

## Press release

### Heineken Holding N.V. grows net profit (beia) by 19.7% organically in a transformational year

Amsterdam, 16 February 2011 – Heineken Holding N.V. today announced:

- The net result of Heineken Holding N.V.'s participating interest in Heineken N.V. for 2010 amounts to €721 million;
- On an organic basis, a net profit (beia)<sup>1</sup> increase of 19.7%, driven by solid EBIT (beia) growth and lower interest expense; Net profit of Heineken N.V. was up 41% to €1,436 million partly due to changes in consolidation scope;
- Organic EBIT (beia) growth of 8.6% as cost saving initiatives, improved pricing and sales mix and higher profit from Heineken's joint ventures exceeded the effect of lower volume and revenue;
- Heineken brand premium volume growth of 3.4%, further strengthening its position as the world's leading international premium beer;
- Successful completion of the integration of the beer operations of FEMSA. On a pro forma basis, EBIT (beia) of these operations increased 44% to €397 million for the 12-month period ending December 2010. Pre-tax cost synergies of €42 million have already been realised;
- Total Cost Management (TCM) programme delivered €280 million pre-tax savings in 2010;
- Strong free operating cash flow generation of €1,993 million resulting in a Net debt/EBITDA (beia) ratio of 2.2x, achieving target of below 2.5x ahead of plan;
- Proposed total dividend of €0.76 per ordinary share for 2010 over an enlarged number of shares outstanding (2009: €0.65).

Key figures 1) (in hls/ € millions)	FY 2010	FY 2009	Change %	Organic growth %
Group beer volume	192.3	159.1	21	-1.7
Consolidated beer volume	145.9	125.2	17	-3.1
Heineken® premium volume	26.0	25.1	3.4	3.4
Revenue	16,133	14,701	9.7	-2.2
EBIT	2,476	1,757	41	
EBIT (beia)	2,608	2,095	25	8.6
Net profit (beia)	1,445	1,055	37	19.7
Net profit Heineken Holding N.V.	721	510	41	
Free operating cash flow	1,993	1,741	14	
Net debt/EBITDA (beia)	2.2x*	2.6x		
EPS (in €)	2.63	2.08	26	

\*Including the beer operations of FEMSA on a 12-month pro-forma basis

<sup>1)</sup> For an explanation of the terms used please refer to the Glossary at the end of the press release

## Press release

Heineken Holding N.V. engages in no activities other than its participating interest in Heineken N.V. and the management and supervision of and provision of services to that company.

### **2011 outlook**

Heineken expects volume development in Latin America, Africa and Asia to benefit from ongoing robust economic conditions and marketing and investment programmes. Although Heineken expects an improving economic environment in Europe and the USA in 2011, the impact of austerity measures and high unemployment is expected to result in continued cautious consumer behaviour in these markets. The international premium segment will continue outgrowing the overall beer market, benefiting the Heineken® brand and supporting improved sales mix. Heineken forecasts a low-single digit increase in input costs and plans to mitigate this impact through increased pricing.

In Europe, Heineken will shift its prime focus towards volume and value share growth, with increased investments in marketing and innovation in Heineken® and other key brands, further supported by the international roll-out of higher margin brands. Whilst this is expected to affect profit development in Europe in the near term, it underlines Heineken's commitment to strengthening its leadership position in the region. In addition, continued efforts will be made to improve the performance of companies acquired over the past few years. In the new markets of Mexico and Brazil, improved marketing effectiveness and the realisation of cost synergies will contribute to higher profitability.

The TCM programme will deliver further cost savings, although at a lower level than in 2010 following the earlier than planned realisation of savings in 2010. As a result of ongoing efficiency improvements, Heineken expects a further organic decline in the number of employees.

For 2011, capital expenditure related to property, plant and equipment is forecast to be approximately €850 million.

Heineken does not expect material changes to the effective tax rate (beia) in 2011 (2010: 27.3%) and forecasts an average interest rate slightly above 5.5%.

Free operating cash flow generation is expected to remain strong, further reducing the level of net debt in 2011. Following two consecutive years of substantially reduced capital expenditure and significantly higher cash flow generation, the cash conversion rate for 2011 will be around 100%.

### **Total dividend for 2010**

The Heineken N.V. dividend policy targets a dividend payout ratio of 30%-35% of full-year net profit (beia). The payment of a total cash dividend of €0.76 per share of €1.60 nominal value for 2010 (total dividend 2009: €0.65) on an enlarged number of shares outstanding will be proposed to the annual meeting of shareholders of Heineken N.V. If approved, a final dividend of €0.50 per share will be paid on 5 May 2011, as an interim dividend of €0.26 per share was paid on 3 September 2010. The payment will be subject to a 15% Dutch withholding tax.

If Heineken N.V. shareholders approve the proposed dividend, Heineken Holding N.V. will, according to its articles of association, pay an identical dividend per ordinary share. A final dividend of €0.50 per ordinary share of €1.60 nominal value will be payable on 5 May 2011. The ex-final dividend date for Heineken Holding N.V. shares will be 27 April 2011.

## Press release

### Press enquiries

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### Editorial information:

Heineken N.V. is one of the world's great brewers and is committed to growth and remaining independent. The brand that bears the founder's family name - Heineken - is available in almost every country on the globe and is the world's most valuable international premium beer brand. Heineken's aim is to be a leading brewer in each of the markets in which it operates and to have the world's most valuable brand portfolio. Heineken operates 140 breweries in more than 70 countries and sold 205 million hectolitres of beer on a 2010 pro-forma basis. Heineken is Europe's largest brewer and the world's third largest by volume. Heineken is committed to the responsible marketing and consumption of its more than 200 international premium, regional, local and specialty beers and ciders. These include Amstel, Birra Moretti, Cruzcampo, Dos Equis, Foster's, Kingfisher, Newcastle Brown Ale, Ochota, Primus, Sagres, Sol, Star, Strongbow, Tecate, Tiger and Zywiec. On a 2010 pro-forma basis, including FEMSA Cerveza, revenue totalled €17 billion and EBIT (beia) was €2.7 billion.

The average number of people employed is more than 70,000. Heineken N.V. and Heineken Holding N.V. shares are listed on the Amsterdam stock exchange. Prices for the ordinary shares may be accessed on Bloomberg under the symbols HEIA NA and HEIO NA and on the Reuter Equities 2000 Service under HEIN.AS and HEIO.AS. Most recent information is available on the website:

<http://www.heinekeninternational.com>.

