of 25% must be withheld from the payment. Please call BNY ADR Dept. (Attn.: Bob Kellett (212) 815-2726) for additional information on any country not listed above

The Bank of New York
Dividend Disbursing Agent

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Annex I

DECLARATION IN LIEU OF THE DIVIDEND NOTE

Certification with respect to dividends paid and Netherlands dividend tax withheld.

To: (name and address)

We hereby certify that we have paid you as the beneficial owner the following dividend on Koninklijke Ahold N.V. made payable on, viz:

..... ADRs at \$	per ADR \$..
Less 25% Netherlands dividend tax	\$..
Net Amount	\$..

as received by us from The Bank of New York, and that we have not made any additional payment to you in respect of dividend tax which was not due.

Date: Signature:

(name and address of registered holder)

Annex II

The Bank of New York

DECLARATION IN LIEU OF THE DIVIDEND NOTE

Certification with respect to dividends paid and Netherlands dividend tax withheld.

To: (name and address)

We hereby certify that we have paid you as the beneficial owner the following dividend on **KONINKLIJKE AHOLD N.V.** made payable on, viz:

..... ADRs at \$	per ADR \$..
Less 25% Netherlands dividend tax	\$..
Net Amount	\$..

as received from us, and that we have not made any additional payment to you in respect of dividend tax which was not due.

Date: Signature:

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(Split Letter)

KONINKLIJKE AHOLD N.V.

Mail or Hand Deliver to:

Mr. Bob Kellett
The Bank of New York
101 Barclay Street - 15th Floor
New York, New York 10286

Important Notice

Payment of the dividend will be made on October 24, 2001 less Netherlands withholding tax of 25%. To receive a refund check on or about December 10, 2001, BNY must receive split letter by November 13, 2001. For Split letters received after November 13, 2001 refund checks will be paid by December 10, 2002.

In accordance with your request we furnish the following information concerning the resident status of the beneficial owners of the ADRs of Koninklijke Ahold N.V. registered in our name at the close of business **September 5, 2001.**

ADRS

1. ADRs beneficially owned by exempt United States pension trusts, or organizations as referred to in Article 35 of the Tax Convention of 1992 on which 75% of the dividend is payable and the reduced tax rate of 0% will be claimed. (Note: The additional 25% of Netherlands withholding tax is being claimed via this split letter) _____
2. ADRs beneficially owned by exempt United States charitable organizations as referred to in Article 36 of the Tax Convention of 1992 (i.e.: operated exclusively for religious, charitable, scientific, educational or public purpose) on which 75% of the dividend is payable and subject to the full 25% Netherlands withholding tax and for which proof of withholding (Certification-Declaration in lieu of the Dividend Note) is requested. (Note: The claim for 25% Netherlands via claim form IB-95 USA per beneficial owner along with The Bank of New York produced proof of withholding) _____
3. ADRs beneficially owned by residents or corporations of the United States on which 75% of the dividend is payable and the reduced Netherlands tax rate of 15% will be claimed. (Note: The additional 10% of Netherlands withholding tax is being claimed via this split letter). _____
4. ADRs beneficially owned by residents of Aruba, Netherlands Antilles and residents of other countries with which the Netherlands has concluded a tax convention, and for which appropriate tax affidavits are delivered herewith. (Please consult your tax counsel). _____
5. ADRs beneficially owned by persons who cannot or do not claim the application of any tax convention concluded with the Netherlands or the Tax Regulation for the Kingdom of the Netherlands and on which 75% of the dividend is payable and subject to the full 25% Netherlands withholding Tax _____
6. Total ADRs held by us on the record date:
(On which the cash option was selected) _____

DTC PARTICIPANT NUMBER _____
PHONE NUMBER () _____

DTC PARTICIPANT NAME: _____
PRINT NAME:- _____

SIGNATURE: _____

MAILING ADDRESS:

STREET: _____

CITY: _____ STATE: _____ ZIP CODE: _____