Albert Heijn has always been innovative

1987: Start of James Telesuper

2001: Albert.nl

2009: Launch of Appie app

2012: First Pick-up Point opened

2013: Expansion Assortment

2014: AH.nl
Contents

- AH.nl has a unique set of strengths to win online
- Our strategy for growth
Ahold has a unique set of strengths to win online

- Strong online brands in dense urban markets
- Easy and inspirational online shopping experience
- Broad range of high quality products
- Serving customers anyhow, anytime, anywhere
- Operational excellence in online (fresh) food
Ahold has a unique set of strengths to win online

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![Image of Ahold logo]

![Image of people shopping online]

![Image of online shopping interface]

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![Image of people shopping online]

![Image of online shopping interface]
Serving our customers anyhow, anytime, anywhere

**Grocery shopping 24/7**

- Truly omni-channel digital interfaces
- Extensive supermarket opening hours up to 14 hours 7 days a week*
- 80% of the Dutch Households live within 2.5 km of an Albert Heijn store
- Home deliveries are made 6 days a week from 7.00h – 21.00h
  - Ordering before noon, delivery next morning
  - Ordering before midnight, delivery next afternoon

* Opening hours are different per store
Unique omni-channel capabilities

- Omni-channel customers* are more loyal and **spend more**
- Combined loyalty card gives us an extensive one-view of the customer
- Ability to leverage promo and campaign investments

*Source: Bonus card data of >10k customers
Ahold has a unique set of strengths to win online

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Strongest brand with high brand awareness

Top 100 Most Trusted Dutch brands*

- Albert Heijn
- Philips
- Google
- Bol.com
- Samsung

Top 100 Most Influential Dutch brands*

- Google
- Microsoft
- Facebook
- Albert Heijn / Samsung
- Ebay
- Youtube
- Bol.com

Brand awareness of AH.nl**

52% → 79%

2012 → 2014

*Source: 2013 IPSOS Brand Monitor
** Company research
Home delivery: Large active customer base with high customer satisfaction

Monthly **4.8 million** unique visitors on ah.nl

Satisfaction* in 2014 **92%**

NPS* in 2014 of **36**

*Satisfaction and NPS of Home Delivery customers*
Strongest online brand in a dense market

- B2C and B2B customers
- Ah.nl is market leader
- Estimated sales 2014: €240 mln

84% of Dutch households can receive home delivery
Strong online brand with proven business model

2014E EBITDA of 2-3 % in mature home delivery markets

Amsterdam:
- 6% HH penetration

Rotterdam:
- 4% HH penetration

2014E EBITDA unprofitable including investments in growth
Ahold has a unique set of strengths to win online

- **Strong online brands in dense urban markets**
- **Easy and inspirational online shopping experience**
- **Broad range of high quality products**
- **Serving customers anyhow, anytime, anywhere**
- **Operational excellence in online (fresh) food**
Helping our customers with the best technology

- Shared shopping lists for multiple devices
- Memorizing your shopping list
- Personal offers based on profile
- Shopping lists for special occasions
- Recipes database and instruction videos
- Optimal store route of your shopping list

Retail App NL
(#23 overall)
AH.nl makes grocery shopping faster and easier

DEMO
It’s getting colder outside, let’s see if there’s a nice pumpkin recipe on Google…
This one from Allerhande looks nice! I’ll make it a favourite, to easily access it later..
Great, I can add everything I need for this recipe to my shopping list.
Actually, I’m a bit short on time this week. I’ll let ah.nl do the groceries.
I’ll choose this pick-up point, as it’s on my way back from work
Since I’m ordering online, I have to choose which products I’d like to buy.
Let's pick this one
Now, let's see if there's something in Bonus, where I can instantly see my personal offers.
The new homepage shows me there’s a free delivery offer as well, let’s check it out.
Free delivery, when ordering 2 bottles from these selected wines. Sweet!
Now, let’s quickly finish our shopping trip, selecting a few of the regular items on my list
Ok, one more quick look at one of my standard lists, to make sure I have everything
On to the checkout. Let’s quickly examine those checkout suggestions.
Ok, I’m done. Oh, let’s use that free SMS-reminder, how convenient!
### Risotto met pompoen en geitenkaas