## Press release

### **Report of the Board of Directors**

Heineken Holding has a 50.005% interest in the issued share capital (being 50.147% of the outstanding share capital) of Heineken N.V. Standing at the head of the Heineken group, Heineken Holding N.V. is not an ordinary holding company. Since its formation in 1952, Heineken Holding N.V.'s object pursuant to its Articles of Association has been to manage or supervise the management of the Heineken group and to provide services for Heineken N.V. Within the Heineken group, the primary duties of Heineken N.V.'s Executive Board are to initiate and implement corporate strategy and to manage Heineken N.V. and its related enterprise. It is supervised in the performance of its duties by Heineken N.V.'s Supervisory Board. Because Heineken N.V. manages the Heineken group companies, Heineken Holding N.V., unlike Heineken N.V., does not have a Supervisory Board or an internal risk management and control system. Heineken Holding N.V. does not engage in any operational activities and employs no staff.

On 1 January 2010, Heineken Holding N.V. had 245,011,848 ordinary shares in issue. As part of the acquisition of the beer operations of FEMSA, on 30 April 2010, 43,018,320 new ordinary shares were issued to FEMSA (reference is made to Appendix 7 of this press release).

Further information regarding the developments during the financial year 2010 of Heineken N.V. and its related companies, and the material risks Heineken N.V. is facing is given in Heineken N.V.'s press release.

### **Board of Directors**

M. Das  
C.L. de Carvalho-Heineken  
J.A. Fernández Carbajal  
D.P. Hoyer  
K. Vuursteen

Amsterdam, 15 February 2011

### Appendices

1. Consolidated income statement
2. Consolidated statement of comprehensive income
3. Consolidated statement of financial position
4. Consolidated statement of cash flows
5. Consolidated statement of changes in equity
6. Operating segments
7. Acquisitions and disposals
8. Raw materials, consumables and services
9. Loans and borrowings
10. Notes to the appendices
11. Glossary

### Appendix 1

#### Consolidated income statement of Heineken Holding N.V.

For the year ended 31 December 2010

In millions of €

	2010	2009
<b>Revenue</b>	<b>16,133</b>	<b>14,701</b>
<b>Other income</b>	<b>239</b>	<b>41</b>
Raw materials, consumables and services	(10,291)	(9,650)
Personnel expenses	(2,680)	(2,379)
Amortisation, depreciation and impairments	(1,118)	(1,083)
<b>Total expenses</b>	<b>(14,089)</b>	<b>(13,112)</b>
<b>Results from operating activities</b>	<b>2,283</b>	<b>1,630</b>
Interest income	100	90
Interest expenses	(590)	(633)
Other net finance expenses	(19)	214
<b>Net finance expenses</b>	<b>(509)</b>	<b>(329)</b>
Share of profit of associates and joint ventures and impairments thereof (net of income tax)	193	127
<b>Profit before income tax</b>	<b>1,967</b>	<b>1,428</b>
Income tax expenses	(399)	(286)
<b>Profit</b>	<b>1,568</b>	<b>1,142</b>
Attributable to:		
Equity holders of Heineken Holding N.V. (net profit)	721	510
Non-controlling interests in Heineken N.V.	715	508
Non-controlling interests in Heineken N.V. group companies	132	124
<b>Profit</b>	<b>1,568</b>	<b>1,142</b>
Weighted average number of ordinary shares- basic	273,690,728	245,011,848
Weighted average number of ordinary shares- diluted	273,690,728	245,011,848
Basic earnings per ordinary share (€)	2.63	2.08
Diluted earnings per ordinary share (€)	2.63	2.08

### Appendix 2

#### Consolidated statement of comprehensive income of Heineken Holding N.V.

For the year ended 31 December 2010

*In millions of €*

	2010	2009
<b>Profit</b>	<b>1,568</b>	<b>1,142</b>
<b>Other comprehensive income:</b>		
Foreign currency translation differences for foreign operations	400	112
Effective portion of change in fair value of cash flow hedge	43	(90)
Effective portion of cash flow hedges transferred to profit or loss	45	88
Ineffective portion of cash flow hedges	9	-
Net change in fair value available-for-sale investments	11	26
Net change in fair value available-for-sale investments transferred to profit or loss	(17)	(12)
Share of other comprehensive income of associates/joint ventures	(29)	22
<b>Other comprehensive income, net of tax</b>	<b>462</b>	<b>146</b>
<b>Total comprehensive income</b>	<b>2,030</b>	<b>1,288</b>
Attributable to:		
Equity holders of Heineken Holding N.V.	946	587
Non-controlling interests in Heineken N.V.	937	585
Non-controlling interests in Heineken N.V. group companies	147	116
<b>Total comprehensive income</b>	<b>2,030</b>	<b>1,288</b>

### Appendix 3

#### Consolidated statement of financial position of Heineken Holding N.V. As at 31 December 2010

<i>In millions of €</i>	2010	2009
Property, plant & equipment	7,687	6,017
Intangible assets	10,890	7,135
Investments in associates and joint ventures	1,673	1,427
Other investments and receivables	1,103	568
Advances to customers	449	319
Deferred tax assets	429	561
<b>Total non-current assets</b>	<b>22,231</b>	<b>16,027</b>
Inventories	1,206	1,010
Other investments	17	15
Trade and other receivables	2,273	2,310
Prepayments and accrued income	206	189
Cash and cash equivalents	610	520
Assets classified as held for sale	6	109
<b>Total current assets</b>	<b>4,318</b>	<b>4,153</b>
<b>Total assets</b>	<b>26,549</b>	<b>20,180</b>
<b>Equity</b>		
Share capital	461	392
Share premium	1,257	-
Reserves	436	100
Retained earnings	2,548	2,190
<b>Equity attributable to equity holders of Heineken Holding N.V.</b>	<b>4,702</b>	<b>2,682</b>
Non-controlling interests in Heineken N.V.	5,526	2,669
Non-controlling interests in Heineken N.V. group companies	289	296
<b>Total equity</b>	<b>10,517</b>	<b>5,647</b>
<b>Liabilities</b>		
Loans and borrowings	8,078	7,401
Tax liabilities	178	-
Employee benefits	687	634
Provisions	475	356
Deferred tax liabilities	991	786
<b>Total non-current liabilities</b>	<b>10,409</b>	<b>9,177</b>
Bank overdrafts	132	156
Loans and borrowings	862	1,145
Trade and other payables	4,265	3,696
Tax liabilities	241	132
Provisions	123	162
Liabilities classified as held for sale	-	65
<b>Total current liabilities</b>	<b>5,623</b>	<b>5,356</b>
<b>Total liabilities</b>	<b>16,032</b>	<b>14,533</b>
<b>Total equity and liabilities</b>	<b>26,549</b>	<b>20,180</b>

