

Fit for the Future!



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- **Results in the first half of 2009 compared to the first half of 2008:**
 - **Net Sales (including concessionaire sales) increased by 0.1% to EUR 1,563 million¹ . Same store sales fell by 1.9%**
 - **Maxeda maintained its leading market positions in most of its formats and product categories**
 - **Operating EBITDA of EUR 100 million², representing a decline of EUR 4 million (-3.7%)**
 - **In the first half year, EUR 34 million was invested in:**
 - **33 new stores, of which 10 Do-It-Yourself stores and 23 Fashion stores. Openings included expansion of Hunkemöller, M&S and La Place;**
 - **A new distribution centre and head office for M&S, a new distribution centre for our DIY business, a new service centre for V&D, E-Commerce and IT Systems;**
 - **The continued roll out of the City Centre concept of Brico and the Deco DIY stores of Formido and renovations in department stores**
- **Number of stores increased by 4.3% to 1,383 stores, since July 2008**
- **Working Capital declined by EUR 8 million to EUR -186 million**
- **Improved reputation amongst stakeholders with many nominations and prizes including 'Best Employer 2009' for Schaap en Citroen and 'Best Lingerie Store' for Hunkemöller.**

1) In April 2009, Claudia Sträter was acquired by 2DealVentures. Therefore, these figures are excluding Claudia Sträter.

2) Excludes the impact of unrealised results on foreign currency hedges.

Foreword

Welcome to our Half Year Report. The first half year has been challenging as the economic crisis continued to impact consumer confidence and spend in our markets. However, we anticipated the downturn and took the necessary actions which enabled us to sustain our short term performance whilst maintaining our long term goals. Maxeda's six S's strategy and Passion to Serve philosophy have been the driving forces in our business over the last few years. To these successful strategies we have added our Fit for the Future programme to maintain our performance in the first half year. As a result, our formats clearly showed resilience in these difficult times retaining their market and financial positions and being prepared for longer term growth.

In a difficult retail environment, in which Statistics Netherlands (CBS) reported a decrease of 5.1% in turnover for the total Dutch retail market and a 7.6% decrease for Dutch non-food retail in the second quarter of 2009, Maxeda performed well delivering flat net sales³.

I am, therefore, pleased to report that Maxeda has been able to achieve satisfactory results in the last six months despite a worsening economy and an increasingly competitive market.

Fit for the Future

We anticipated the economic downturn and developed a number of potential scenarios. This led to clear management plans to both exploit potential opportunities and to manage downside risks. The Fit for the Future programme was launched with five key elements.

- * Strengthened marketing plans. Customers demand even more value in this difficult climate. Marketing spend needs to work harder. As a result, we strengthened our marketing campaigns, focused our offers on driving customer traffic and conversion and offered greater value for money;
- * Protected cash margins. Tighter stock management and markdown planning together with lower cost prices have driven margin percentages. At the same time, we have invested in sales driving activities to protect cash margins;
- * Reduced cost base. Lowering our cost base has been key to protecting the Maxeda formats from the

economic downturn. A group wide programme has targeted all cost opportunities in stores, logistics and head offices. Initiatives have been launched in all categories to lower costs;

- * Optimised Capital Spend. We have invested wisely. We have focused on high return and shorter payback projects whilst maintaining our strategic growth plans;
- * Review of underperforming business activities. We have analysed all underperforming or unprofitable stores, channels and businesses in Maxeda. This has led to corrective action plans to restore performance.

I am pleased that our management teams have acted with speed and decisiveness in addressing the economic situation. It is their clear leadership and focus that has delivered a robust performance due to the successful execution of the Fit for the Future programme. This has reduced the impact of a deteriorating market and retained Maxeda's strong market and financial position.

Long Term Investments

In the first half year, we optimised our investment levels in line with the current economic reality. We continued to open new stores, remodel existing stores and build our long term infrastructure. M&S opened a new head office as well as a new state of the art distribution centre; Brico opened a new single central distribution centre to service the Benelux market; V&D opened a new service centre (head office) and 6 more V&D department stores were restyled in the new V&D format; La Place opened 4 new restaurants; Hunkemöller expanded with 16 stores in 5 countries and both Brico and Formido continued with the roll-out of their new successful concepts 'Brico City' and 'Formido Deco DIY' stores.