<table>
<thead>
<tr>
<th><strong>Stap</strong></th>
<th><strong>Ingrediënten</strong></th>
<th><strong>Aanduiding</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1</strong></td>
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<td><strong>8</strong></td>
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</tr>
</tbody>
</table>

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**Stap 3**

600 g geschilde bospeen
4 el olijfolie

Snijd het groen van de bospeen. Leg de pompoen en peen op een met bakpapier beklede bakplaat. Besprenkel met de olie. Breng op smaak met peper en zout.

---

**Stap 4**

2 rode uien
2 tenen knoflook

Leg de ongepelde uien en tenen knoflook eraan. Bak ca. 45 min. in het midden van de oven.

---

**Stap 5**

1 sinaasappel

Snijd ondertussen met een scherp mes de schil en het witte vlies van de sinaasappel. Snijd in stukken.

---

**Stap 6**

95 g hazelnoten

Verhit een koekenpan zonder olie of boter en rooster de hazelnootjes 3 min.
Ahold has a unique set of strengths to win online.

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![Image of Ahold logo]

![Image of inspirational online shopping]

![Image of high quality products]

![Image of serving customers]

![Image of operational excellence]

31
Broad range of high quality products

- Our online offering is **larger than our largest store** assortment
- **51%** of sales comes from own-brand products
- **47%** of sales comes from fresh products*

*Fresh products including Frozen

2012

- **9,000 SKU**
- AH XL & Etos
  - +10,000 AH XL
  - +2,500 H&B
  - +600 Etos

2013

- **21,900 SKU**
- Beyond AH Assortment
  - + 1,500 Gall & Gall
  - + 600 Superfoods
  - + 1,300 Etos
  - + 800 Belgian products

2014

- **25,000 SKU**

Ahold Online Strategy
Ahold has a unique set of strengths to win online

| Strong online brands in dense urban markets | Easy and inspirational online shopping experience | Broad range of high quality products | Serving customers anyhow, anytime, anywhere | Operational excellence in online (fresh) food |

![Image of Ahold logo](image1)

![Image of tablet with online shopping experience](image2)

![Image of food products](image3)

![Image of a person looking at a tablet](image4)
Unrivalled operational excellence

- **Suppliers**
- **Distribution Centers**
  - Receive products from suppliers
- **Albert Heijn Stores**
- **Home Shop Centers**
  - Orders are picked
- **Fresh food suppliers**
  - Suppliers of vegetables, fruit and frozen food
- **Home Delivery Van**
- **Pick-up points**
- **HUBs**

Ahold

Ahold Online Strategy
Great quality – high service levels

Customer KPI’s

<table>
<thead>
<tr>
<th></th>
<th>YTD 2014</th>
<th>FY 2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item availability on website</td>
<td>97.9%</td>
<td>97.1%</td>
</tr>
<tr>
<td>Item completeness*</td>
<td>99.5%</td>
<td>99.4%</td>
</tr>
<tr>
<td>Orders on time (not early or late)</td>
<td>98.2%</td>
<td>97.7%</td>
</tr>
</tbody>
</table>

*Item completeness: % of the items delivered to customers / ordered items
Great quality - Fresh food fulfilment

• AH.nl gets fresh directly delivered to the Home Shop Centers 4 times a day

• Average fresh inventory value at 0.7 days

• AH.nl guarantees a cool chain of 13 hours after leaving the fresh area at the HSC

• Certified by external auditors (ISO, Lloyd’s)
Operational excellence – High efficiency

Maximized efficiency in inbound

Efficiency in order picking

Efficiency in the last mile
Maximized efficiency in inbound

• Only **ONE** main supplier (AH supply chain) for the Home Shop Centers delivering 94% of the goods

• Only **20** inbound deliveries per day per Home Shop Center

• Efficient replenishment process
Efficiency in order picking

- Picking productivity increased from 326 picks per hour in 2012 to 405 picks per hour currently. Overall productivity of 142 units per hour.