### Appendix 4

### Consolidated statement of cash flows of Heineken Holding N.V.

#### For the year ended 31 December 2010

*In millions of €*

	2010	2009
<b>Operating activities</b>		
Profit	1,568	1,142
Adjustments for:		
Amortisation, depreciation and impairments	1,118	1,083
Net interest (income)/expenses	490	543
Gain on sale of property, plant & equipment, intangible assets and subsidiaries, joint ventures and associates	(239)	(41)
Investment income and share of profit and impairments of associates and joint ventures	(200)	(138)
Income tax expenses	399	286
Other non-cash items	163	1
<b>Cash flow from operations before changes in working capital and provisions</b>	<b>3,299</b>	<b>2,876</b>
Change in inventories	95	202
Change in trade and other receivables	515	337
Change in trade and other payables	(156)	(319)
<b>Total change in working capital</b>	<b>454</b>	<b>220</b>
Change in provisions and employee benefits	(205)	(67)
<b>Cash flow from operations</b>	<b>3,548</b>	<b>3,029</b>
Interest paid	(554)	(467)
Interest received	15	-
Dividend received	91	62
Income taxes paid	(443)	(245)
<b>Cash flow related to interest, dividend and income tax</b>	<b>(891)</b>	<b>(650)</b>
<b>Cash flow from operating activities</b>	<b>2,657</b>	<b>2,379</b>
<b>Investing activities</b>		
Proceeds from sale of property, plant & equipment and intangible assets	113	180
Purchase of property, plant & equipment	(648)	(678)
Purchase of intangible assets	(56)	(99)
Loans issued to customers and other investments	(145)	(117)
Repayment on loans to customers	72	76
<b>Cash flow used in operational investing activities</b>	<b>(664)</b>	<b>(638)</b>
<b>Free operating cash flow</b>	<b>1,993</b>	<b>1,741</b>
Acquisition of subsidiaries, net of cash acquired*	17	(84)
Acquisition of associates, joint ventures and other investments	(77)	(116)
Disposal of subsidiaries and non-controlling interests, net of cash disposed of	270	17
Disposal of associates, joint ventures and other investments	47	34
<b>Cash flow used for acquisitions and disposals</b>	<b>257</b>	<b>(149)</b>
<b>Cash flow used in investing activities</b>	<b>(407)</b>	<b>(787)</b>

### Appendix 4 - continued

#### Consolidated statement of cash flows of Heineken Holding N.V. - continued

For the year ended 31 December 2010

*In millions of €*

	2010	2009
<b>Financing activities</b>		
Proceeds from loans and borrowings	1,920	2,052
Repayment of loans and borrowings	(3,127)	(3,411)
Dividends paid	(483)	(392)
Purchase own shares and shares issued by Heineken N.V.	(381)	(13)
Acquisition of non-controlling interests	(92)	-
Other	(9)	(73)
<b>Cash flow from/(used in) financing activities</b>	<b>(2,172)</b>	<b>(1,837)</b>
<b>Net Cash Flow</b>	<b>78</b>	<b>(245)</b>
Cash and cash equivalents as at 1 January	364	604
Effect of movements in exchange rates	36	5
<b>Cash and cash equivalents as at 31 December</b>	<b>478</b>	<b>364</b>

\*The non-controlling interests has moved from Investing to Financing in 2010, comparatives have not been adjusted.

**Appendix 5**  
**Consolidated statement of**  
**changes in equity of**  
**Heineken Holding N.V.**  
*In millions of €*

	Share Capital	Share premium	Translation reserve	Hedging reserve	Fair value reserve	Other legal reserves	Retained earnings	Equity	Non- controlling interests in Heineken N.V.	Non - controlling interests in Heineken N.V. group companies	Total equity
Balance as at 1 January 2009	392	-	(298)	(61)	44	298	1,866	2,241	2,230	281	4,752
Other comprehensive income	-	-	72	(1)	6	3	(3)	77	77	(8)	146
Profit	-	-	-	-	-	75	435	510	508	124	1,142
<b>Total comprehensive income</b>	-	-	<b>72</b>	<b>(1)</b>	<b>6</b>	<b>78</b>	<b>432</b>	<b>587</b>	<b>585</b>	<b>116</b>	<b>1,288</b>
Transfer to retained earnings	-	-	-	-	-	(38)	38	-	-	-	-
Dividends to shareholders	-	-	-	-	-	-	(145)	(145)	(144)	(96)	(385)
Purchase/reissuance own/non-controlling interest shares by Heineken N.V.	-	-	-	-	-	-	(6)	(6)	(7)	(2)	(15)
Share-based payments by Heineken N.V.	-	-	-	-	-	-	5	5	5	-	10
Changes in consolidation	-	-	-	-	-	-	-	-	-	(3)	(3)
<b>Balance as at 31 December 2009</b>	<b>392</b>	<b>-</b>	<b>(226)</b>	<b>(62)</b>	<b>50</b>	<b>338</b>	<b>2,190</b>	<b>2,682</b>	<b>2,669</b>	<b>296</b>	<b>5,647</b>

### Appendix 5 - continued

	Share Capital	Share premium	Transla tion reserve	Hedging reserve	Fair value reserve	Other legal reserve s	Retained earnings	Equity	Non- controlling interests in Heineken N.V.	Non - controlling interests in Heineken N.V. group companies	Total equity
Balance as at 1 January 2010	392	-	(226)	(62)	50	338	2,190	2,682	2,669	296	5,647
Other comprehensive income	-	-	180	49	(5)	38	(37)	225	222	15	462
Profit	-	-	-	-	-	121	600	721	715	132	1,568
<b>Total comprehensive income</b>	-	-	180	49	(5)	159	563	946	937	147	2,030
Transfer to retained earnings	-	-	-	-	-	(47)	47	-	-	-	-
Dividends to shareholders and ASDI	-	-	-	-	-	-	(173)	(173)	(178)	(138)	(489)
Declaration ASDI dividend	-	-	-	-	-	-	(4)	(4)	4	-	-
Shares issued	69	1,257	-	-	-	-	-	1,326	2,539	-	3,865
Purchase/reissuance own/ non-controlling shares ASDI	-	-	-	-	-	-	(10)	(10)	(371)	-	(381)
Own shares granted by Heineken N.V.	-	-	-	-	-	-	4	4	(4)	-	-
Purchase mandate Heineken N.V. shares	-	-	-	-	-	-	(48)	(48)	(48)	-	(96)
Share-based payments by Heineken N.V.	-	-	-	-	-	-	8	8	7	-	15
Acquisition of non-controlling interests in Heineken N.V. group companies without a change in control	-	-	-	-	-	-	(29)	(29)	(29)	(34)	(92)
Acquisition of non-controlling interests in Heineken N.V. group companies with a change in control	-	-	-	-	-	-	-	-	-	20	20
Changes in consolidation	-	-	-	-	-	-	-	-	-	(2)	(2)
<b>Balance as at 31 December 2010</b>	<b>461</b>	<b>1,257</b>	<b>(46)</b>	<b>(13)</b>	<b>45</b>	<b>450</b>	<b>2,548</b>	<b>4,702</b>	<b>5,526</b>	<b>289</b>	<b>10,517</b>

### Appendix 5 – continued

#### Basic earnings per share

The calculation of basic earnings per share as at 31 December 2010 is based on the profit attributable to ordinary shareholders of the Company (net profit) of €721 million (2009: €510 million) and a weighted average number of ordinary shares – basic outstanding during the year ended 31 December 2010 of 273,690,728 (2009: 245,011,848). Basic earnings per share for the year amounts to €2.63 (2009: €2.08).