To create leadership in every format, we need to keep the longer term picture in mind. We have, therefore, balanced current economic realities with the need to pursue continuous business improvement initiatives for the future. We will continue to invest to both improve our current businesses and to grow our market position.

3) Source: CBS figures as published on Thursday, 13 August 2009, with amongst others: DIY turnover -5.8% and fashion -3.7%. Previously CBS reported a decrease of 4.4% in turnover for the whole of Dutch retail and a decrease of 6.4% for Dutch non-food retail in the first quarter of 2009.

Foreword

A Commitment to Sustainability

In the first half of the year, we retained our commitment to the environment. We did this through the implementation of specific projects which are part of our group-wide sustainability programme. These delivered concrete results. For example; the new distribution centre of Maxeda DIY, which was opened in March, will operate the largest area of solar panels in the Benelux; the cooperation of Praxis and V&D with Philips, announced in June, aimed at saving energy consumption; the FSC hallmark Maxeda received for all its brochures in June and the 1,800 internships Maxeda has available within all its formats for the school year 2009/2010, to fight youth unemployment.

At the 'Maxeda Masterclass' in June new green initiatives were presented by the senior management of our formats. Our green commitment therefore continued, despite the economic crisis. Maxeda will do everything in its power to face up to both the economic as well as the ecological crisis.

Other News

In April 2009, 2Deal Ventures acquired Claudia Stäter. With 2Deal ventures, Claudia Sträter has a partner in a position to support Claudia Sträter in its future development. This offers Maxeda the opportunity to fully focus its management and financial resources on the other formats within Maxeda.

We have had difficult discussions regarding CLA's this year, particularly at V&D. For our long term success, it is important to maintain a competitive cost base, including agreeing with all parties the right CLA tariffs for these difficult times that allow us to maintain both high service levels and productivity.

The reputation of Maxeda further improved amongst its stakeholders. In a recent study of the Reputation Institute⁴ of the largest Dutch companies, Maxeda was ranked 19 (improving from 26 in 2008).

Maxeda formats again were nominated for many awards and won important accolades recognising the strength of our people and customer programmes. Special highlights included Schaap en Citroen being awarded 'Best Employer 2009', Hunkemöller being awarded 'Best Lingerie Store', and Maxeda winning a 'Silver Esprit' for having the 'Best Event Communication'.

To conclude

All in all, Maxeda has clearly shown business resilience in a tougher trading climate. We do, however, not only want to weather this economic storm, we want to sail through it stronger than ever before. We want to continue to build better businesses and we will be fit for the future.

Last but not least, I would like to thank all our colleagues for their hard work, commitment and passion in serving our customers, our customers for their loyalty resulting in our leading market positions, our suppliers for their efforts in finding supply chain efficiencies and our investors for their continuing support and wise counsel. All our stakeholders helped us to deliver the robust results in the first half of 2009.

Our People did make the Difference!

Tony DeNunzio, Executive Chairman Maxeda

4) Global reputation survey of the Reputation Institute in cooperation with the Rotterdam School of Management – Erasmus University, April 2009.

Financial commentary

Business Resilience in a Tougher Trading Climate

The economic environment in the first half of 2009 has been very challenging but Maxeda has clearly shown business resilience in this difficult climate. This has been achieved by a strong focus on our Fit for the Future programme and on the successful execution of our six S's strategy.

The difficult market conditions were confirmed by CBS which reported a total sales decline in the Netherlands for non-food retail of around 7% in the first half year. Also in other countries in which we are active, we face a more difficult market. Maxeda's total sales increased by 0.1% to EUR 1,563 million. Same store sales were down by 1.9%, but most of our formats and product categories retained their leading market positions. The outperformance to the market was driven by our Fit for the Future programme which focused on exploiting potential opportunities and protecting the downside. This resulted in tight margin and strong cost control with the contribution from all stakeholders.

Maxeda's Operating EBITDA⁵ (excluding the impact of unrealised results on foreign currency hedges) was EUR 100 million, down 3.7% in the first half due to trading results. The impact of unrealised results on foreign currency hedges was EUR 6 million which results in an Operating EBITDA of EUR 94 million. The unrealised results on foreign currency hedges is caused by the weakening of the US Dollar against the EURO in the first half of 2009 which has a temporary impact until the hedges are settled.

