

Amsterdam, 19 August 2010

Heineken



Amsterdam, 19 August 2010

Heineken

Restatement 2009 pro-forma FEMSA Cerveza

Robin Hoytema van Konijnenburg
Group Finance Director



No surprises from FEMSA Cerveza



Integration on track, expected to be completed on schedule

- ▶ 2009 restatement in line with shareholders circular dated 23 March 2010
 - ▶ Revenue € 2,465m (circular € 2,465m)
 - ▶ EBIT (beia): € 276m (circular € 278m)
 - ▶ EBITDA (beia): € 442m (circular € 437m)

- ▶ Previously communicated cost synergies of € 150m by 2013 confirmed

- ▶ No change in transaction expectations
 - ▶ EPS (beia) enhancing after 2 years from the closing of the transaction
 - ▶ Value accretive after 6 full years

- ▶ Consolidated from 1 May 2010
 - ▶ Senior management fully in place
 - ▶ Mexican business: Cerveceria Cuauhtémoc Moctezuma (CCM)
 - ▶ Brazilian business: Heineken Brasil

Adjustments to pro forma EBIT (beia)

Heineken

	2009
Income from operations (in MXNm) (FEMSA annual report 2009) (in €m*)	5,894
Income from operations	314
Adjustments from FEMSA Income from operations to Heineken EBIT	-30
Effect of fair value adjustments	-107
Accounting policy alignment	-12
Other pro forma adjustments	+20
Adjustments for amortisation of brands and customer relations and non recurring exceptional items	+91
EBIT (beia) as per pro forma P&L 2009	276
EBIT (beia) as per shareholders' circular	278

Main adjustments to balance sheet

(€m*)	Fair value adjustments
Assets	
Property, plants & equipment	142
Intangible assets	508
Liabilities	
Employee benefits	79
Provisions	139
Deferred tax liabilities	486

- ▶ Adjustments in Intangible assets are mainly results of the valuation of brands, customer relations and other contracts
- ▶ Provisions have been increased mainly due to the non-corporation tax position in Brazil
- ▶ Deferred tax liabilities increase is a result of the fair value adjustments of assets

Consideration & Goodwill

Heineken

(€m*)

Net identifiable assets acquired	2,100
Adjustments for non-controlling interests	-20
Goodwill on acquisition	1,712
Fair value of the purchase consideration	3,792
Consideration paid in shares	3,865
Consideration paid in cash	51
Adjustments for potential indemnification receivable	-145
Adjustment for previously held interest Brazil	21
Fair value of the purchase consideration	3,792

Amsterdam, 19 August 2010

Heineken

Questions



Deferred share payment - ASDI

- ▶ c.29 million HNV new or existing shares to be delivered under the terms the Allotted Share Delivery Instrument (“ASDI”); Heineken’s intention is to acquire existing shares in the market
- ▶ Represents 5.1% of the pro forma share capital of Heineken (approximately €1,026 million*)
- ▶ Key features of the ASDI:
 - ▶ Delivery over a maximum 5 year period through semi-annual instalments but option to accelerate at the discretion of Heineken
 - ▶ If unable to satisfy the ASDI obligation in full, the obligation may be settled in cash with a penalty
 - ▶ For undelivered shares a coupon will be paid in lieu of HNV dividends
 - ▶ IFRS: ASDI treated as equity; whilst outstanding, has similar effect on EPS as outstanding shares; when shares are being purchased and delivered, this will revert but net debt will increase
- ▶ Shares repurchased as per 13 August 2010: 7,510,055
 - ▶ 5,522,878 in phase 1: 8 March - 8 June 2010
 - ▶ 1,987,177 in phase 2: 1 July - 17 November 2010