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#### Weighted average number of ordinary shares-basic

*In shares*

	2010	2009
Number of ordinary shares-basic as at 1 January	245,011,848	245,011,848
Effect of new ordinary shares issued	<u>28,678,880</u>	<u>-</u>
<b>Weighted number of basic ordinary shares as at 31 December</b>	<b><u>273,690,728</u></b>	<b><u>245,011,848</u></b>

# Heineken Holding N.V.

## Press release

### Appendix 5 – continued

#### Dividends

The following dividends were declared and paid by Heineken Holding N.V.:

<i>In millions of €</i>	<b>2010</b>	<b>2009</b>
Final dividend previous year €0.40, respectively €0.34 per ordinary share	98	83
Interim dividend current year €0.26, respectively €0.25 per ordinary share	75	61
<b>Total dividend declared and paid</b>	<b>173</b>	<b>144</b>

After the balance sheet date the Board of Directors announced the following dividends. The dividends, taken into account the interim dividends declared and paid, have not been provided for.

<i>In millions of €</i>	<b>2010</b>	<b>2009</b>
€0.76 per qualifying ordinary share (2009: €0.65)	219	159

# Heineken Holding N.V.

## Press release

### Appendix 6 Operating segments

<i>In millions of €</i>	Western Europe		Central and Eastern Europe		The Americas		Africa and the Middle East		Asia Pacific		Heineken N.V. Head Office / Eliminations		Consolidated	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
<b>Revenue</b>														
Third party revenue <sup>2</sup>	7,284	7,775	3,130	3,183	3,419	1,540	1,982	1,807	206	301	112	95	16,133	14,701
Interregional revenue	610	657	13	17	12	1	6	10	-	4	(641)	(689)	-	-
<b>Total revenue</b>	<b>7,894</b>	<b>8,432</b>	<b>3,143</b>	<b>3,200</b>	<b>3,431</b>	<b>1,541</b>	<b>1,988</b>	<b>1,817</b>	<b>206</b>	<b>305</b>	<b>(529)</b>	<b>(594)</b>	<b>16,133</b>	<b>14,701</b>
Other income	71	28	8	11	-	-	-	2	158	-	2	-	239	41
<b>Results from operating activities</b>	<b>765</b>	<b>504</b>	<b>330</b>	<b>329</b>	<b>474</b>	<b>204</b>	<b>520</b>	<b>470</b>	<b>201</b>	<b>72</b>	<b>(7)</b>	<b>51</b>	<b>2,283</b>	<b>1,630</b>
Net finance expenses													(509)	(329)
Share of profit of associates and joint ventures and impairments thereof	3	(2)	21	18	75	69	28	15	79	31	(13)	(4)	193	127
Income tax expenses													(399)	(286)
<b>Profit</b>													<b>1,568</b>	<b>1,142</b>
Attributable to:														
Equity holders of Heineken Holding N.V. (net profit)													721	510
Non-controlling interests in Heineken N.V.													715	508
Non-controlling interests in Heineken N.V. group companies													132	124
													<b>1,568</b>	<b>1,142</b>
<b>EBIT reconciliation</b>														
EBIT	768	502	351	347	549	273	548	485	280	103	(20)	47	2,476	1,757
eia	136	290	12	42	102	-	1	-	(158)	-	39	6	132	338
<b>EBIT (beia)</b>	<b>904</b>	<b>792</b>	<b>363</b>	<b>389</b>	<b>651</b>	<b>273</b>	<b>549</b>	<b>485</b>	<b>122</b>	<b>103</b>	<b>19</b>	<b>53</b>	<b>2,608</b>	<b>2,095</b>

<sup>2</sup> Includes other revenue of €439 million in 2010 and €432 million in 2009.

# Heineken Holding N.V.

## Press release

### Appendix 6 - continued Operating segments

	Western Europe		Central and Eastern Europe		The Americas		Africa and the Middle East		Asia Pacific		Heineken N.V. Head Office / Eliminations		Consolidated	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
<i>In millions of €</i>														
<b>Beer volumes<sup>3</sup></b>														
Consolidated volume	45,394	47,151	42,237	46,165	37,843	9,430	19,070	19,820	1,328	2,681	-	-	145,872	125,247
Joint ventures volume	-	-	7,229	8,909	9,195	8,988	5,399	2,228	22,181	10,897	-	-	44,004	31,022
Licenses	284	243	-	-	173	339	1,204	1,413	806	805	-	-	2,467	2,800
<b>Group volume</b>	<b>45,678</b>	<b>47,394</b>	<b>49,466</b>	<b>55,074</b>	<b>47,211</b>	<b>18,757</b>	<b>25,673</b>	<b>23,461</b>	<b>24,315</b>	<b>14,383</b>	-	-	<b>192,343</b>	<b>159,069</b>
Segment assets	10,123	11,047	4,583	4,826	7,756	834	1,911	1,673	86	185	(74)	(414)	24,385	18,151
Investment in associates and JVs	28	26	134	143	758	565	262	226	507	472	(16)	(5)	1,673	1,427
<b>Total segment assets</b>	<b>10,151</b>	<b>11,073</b>	<b>4,717</b>	<b>4,969</b>	<b>8,514</b>	<b>1,399</b>	<b>2,173</b>	<b>1,899</b>	<b>593</b>	<b>657</b>	<b>(90)</b>	<b>(419)</b>	<b>26,058</b>	<b>19,578</b>
Unallocated assets													491	602
<b>Total assets</b>													<b>26,549</b>	<b>20,180</b>
Segment liabilities	3,072	3,355	1,128	1,153	1,115	123	529	466	33	107	479	571	6,356	5,775
Unallocated liabilities													9,676	8,758
Total equity													10,517	5,647
<b>Total equity and liabilities</b>													<b>26,549</b>	<b>20,180</b>
Purchase of P, P & E	205	291	158	216	121	13	163	139	1	10	-	9	648	678
Acquisition of goodwill	4	16	-	-	1,780	5	1	13	-	-	(37)	-	1,748	34
Purchases of intangible assets	5	31	4	20	24	1	9	1	-	-	14	46	56	99
Depreciation of P, P & E	381	401	253	244	149	15	100	84	1	10	9	14	893	768
Impairment and reversal of impairment of P, P & E	1	108	9	51	-	-	2	2	-	-	2	2	14	163
Amortisation intangible assets	90	89	22	21	73	12	4	2	-	-	3	3	192	127
Impairment intangible assets	15	21	1	4	-	-	-	-	-	-	-	-	16	25