A reduction of Maxeda's central costs had a positive impact on the Operating EBITDA of the group.

We continued to invest in sustainable growth and we opened 33 new stores. We invested furthermore in renovations, refurbishments, IT systems, distribution centres, e-commerce, head offices and the environment. Our cash flow in the first half of 2009 remained strong.

Our Format Performance

In 2009/10, we continued our focus on executing our six S's Strategy (aimed at Selling More, Sourcing Better, Saving Costs and Cash, Driving Group Synergies, Smile! and Sustainability) and delivering our strategic goals. The difficult economic environment did not change our strategic goals nor our Passion to Serve. Despite the pressure on our performance since the second half of 2008/09 we believe we have made further progress in building better businesses for the long term through our Fit for the Future programme.

The performance of Maxeda DIY in 2009/10 was very resilient and only slightly below last year. Total Net Sales were almost level on last year (-0.1%) and Operating EBITDA at EUR 81 million was 2.9% below last year. Taking into account the fact that the Net Sales and Operating EBITDA in the first half of last year were positively influenced by additional trading days in Belgium, the Operating EBITDA of our DIY Group was almost the same as the prior year.

The performance of our total Maxeda Fashion group showed a similar sales pattern to our DIY group. Total Net Sales were 0.1% higher than last year. Operating EBITDA (excluding the impact of unrealised results on foreign currency hedges) was EUR 26 million. This was a decline of 16.1% on the first half of 2008, mainly driven by the costs of new stores. Including the impact of unrealised results on foreign currency hedges, Operating EBITDA of our Fashion group was EUR 21 million.

In April, 2Deal Ventures acquired Claudia Sträter. With 2Deal Ventures, Claudia Sträter has a partner in a position to focus its full attention on the company. This offers Maxeda the opportunity to fully focus its management and financial resources on the other formats within Maxeda.

5) - Our performance is reported on basis of the IFRS accounting standards (excluding for pension accounting).
- Operating result before interest, taxes, depreciation, amortization and exceptionals.

Financial commentary

Outlook for the Second Half of 2009/10

The world economy appears to be heading towards the end of the recession, according to various analysts. The two largest economies in Europe, Germany and France, recovered from recession in the 2nd quarter by showing a modest growth. However, the total Eurozone still showed a marginal decline, mainly caused by the Spanish and Dutch economies. Furthermore, analysts also emphasise the fact that much of this weak recovery is due to the heavy government stimulus efforts. The key question is therefore whether consumer expenditure will now start to increase.

We therefore expect that the second half of 2009 to be equally difficult. In the first two quarters the Dutch economy declined by 4.5% and 5.1% respectively according to Statistics Netherlands (CBS). For the full year the Dutch Central Planning Office (CPB) forecasts negative growth of -4.75%. The current low level of consumer confidence is expected to continue into the second half of the year both in the Netherlands and abroad. We are, however, convinced that Maxeda is well positioned to meet these challenges in the second half year and that our plans, our brands and our people will continue to provide the basis for our success.

I would like to thank all our colleagues for making again a difference in the first half of 2009/10.

Ronald van der Mark, CFO Maxeda

Performance Formats

Maxeda DIY

Maxeda DIY (Do-It-Yourself) is a market leader in the DIY sector in the Benelux. Maxeda DIY's strategy is to grow and develop as a multi-brand, multi-format retail leader. The DIY group is focused on driving cross format synergies, joint sourcing, a common IT platform and systems and developing for consumers unique own brands guaranteeing the right price and quality. Own brands include Baseline, Sencys and Central Park. In March, a new single central distribution centre was opened to serve the whole Benelux market and able to provide the highest level of availability for the DIY Business units. The new distribution center will operate in a sustainable manner through a number of environmental initiatives including inbound ship deliveries and by having the largest solar panel field in the Benelux to reduce energy consumption.

Since the beginning of the year Nick Wilkinson has combined his role of CEO of Maxeda DIY Group with day-to-day responsibilities for the Praxis Group.

Brico

The Brico Group is a market leader in the Belgian DIY sector with a multi-format and multi-channel strategy. Brico offers a wide range of DIY products, home decoration and gardening ranges from known brands and private labels. All formats share the same IT and logistic platform. Brico has a network of 125 stores. Brico continues to develop its product ranges and its own label brands. The sixth 'Brico City' store in Brussels was opened in May. The Brico City convenience concept is aimed at customers in large city centres. In June, Brico introduced a new publication, 'Brico Magazine', a customer magazine with ideas and tips for home and garden. The restyling of the promotion folder was successful, generating significantly more sales compared to the prior year.