- The split between fast and slow moving items creates an efficient picking process.

- Average order size in Home Delivery is 74 items.

- Average order size in Home Delivery is EUR 139.
Efficiency in the last mile

• Average load factor of delivery vans of 84%

• Optimal hub structure

• Average distance per order is decreasing: in our mature areas the number of orders have increased by 47% over the past 4 years
Contents

- AH.nl has a unique set of strengths to win online
- Our strategy for growth
Maximize potential through our online growth strategy

More customers
Market share and market growth

More places
Well-positioned for geographical expansion

More choices
Continue to expand quality, ranges, value and choices for our customers and our partners
More customers – Market share and market growth

- Overall online food market in NL is expected to grow from current 1% to 4-5% in 2020

- Current average penetration of Dutch households buying at AH.nl: around 2.5%. We expect the penetration to grow to around 7% in 2020
More customers – Grow B2B

Segmented marketing

Digital development

Acquisition & account management

Add B2B assortment
More places - Increase geographical reach in NL

**Current:**
- Coverage of 84% of Dutch HH

**Ambition:**
- Coverage of 95% of Dutch HH

- Increase coverage for Home Delivery
- Further roll-out of Pick-up points
More places – Expand to Belgium in 2015

To strengthen our store network in Flanders we will start with online grocery and will launch My Bonus omni-channel in Flanders in 2015
More choices

AH.nl

Launch tablet app

New help to plan & choose

- Seamless omni-channel web experience
- Full responsive to enable any device
- Ratings & reviews

- Best shopping experience on the couch
- Make use of important role that tablets increasingly play in the household
- Visual browsing, optimize for touch
- Personalization to make it fast and easy

- Help customers to plan the week: What’s for dinner today, tomorrow?
- Help customers to plan for special events: birthday, BBQ, dinner party
- Help customers to do shopping even faster: predict the shopping list
Summary

We have 25 years of experience and a strong omni-channel brand

We are leading in digital and offer a great online experience

We have an unrivalled operational excellence in online fresh food

We have highly satisfied customers and high growth opportunities
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This presentation includes forward-looking statements, which do not refer to historical facts but refer to expectations based on management's current views and assumptions and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those included in such statements. These forward-looking statements include, but are not limited to, statements as to innovation, online growth strategy, omni-channel capabilities, growth of B2B and reach and Albert Heijn pick-up points in Flanders. These forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from future results expressed or implied by the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond Ahold’s ability to control or estimate precisely, such as the effect of general economic or political conditions, fluctuations in exchange rates or interest rates, increases or changes in competition, Ahold’s ability to implement and complete successfully its plans and strategies, the benefits from and resources generated by Ahold’s plans and strategies being less than or different from those anticipated, changes in Ahold’s liquidity needs, the actions of competitors and third parties and other factors discussed in Ahold’s disclosures. The audience is cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. Koninklijke Ahold N.V. does not assume any obligation to update any public information or forward-looking statements in this presentation to reflect subsequent events or circumstances, except as may be required by law. Outside the Netherlands, Koninklijke Ahold N.V., being its registered name, presents itself under the name of “Royal Ahold” or simply “Ahold”.

Koninklijke Ahold N.V.
Thank you
The Home Shop Center of Almere

**Incoming products**
1. Truck delivers product
2. Products get unwrapped and sorted
3. Products get put on the shelves

**Picking and delivering**
4. Orderpicker scans code and picks up products
5. Products get packed into trucks and vans
6. Trucks deliver orders to HLBS and Pick-up points
7. Home delivery van picks up orders to customers