<sup>3</sup> For volume definitions see 'Glossary'. Joint venture volume in 2009 excludes India volumes

### Appendix 7

#### Acquisitions and disposals of subsidiaries and non-controlling interests

##### Acquisition of 100% of the beer operations of FEMSA

On 30 April 2010 Heineken Holding N.V. and Heineken N.V. completed the acquisition of the beer operations of Fomento Económico Mexicano, S.A.B. de C.V. (FEMSA) via an all share transaction (the 'transaction'). Heineken N.V. acquired all shares of common stocks in FEMSA Cerveza, comprising 100% of FEMSA's Mexican beer operations (including its US and other export businesses) and the remaining 83% of FEMSA's Brazilian beer business that Heineken did not own. A portion of the Heineken shares allotted to FEMSA (and its affiliates) will be delivered over a period of not more than five years (the 'Allotted Shares' or Allotted Share Delivery Instrument or ASDI). The Allotted Shares have been recognised as a separate category within equity of Heineken N.V. Heineken Holding N.V. recognised the ASDI as a non-controlling interest.

The beer operations acquired from FEMSA contributed a revenue of €2,036 million and results from operating activities of €215 million (EBIT) for the 8 months period from 1 May 2010 to 31 December 2010. Amortisation of brands and customer relationships for the 8 months amounts to €62 million. Had the acquisition occurred on 1 January 2010, pro-forma revenue and pro-forma results from operating activities (EBIT) for the 12 months period ended December 31, 2010 would have amounted to €2,873 million and €268 million respectively. The pro-forma amortisation of brands and customer relationships would have amounted to €90 million. This pro-forma information does not purport to represent what the actual results would have been had the acquisition actually occurred on 1 January 2010, nor are they necessarily indicative of future results of operations. In determining the contributions, management has assumed that the fair value adjustments that arose on the date of the acquisition would have been the same as the acquisition had occurred on 1 January 2010.

The following summarises the major classes of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed at the acquisition date.

<i>In millions of €</i>	
Property, plant & equipment	1,851
Intangible assets	2,104
Investments in associates & joint ventures	7
Other investments	342
Advances to customers	210
Inventories	273
Trade and other receivables	521
Cash and cash equivalents	69
<b>Assets acquired</b>	<b>5,377</b>
Loans and borrowings, interest-bearing	894
Loans and borrowings, non-interest-bearing	124
Tax liabilities (non-current)	150
Employee benefits	162
Provisions	175
Deferred tax liabilities	449
Current part loans, interest-bearing	701
Bank overdraft	38
Tax liabilities (current)	32
Other current liabilities	609
<b>Liabilities assumed</b>	<b>3,334</b>
<b>Total net identifiable assets</b>	<b>2,043</b>

### Appendix 7 - continued

Consideration transferred in exchange for shares	3,865
Consideration paid in cash	51
Recognition indemnification receivable	(134)
Fair value of previous interest in the acquiree	21
Non-controlling interests	20
Net identifiable assets acquired	(2,043)
<b>Goodwill on acquisition</b>	<b>1,780</b>

- Amounts were converted into euros at the rate of MXN/EUR 16.246, BRL/EUR 2.2959 and USD/EUR 1.3315 for the statement of financial position.

Goodwill has, for the vast majority, provisionally been allocated to the America's region and is held in USD, MXN and BRL. The rationale for the allocation is that the acquisition provides access to the Latin American market, cost synergies to be achieved through economies of scale due to the increased size of the operations and deferred taxes and assembled workforce will mostly be between Mexico and USA. Additionally, the acquisition secures the distribution of the FEMSA products in the USA, previously arrangement via a 10 years license agreement. The entire amount of goodwill is not expected to be tax deductible.

The consideration transferred in exchange of Heineken N.V. is based on 86,028,019 new Heineken N.V. Shares with a commitment to deliver Allotted Shares over a period of not more than five years from the date of Closing. The Allotted Shares will be delivered to FEMSA pursuant to the Allotted Share Delivery Instrument (ASDI). Simultaneously with the Closing, Heineken Holding N.V. has exchanged 43,018,320 (out of the 86,028,019 new) Heineken N.V. shares with FEMSA for an equal number of newly issued Heineken Holding Shares. The equity consideration transferred is based on:

- Heineken N.V. issued shares (based on listed share price of Heineken N.V. and Heineken Holding N.V. of respectively €35.18 and €30.82 per 30 April 2010);
- ASDI, number of shares 29,172,504 (based on listed share price of Heineken N.V. of €35.18 per 30 April 2010).

The consideration paid in cash amounting to €51 million relates to the working capital adjustment for the period between 1 January and 30 April 2010 as agreed in the Share Exchange Agreement.

Between Heineken and FEMSA certain indemnifications were agreed on, that primarily relate to tax and legal matters. Upon acquisition, the indemnification asset amounts to €134 million, this asset will subsequently change depending on the corresponding liabilities and amounts to €145 million as at 31 December 2010. Indemnification assets are recognised as an asset of the acquirer at the same time and on the same basis as the indemnified items are recognised as a liability. The indemnification asset is considered an included element of the business combination. Mexican contingencies will be fully indemnified by FEMSA, Brazilian contingencies however are covered by FEMSA for its former share of approximately 83%. Items will only qualify for indemnification if they have not been previously disclosed to Heineken, exceed the floor of USD50 million individually, relate to the period prior to acquisition and the total indemnification does not exceed the cap. The indemnification is maximized at USD500 million, excluding items attributable to Brazilian tax matters.

The fair value of the previously held 17 per cent in Cervejarias Kaiser (Kaiser) is recognised at €21 million. The remeasurement to fair value of the Group's existing 17 per cent interest in Kaiser resulted in a net loss of €4 million that has been recognised in profit or loss under other net finance (expenses)/income.

# Heineken Holding N.V.

## Press release

### **Appendix 7 - continued**

Non-controlling interests are recognised based on their proportional interest in the recognised amounts of the assets and liabilities of the beer operations acquired from FEMSA of €20 million.