Brico Plan-It

Brico Plan-It is a DIY chain of 8 megastores offering the widest possible range of products for home improvement projects – from building materials through to home decoration and garden products. Brico Plan-It stores are very large, with an average floor surface of more than 8,000 m² and more than 40,000 products. In June 2009 the store in Châtelineau was extended and a major new bathroom and kitchen showroom added.

In March, both Brico and Brico Plan-It joined the 'Plus Card' loyalty system which with over 2 million card holders is the leading customer loyalty programme in Belgium. The introduction of the card is an important step towards one-to-one communication and customer relationship marketing.

Praxis

Praxis is one of the largest DIY formats in the Netherlands. Praxis supports the needs of both experienced and novice DIY enthusiasts. Customers will find products for both major projects and simple decorative finishes. Praxis has 138 shops including 27 megastores. Eleven megastores also have a garden centre. Product categories were relaunched in paint accessories and power tools and own label ranges were extended. In the first half year, Praxis also expanded with the opening of two new stores in Kampen and Gorinchem. In May, Praxis was nominated as 'Best Employer 2009' by newspaper De Volkskrant and market research agency Effectory. Nominations were also received for the most prestigious advertisement award in the Netherlands, the 'Gouden Loeki', for its TV-commercial 'Basset hound' and for best newspaper advertisement the so-called 'Dagbladgoud 2008' prize.

Formido

Formido is a chain of smaller DIY stores that supplies the local needs of the DIY enthusiast in the Netherlands. The 83 Formido stores are mainly franchised and located in the suburbs of larger cities and towns. Formido operates the successful Deco DIY store concept. In the first half year, 4 new Deco DIY stores were opened while 2 were reformatted according to the latest Deco DIY concept. There are now 28 Deco DIY stores presented to customers. In March Formido introduced its new website which ties in with the store's deco concept.

Performance Formats

Maxeda Fashion

Maxeda Fashion has a unique position in the fashion market with two department stores and two apparel formats. Each business has its own unique identity and market positioning. The formats offer a wide range of clothing and non-food products in Europe and in new markets, selling both international brands and private labels. With La Place and Schaap en Citroen, Maxeda Fashion also operates in the food service and jewellery segments.

V&D

V&D is the only national mid-market department store serving the Netherlands with 62 stores in prime locations. V&D targets women and their families with an international mix of fashion, home and entertainment products. V&D also offers great quality fresh food, produced in store, with their La Place restaurants.

In the first half year, V&D continued to implement its repositioning strategy. New A-brands were introduced such as Mango, Salsa Jeans and Bandolera and the roll out of successful brands such as Apple and Desigual continued. It also launched a sustainable range of new products extending its sustainable assortment. These products are made from bio-cotton, organic linen and Tencel. The rebranding of stores to the new V&D look continued. In the first half year, a total of 6 V&D department stores were upgraded, creating a total of 27 completely rebranded stores in the new house style. V&D also introduced a new brochure 'V&D and You'. The new brochure features 80 pages of fashion, culinary ideas and home inspiration. The V&D online store is experiencing a monthly increase in visitors and sales and is increasing the online offer of products and brands. In June, V&D moved its Service Centre (head office) to an inspiring office in Amsterdam Zuid-Oost.

Bijenkorf

Bijenkorf is the Netherlands' leading premium department store. It makes every visit a real retail experience. Bijenkorf, with its hundreds of events per year, its special magazine and its eye-catching window displays is a unique format. Bijenkorf is a premium department store with a broad and always innovative product and brand portfolio, with stylish looks in store, and a constant passion to serve customers.

In the first half year, Bijenkorf continued to build its premium format by introducing new top brands such as Viktor & Rolf accessories, Denham jeans, Karen Millen, See by Chloé bags and a shop-in-shop of Tea & Coffee specialist Simon Lévelt. To underline the unique appeal Bijenkorf has to its customers, it introduced a new brand identity. The well known carrier bags, the customer magazine 'de Bijenkorf Magazine' and all consumer communication, have been redesigned according to the new look and feel. In March, the second edition of the 'Maffe Marathon' broke previous sales records. In April, Bijenkorf introduced a new website with an online shop. Bijenkorf also introduced a new private label 'PURE', a sustainable ladies fashion collection made from bio-cotton. Bijenkorf and Glamour Magazine joined forces for charity. Money was donated to Mama Cash, a charity that supports women worldwide.

Hunkemöller

Hunkemöller, which is 'the No 1 European lingerie specialist', retails lingerie, nightwear, swimwear and accessories. Hunkemöller is an own branded lingerie business targeting the middle to top end of the high street, selling both the Hunkemöller and Bodique brands. The product offer encompasses leisure through to seductive lingerie. Hunkemöller has 440 stores, is the market leader in the Netherlands, Belgium and Luxembourg and operates in 7 European countries: France, Spain, Denmark, the Netherlands, Belgium, Germany and Luxembourg. Hunkemöller also has a strong franchise business in the Netherlands and an international franchise business in Eastern Europe, Russia, Saudi Arabia, Egypt and the Netherlands Antilles.

In the first half year, Hunkemöller opened 16 stores in 5 countries. In May, Hunkemöller introduced the 'Bodique' luxury lingerie range which offers exclusive lingerie in the higher segment within selected Hunkemöller stores. In February, Hunkemöller was awarded the prestigious 'Best Lingerie store' prize by leading market research agency GfK. In June, Hunkemöller was also awarded the 'VROUW' (woman) award in the category 'Fashion' by the largest Dutch newspaper De Telegraaf.

In February Philip Mountford, former CEO of Moss Bros Group PLC, was appointed CEO of Hunkemöller.

Performance Formats

M&S

M&S is an international chain of ladies' apparel stores, offering affordable fashion to women over 35. The extended size range, from 36 to 54, is sold at the same attractive price. M&S currently has more than 445 stores in the Netherlands, Belgium, Luxembourg, Germany, France and Spain.

M&S continued to develop product fashionability and improved the merchandising of its products. In the first half year, M&S opened a total of 3 stores in Belgium, France and Spain. In April, M&S moved to a new head office in Amsterdam. In partnership with TNT, M&S also opened a brand new, state of the art distribution centre which is fully-equipped to supply all the company's stores with the latest fashion. M&S launched a new 'More Style' collection in close cooperation with Dutch stylist Rossana Lima. M&S was also nominated by the largest Dutch newspaper De Telegraaf for the 'VROUW' (woman) award in the category 'Fashion'.

La Place

La Place is a Dutch leader in the foodservice business and the second largest restaurant chain in the Netherlands. La Place has a passion for high-quality fresh food. All products are prepared in-house, from raw material to finished product, and many are locally sourced and organic. La Place has almost 250 locations in the Netherlands of which more than 40 outside of V&D.

La Place opened 4 new restaurants in the first half year in Haarlem, Woensel, Middelburg and Groningen and refurbished restaurants in Laren, Breda, Leidschendam and Zoetermeer. In April, La Place and family leisure park Duinrell entered in a long-term collaboration with the opening of 13 new La Place restaurants. La Place will be supplying all food and restaurant outlets at the family leisure park. Since March, all La Place restaurants are WiFi connected and are available as WiFi hotspot for free internet usage.

Schaap en Citroen

With 9 stores, Schaap en Citroen is one of the best-known jewellers in the Netherlands. It retails luxury watches, jewellery and accessories, in a contemporary and fashionable style. For more than a century, craftsmanship and excellent service have been the hallmarks of Schaap en Citroen. Schaap en Citroen are concessionaires for renowned international brands such as Rolex, Patek Philippe, Chopard, Cartier, Breitling, IWC, Jaeger-LeCoultre, Schoeffel and Royal Asscher. It also sells jewellery with the store's own signature.

In June, Schaap en Citroen was awarded the prestigious prize 'Best Employer 2009' in the category '100 – 1,000 employees' by newspaper De Volkskrant and market research agency Effectory.