In the net assets acquired Heineken noted trade receivables with a fair value of €319 million. The gross amount is €365 million, of which €46 million is considered doubtful.

As part of business combination accounting contingent liabilities amounting to €14 million have been recognised mainly relating to change in control provisions in existing contracts and certain onerous contracts. The cash-outflow is expected between 1 to 7 years.

Acquisition related costs of €24 million have been recognised in profit or loss for the period ended 31 December 2010.

### ***Provisional accounting other acquisitions in 2010***

During 2010 several adjustments were made to provisional accounting for acquisitions in the UK and Ireland. Total impact resulted in a decrease of goodwill with €32 million, of which €37 million was received in cash. Goodwill decreased due to the S&N acquisition of 2008 for €37 million and is caused by adjustments made to the debt allocation agreement with Carlsberg Group. For the other acquisitions in 2009 related to Universal Beverages Limited (UBL Cider Mill) in the UK the goodwill increased by approximately €9 million, these adjustments were made within the window period of one year. The remainder of €4 million goodwill decrease relates to the finalisation of the contingent consideration of Nash Beverages Ltd. in Ireland.

### ***Acquisition of non-controlling interest***

On 12 May 2010, Heineken International acquired an additional interest in Commonwealth Brewery Limited (CBL) of 47% and Burns House Limited (BHL) of 60%, increasing its ownership to 100% in both entities. Before this acquisition, Heineken International already had control in CBL / BHL. On 17 November 2010 Heineken International acquired an additional 5% interest in Brasseries et Limonaderies du Rwanda S.A., increasing its ownership to 75%. During the year 2010 several other non-controlling interests were bought out which is regular business within the Heineken Group. The cash paid for all the acquired non-controlling interests during 2010 amounts to €92 million, decreased the non-controlling interests with €34 million and resulted in a net decrease of the retained earnings of €58 million.

Due to non-disclosure agreements Heineken cannot provide the consideration paid on an individual level. Considering the overall amounts disclosed above we deem these to be individually as well as aggregated to be immaterial in nature.

### ***Disposals***

On 10 February 2010 and 13 April 2010 Heineken N.V. transferred in total a 78.3% stake in PT Multi Bintang Indonesia (MBI) and Heineken's 87% stake in Grande Brasserie de Nouvelle-Caledonie S.A. (GBNC) to its joint venture Asia Pacific Breweries (APB). Heineken retains a direct shareholding in MBI of 6.8%. As a result of the transaction a gain of €157 million before tax has been recognised in other income including the remeasurement to fair value of the Group's remaining 6.8% share amounting to €29 million. The Sales Price of this transaction was €265 million.

Other disposals during 2010 include Waverley TBS in the United Kingdom and certain smaller entities in the Caribbean. Due to competitive sensitivity and the non-disclosure agreements with the parties involved, the disposal prices are not individually disclosed.

The disposals had the following effect on Heineken's assets and liabilities on disposal date:

### Appendix 7 - continued

<i>In millions of €</i>	<b>Total Disposals</b>
Property, plant & equipment	(61)
Intangible assets	-
Investments in associates & joint ventures	-
Other investments	(2)
Deferred tax assets	(4)
Inventories	(35)
Trade and other receivables	(69)
Cash and cash equivalents	(24)
<b>Assets</b>	<b>(195)</b>
Loans and borrowings	2
Employee benefits	1
Provisions	17
Deferred tax liabilities	6
Trade and other payables	147
Tax liabilities	5
<b>Liabilities</b>	<b>178</b>
<b>Net identifiable assets and liabilities</b>	<b>(17)</b>
Non-controlling interest	5
Gain on sale of subsidiaries	(282)*
Consideration received in cash net	(294)
Net cash disposed of	24
Net cash outflow/(inflow)	(270)

\* €101 million of the gain on disposal is eliminated reflecting the Heineken share in APB

### Appendix 8

#### Raw materials, consumables and services

<i>In millions of €</i>	<b>2010</b>	<b>2009</b>
Raw materials	1,474	1,140
Non-returnable packaging	1,863	1,739
Goods for resale	1,655	2,253
Inventory movements	(8)	(5)
Marketing and selling expenses	2,072	1,664
Transport expenses	979	934
Energy and water	442	319
Repair and maintenance	375	299
Other expenses	<u>1,439</u>	<u>1,307</u>
	<b><u>10,291</u></b>	<b><u>9,650</u></b>

Other expenses include rentals of €224 million, consultant expenses of €126 million, telecom and office automation of €156 million and other fixed expenses of €933 million.

### Appendix 9

#### Loans and borrowings

##### **Non-current liabilities**

*In millions of €*

	<b>2010</b>	<b>2009</b>
Secured bank loans	48	179
Unsecured bank loans	3,260	2,958
Unsecured bond issues	2,482	2,445
Finance lease liabilities	47	89
Other non-current interest-bearing liabilities	1,895	1,267
<b>Non-current interest-bearing liabilities</b>	<b>7,732</b>	<b>6,938</b>
Non-current non-interest-bearing liabilities	55	93
Non-current derivatives	291	370
	<b><u>8,078</u></b>	<b><u>7,401</u></b>

##### **Current interest-bearing liabilities**

*In millions of €*

	<b>2010</b>	<b>2009</b>
Current portion of secured bank loans	11	96
Current portion of unsecured bank loans	346	78
Current portion of unsecured bond issues	-	500
Current portion of finance lease liabilities	48	19
Current portion of other interest-bearing liabilities	32	75
<b>Total current portion of non-current interest-bearing liabilities</b>	<b>437</b>	<b>768</b>
Deposits from third parties	425	377
	<b>862</b>	<b>1,145</b>
Bank overdrafts	132	156
	<b><u>994</u></b>	<b><u>1,301</u></b>

##### **Net interest-bearing debt position**

*In millions of €*

	<b>2010</b>	<b>2009</b>
Non-current interest-bearing liabilities	7,732	6,938
Current portion of non-current interest-bearing liabilities	437	768
Deposits from third parties	425	377
	<b>8,594</b>	<b>8,083</b>
Bank overdrafts	132	156
	<b>8,726</b>	<b>8,239</b>
Cash, cash equivalents and current other investments	(627)	(535)
<b>Net interest-bearing debt position</b>	<b><u>8,099</u></b>	<b><u>7,704</u></b>

### Appendix 9 - continued

#### Loans and borrowings

As per 31 December 2010, no amount was drawn on the existing Revolving Credit Facility of €2 billion. This revolving credit facility is expiring in 2012. Interest is based on EURIBOR plus a margin.