Maxeda Facts

Some facts about our company

- 26,500** Maxeda employs 26,500 people
- 2006** The year in which we became Maxeda and our philosophy 'a Passion to Serve' was introduced
- 676** Years of retail experience
- 50** Percent of our stores are located outside the Netherlands
- 33** Stores were opened in the first half of 2009 throughout Europe and in new markets. Maxeda now has a total of 1,383 stores
- 12** Countries in Europe, Russia, the Middle East and the Caribbean where you can shop in our formats
- 4** Different nationalities within our group of 10 top managers
- 2** La Place is the second largest restaurant chain in the Netherlands
- 1** Maxeda is the largest non-food retailer in the Netherlands.
Maxeda DIY is a market leader in the Benelux.

Key Numbers

Consolidated Figures¹ (February – July) from continued activities

Maxeda Retail Group

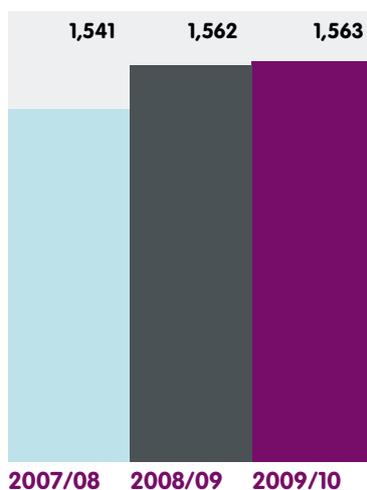
Number of Stores
(incl. all shop-in-shops)

Stores



Net sales including concession sales

Million Euros



Operating EBITDA

Million Euros



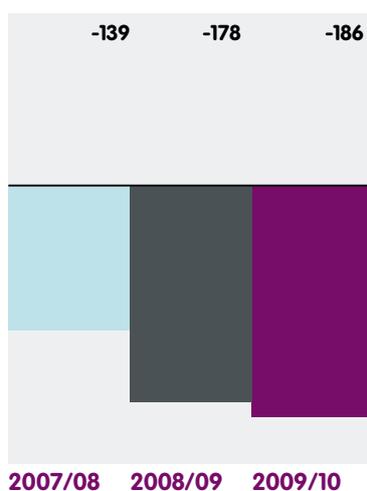
Average number FTE

FTE



Working Capital

Million Euros



Gross investments in fixed assets

Million Euros



1) The tables in this half year report have comparable unaudited figures based on IFRS (except for pension accounting). The number of FTE's in the tables are based on a work week of 38 hours for Dutch colleagues.

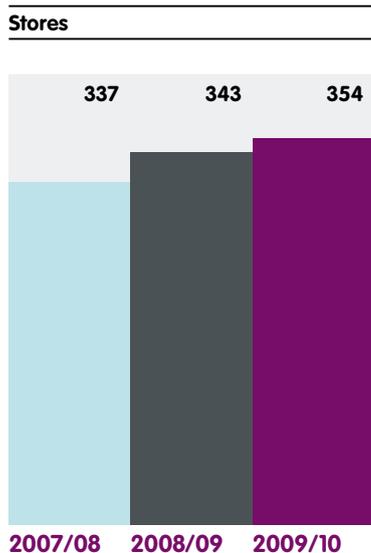
2) Excluding the impact of unrealised results on foreign currency hedges (2007/08: EUR -1 million; 2008/09: EUR 0 million; 2009/10: EUR -6 million).

Key Numbers

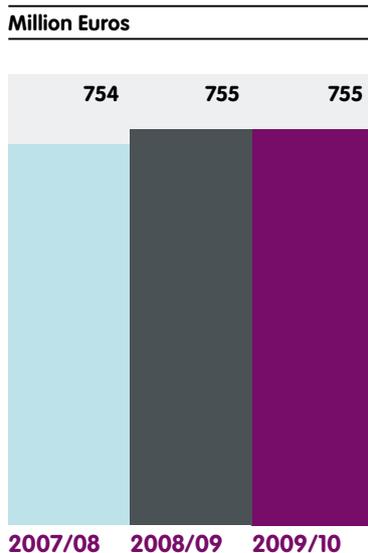
Consolidated Figures¹ (February – July) from continued activities

Maxeda DIY

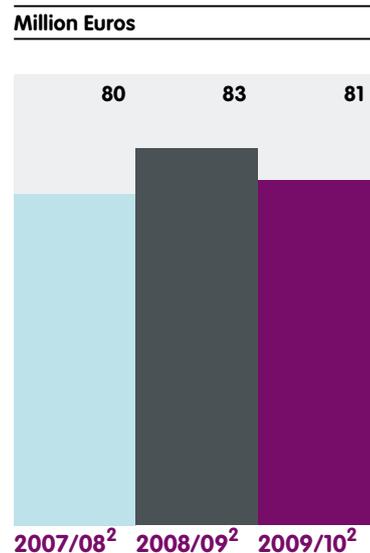
Number of Stores



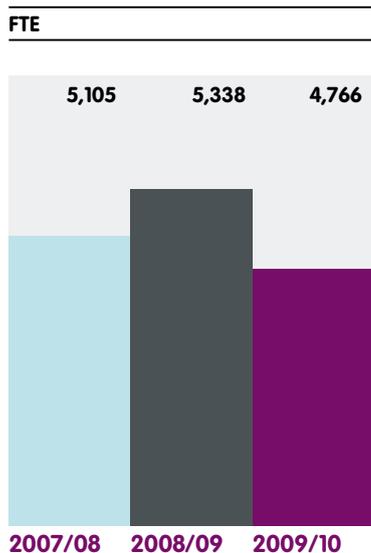
Net sales



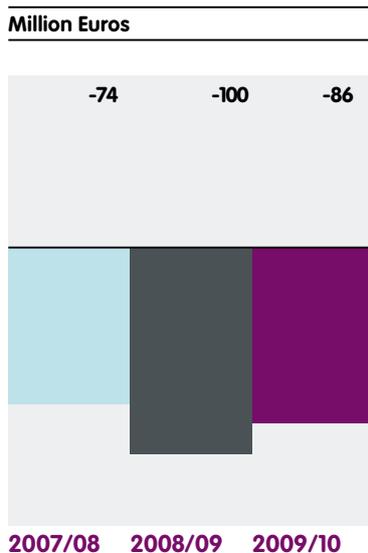
Operating EBITDA



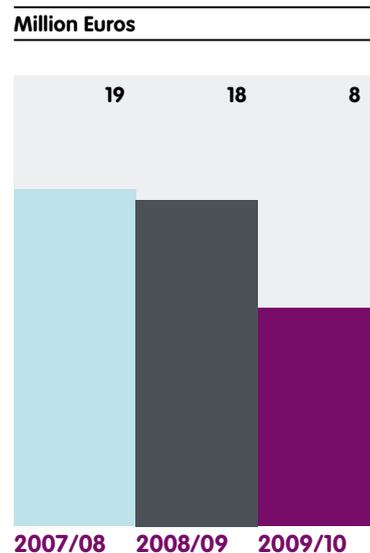
Average number FTE



Working Capital



Gross investments in fixed assets



1) The tables in this half year report have comparable unaudited figures based on IFRS (except for pension accounting). The number of FTE's in the tables are based on a work week of 38 hours for Dutch colleagues.

2) Excluding the impact of unrealised results on foreign currency hedges (2007/08: EUR 0 million; 2008/09: EUR 0 million; 2009/10: EUR -1 million).

Key Numbers

Consolidated Figures¹ (February – July) from continued activities

Maxeda Fashion

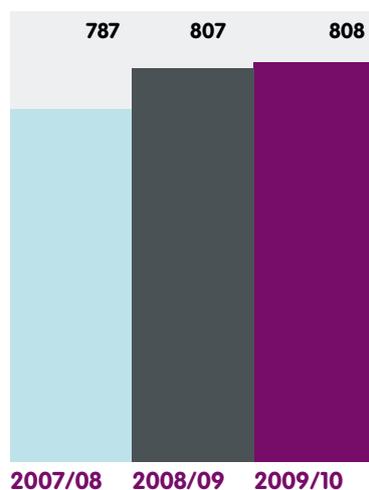
Number of Stores
(incl. all shop-in-shops)

Stores



Net sales including concession
sales

Million Euros



Operating EBITDA

Million Euros



Average number FTE

FTE



Working Capital

Million Euros



Gross investments
in fixed assets

Million Euros



1) The tables in this half year report have comparable unaudited figures based on IFRS (except for pension accounting). The number of FTE's in the tables are based on a work week of 38 hours for Dutch colleagues.

2) Excluding the impact of unrealised results on foreign currency hedges (2007/08: EUR -1 million; 2008/09: EUR 0 million; 2009/10: EUR -5 million).

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