As part of the acquisition of the beer operations of FEMSA, Heineken acquired a net debt position of €1,564 million. From this amount loans and borrowings in Mexico and Brazil amount to €1,595 million, the remainder is cash (net of bank overdrafts ) of €31 million. This position largely consisted of bank loans from local financial institutions as well as several loans from FEMSA, the seller of FEMSA Cerveza. These loans, which amounted to €573 million as at 30 April 2010, were repaid in May and June 2010. These loans have been refinanced by drawings under the Revolving Credit Facility of Heineken N.V.. As per 31 December 2010 the available headroom (including cash available in the Group cash pool) is approximately €2.1 billion, as revolving credit facility was undrawn.

On 13 August 2010, Heineken N.V. received the funds related to the 8-year private loan notes, which were placed on 7 May 2010 with institutional investors in the United States. The principal amount of the loan notes is \$725 million and the coupon was fixed at 4.6%. The maturity date is 15 August 2018. Heineken N.V. has swapped the proceeds into €559 million with a fixed coupon of 3.9%.

#### EMTN Programme

The Euro Medium Term Note Programme ('EMTN') was updated and increased to €5 billion in September 2010 and is registered on the Luxembourg Stock Exchange. As currently approximately €1.9 billion is outstanding, Heineken still has capacity of €3.1 billion under this programme.

The programme can be used for issuing up to 1 year after its latest update.

### Appendix 10

#### Notes to the appendices

##### Reporting entity

Heineken Holding N.V. (the 'Company') is a company domiciled in the Netherlands. The address of the Company's registered office is Tweede Weteringplantsoen 5, Amsterdam. The consolidated financial statements as at and for the year ended 31 December 2010 comprise Heineken Holding N.V., Heineken N.V., its subsidiaries (together referred to as 'Heineken' or the 'Group' and individually as 'Heineken' entities) and Heineken's interests in Joint Ventures ('JVs') and associates.

The financial information included in appendix 1-9 is extracted from Heineken Holding N.V.'s consolidated financial statements 2010. These financial statements were authorised for issue on 15 February 2011. The financial statements have been audited and an unqualified auditors' report has been issued. The annual report is yet to be approved in the annual general meeting of shareholders on 21 April 2011 and will be published on the website on 7 March 2011.

Heineken Holding N.V.'s consolidated financial statements for 2010 will be available on request from Heineken Holding N.V., Tweede Weteringplantsoen 5, 1017 ZD Amsterdam, Netherlands or can be obtained from the website [www.heinekeninternational.com/heinekenholdinghoofdpagina.aspx](http://www.heinekeninternational.com/heinekenholdinghoofdpagina.aspx)

##### Accounting policies

Except for the accounting policies mentioned below, the accounting policies applied by Heineken Holding N.V. in these appendices are the same as the policies applied by Heineken Holding N.V. in the consolidated financial statements for 2009. Applied are International Financial Reporting Standards (IFRS) adopted by the EU (i.e. only IFRS's that are adopted for use in the EU at the date of publication).

These appendices do not contain all the information required for a complete full-year set of financial statements.

##### Accounting for business combinations

From 1 January 2010, the Group has applied IFRS 3 *Business Combinations* (2008) in accounting for business combinations. The change in accounting policy has been applied prospectively and has no impact on Earnings per Share.

For acquisition on or after 1 January 2010, the Group measures goodwill at the acquisition date as the fair value of the consideration transferred plus the fair value of any previously-held equity interest in the acquiree and the recognised amount of any non-controlling interests in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

# Heineken Holding N.V.

## Press release

### Appendix 10 - continued

#### Accounting for acquisitions of non-controlling interests

From 1 January 2010 the Group has applied IAS 27 *Consolidated and Separate Financial Statements* (2008) in accounting for acquisitions of non-controlling interests. The change in accounting policy has been applied prospectively and has no impact on Earnings per Share.

Under the new accounting policy, acquisitions of non-controlling interests are accounted for as transactions with owners in their capacity as owners and therefore no goodwill is recognised as a result of such transactions. The adjustments to non-controlling interests are based on a proportionate amount of the net assets of the subsidiary.

Previously, goodwill was recognised on the acquisition of non-controlling interests in a subsidiary, which represented the excess of the cost of the additional investment over the carrying amount of the interest in the net assets acquired at the date of the transaction.

#### Issued and outstanding shares

The number of issued and outstanding shares as per 31 December 2009 was 245,011,848. In 2010 a (net) total of 43,018,320 shares were issued due to the acquisition of FEMSA. The number of issued and outstanding shares per 31 December 2010 is 288,030,168.

#### Exceptional items and amortisation of brands and customer relationships

In 2010 a total of €132 million is recognised at EBIT level as exceptional items and amortisation of brands and customer relationships:

• Restructuring costs included in personnel expenses	€39 million
• Acquisition and integration expenses	€80 million
• Book gain on sales	€199 million
• Impairments loans, receivables and guarantees	€70 million
• Amortisation of brands and customer relationships	€142 million

# Heineken Holding N.V.

## Press release

### Appendix 10 - continued

#### Contingencies

##### *Netherlands*

Heineken is involved in an antitrust case initiated by the European Commission for alleged violations of the European Union competition laws. By decision of 18 April 2007 the European Commission stated that Heineken and other brewers operating in the Netherlands, restricted competition in the Dutch market during the period 1996-1999. This decision follows an investigation by the European Commission that commenced in March 2000. Heineken fully cooperated with the authorities in this investigation. As a result of its decision, the European Commission has imposed a fine on Heineken of €219 million in April 2007.

On 4 July 2007 Heineken filed an appeal with the European Court of First Instance against the decision of the European Commission as Heineken disagrees with the findings of the European Commission. Pending appeal, Heineken was obliged to pay the fine to the European Commission. This fine was paid in 2007 and was treated as an expense in the 2007 Annual Report. A final decision by the European Court of First Instance is expected in 2011.

##### *Carlsberg*

During 2010 the existing contingency between Heineken and Carlsberg was settled. The consideration paid (purchase price) for the acquisition of S&N has been finalised. The impact on goodwill was immaterial.

##### *Brazil*

As part of the acquisition of the beer operations of FEMSA Heineken also inherited existing legal proceedings with labour unions, tax authorities and other parties of its, now wholly owned, subsidiary Cervejarias Kaiser (Heineken Brasil). The proceedings have arisen in the ordinary course of business and are common to the current economic and legal environment of Brazil. The proceedings have partly been provided for. The contingent amount being claimed against Heineken Brasil resulting from such proceedings as at 31 December 2010 is €1,267 million. Such contingencies were classified by legal counsel as less than probable but more than remote of being settled against Heineken Brasil. However, Heineken believes that the ultimate resolution of such legal proceedings will not have a material adverse effect on its consolidated financial position or result of operations. Heineken does not expect any significant liability to arise from these contingencies. A significant part of the afore mentioned contingencies (€364 million) are tax related and qualify for indemnification by FEMSA.

As is customary in Brazil, Heineken Brasil has been requested by the tax authorities to collateralise tax contingencies currently in litigation amounting to €218 million by either pledging fixed assets or entering into available lines of credit which cover such contingencies.

#### *Guarantees*

In millions of €	<b>Total 2010</b>	<b>Less than 1 year</b>	<b>1-5 years</b>	<b>More than 5 years</b>	<b>Total 2009</b>
Guarantees to banks for loans (to third parties)	384	213	111	60	371
Other guarantees	271	68	9	194	177
	<b>655</b>	<b>281</b>	<b>120</b>	<b>254</b>	<b>548</b>

Guarantees to banks for loans relate to loans to customers, which are given by external parties in the ordinary course of business of Heineken. Heineken provides guarantees to the banks to cover the risk related to these loans.

### Appendix 10 - continued

#### Subsequent events

##### ***Acquisition of business in Nigeria***

On 12 January 2011 Heineken N.V. announced that it has strengthened its platform for growth in Nigeria via the acquisition of two holding companies from the Sona Group. The two acquired businesses have controlling interests in each of the Sona, IBBI, Benue, Life and Champion breweries in Nigeria.

Heineken will explore the possibility to sell the newly acquired breweries to its existing businesses in Nigeria during 2011. Discussions with Nigerian Breweries and Consolidated Breweries will begin now the transaction has been finalised. The acquired breweries will continue to provide and expand contract brewing services to Nigerian Breweries and Consolidated Breweries for the meantime, while continuing to own, brew and support the Goldberg, Williams Dark Ale and Malta Gold brands as well as various smaller regional brands.

The acquisition has been funded from existing resources.

##### ***Allotted Share Delivery Instrument***

Between 1 January and 11 February 2011, Heineken N.V. has bought 710,437 additional Heineken N.V. shares, which are in portfolio pending delivery to FEMSA.

#### **Board of Directors**

M. Das

C.L. de Carvalho-Heineken

J.A. Fernández Carbajal

D.P. Hoyer

K. Vuursteen

Amsterdam, 15 February 2011

### Appendix 11

#### Glossary

##### **Beia**

Before exceptional items and amortisation of brands and customer relations.

##### **Cash conversion ratio**

Free operating cash flow/Net profit (beia) before deduction of non-controlling interests.

##### **Depletions**

Sales by distributors to the retail trade.

##### **Dividend payout**

Proposed dividend as percentage of net profit (beia).

##### **Earnings per share**

###### Basic

Net profit divided by the weighted average number of ordinary shares – basic – during the year.

###### Diluted

Net profit divided by the weighted average number of ordinary shares – diluted – during the year.

##### **ASDI**

Allotted share delivery instrument (ASDI) representing Heineken N.V.'s obligation to deliver shares, either through issuance and/or purchasing its own shares.

##### **EBIT**

Earnings before interest and taxes and net finance expenses. EBIT includes Heineken's share in net profit of associates and joint ventures.

##### **EBITDA**

Earnings before interest and taxes and net finance expenses before depreciation and amortisation.

##### **Effective tax rate**

Taxable profit adjusted for share of profit of associates and joint ventures, dividend income and impairments of other investments.

##### **Fixed costs**

Fixed costs include personnel costs, depreciation and amortisation, repair and maintenance costs and other fixed costs. Exceptional items are excluded from these costs.

##### **Fixed costs ratio**

Fixed costs as a percentage of revenue.

##### **Free operating cash flow**

This represents the total of cash flow from operating activities, and cash flow from operational investing activities.

##### **Gearing**

Net debt/total equity.

##### **Heineken**

Heineken Holding N.V., Heineken N.V., its subsidiaries and interests in joint ventures and associates.

**Net debt**

Non-current and current interest-bearing loans and borrowings and bank overdrafts less investments held for trading and cash.

**Net debt/EBITDA (beia) ratio**

The ratio is based on a twelve month rolling calculation for EBITDA (beia).

**Net profit**

Profit after deduction of non-controlling interests (profit attributable to equity holders of Heineken Holding N.V.).

**Organic growth**

Growth excluding the effect of foreign exchange rate movements, consolidation changes, exceptional items, amortisation of brands and customer relations.

**Organic volume growth**

Increase in consolidated volume, excluding the effect of the first-time consolidation of acquisitions.

**Profit**

Total profit of the Group before deduction of non-controlling interest.

®

All brand names mentioned in this report, including those brand names not marked by an ®, represent registered trademarks and are legally protected.

**Region**

A region is defined as Heineken's managerial classification of countries into geographical units.

**Revenue**

Net realised sales proceeds in Euros.

**Top-line growth**

Growth in net revenue.

**Volume****Amstel® volume**

The Group beer volume of the Amstel brand.

**Consolidated beer volume (excluding Joint Ventures)**

100 per cent of beer volume produced and sold by fully consolidated companies excluding the beer volume brewed and sold by joint venture companies.

**Group beer volume**

The part of the total Group volume that relates to beer.

**Heineken® volume**

The Group beer volume of the Heineken brand.

**Heineken® volume in premium segment**

The Group beer volume of the Heineken brand in the premium segment (Heineken volume in the Netherlands is excluded).

**Total beer volume**

The Group beer volume in a country.

### Total Group volume

100 per cent of beer, soft drinks and other beverages volume produced and sold by fully consolidated companies and joint-venture companies as well as the volume of Heineken's brands produced and sold under licence by third parties.

### **Weighted average number of shares**

#### Basic

Weighted average number of issued ordinary shares, adjusted for the weighted average of own ordinary shares purchased in the year.

#### Diluted

Weighted average number of issued ordinary shares including weighted average of outstanding ordinary shares.

### **Disclaimer**

This press release contains forward-looking statements with regard to the financial position and results of Heineken's activities. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond Heineken's ability to control or estimate precisely, such as future market and economic conditions, the behaviour of other market participants, changes in consumer preferences, the ability to successfully integrate acquired businesses and achieve anticipated synergies, costs of raw materials, interest-rate and exchange-rate fluctuations, changes in tax rates, changes in law, pension costs, the actions of government regulators and weather conditions. These and other risk factors are detailed in Heineken's publicly filed annual reports. You are cautioned not to place undue reliance on these forward-looking statements, which are only relevant as of the date of this press release. Heineken does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of these statements. Market share estimates contained in this press release are based on outside sources, such as specialised research institutes, in combination with management estimates.