



AGM Heineken N.V.
23 April 2009



Heineken

NV

**Annual General Meeting of Shareholders
2009**

Presentation Results 2008
by Jean-François van Boxmeer
Chairman of the Executive Board

Amsterdam, 23 April 2009

2008: Strong organic growth

acquisitions and impairments significantly impact profit



★ Strong organic growth

- Net organic profit growth +11%
- Organic growth consolidated beer volume +3.5%
- Heineken® premium volume +4.7%
- Outstanding growth in Africa
- F2F delivered EUR 469m gross cost savings

★ Strengthened geographic footprint substantially in last 18 months

- Entered 11 new markets with #1 and #2 positions
- Significant growth potential

★ Acquisitions and impairments significantly impact profit

- Financing costs substantially outweigh EBIT contribution
- Net exceptional charges EUR 757m, 80% non-cash

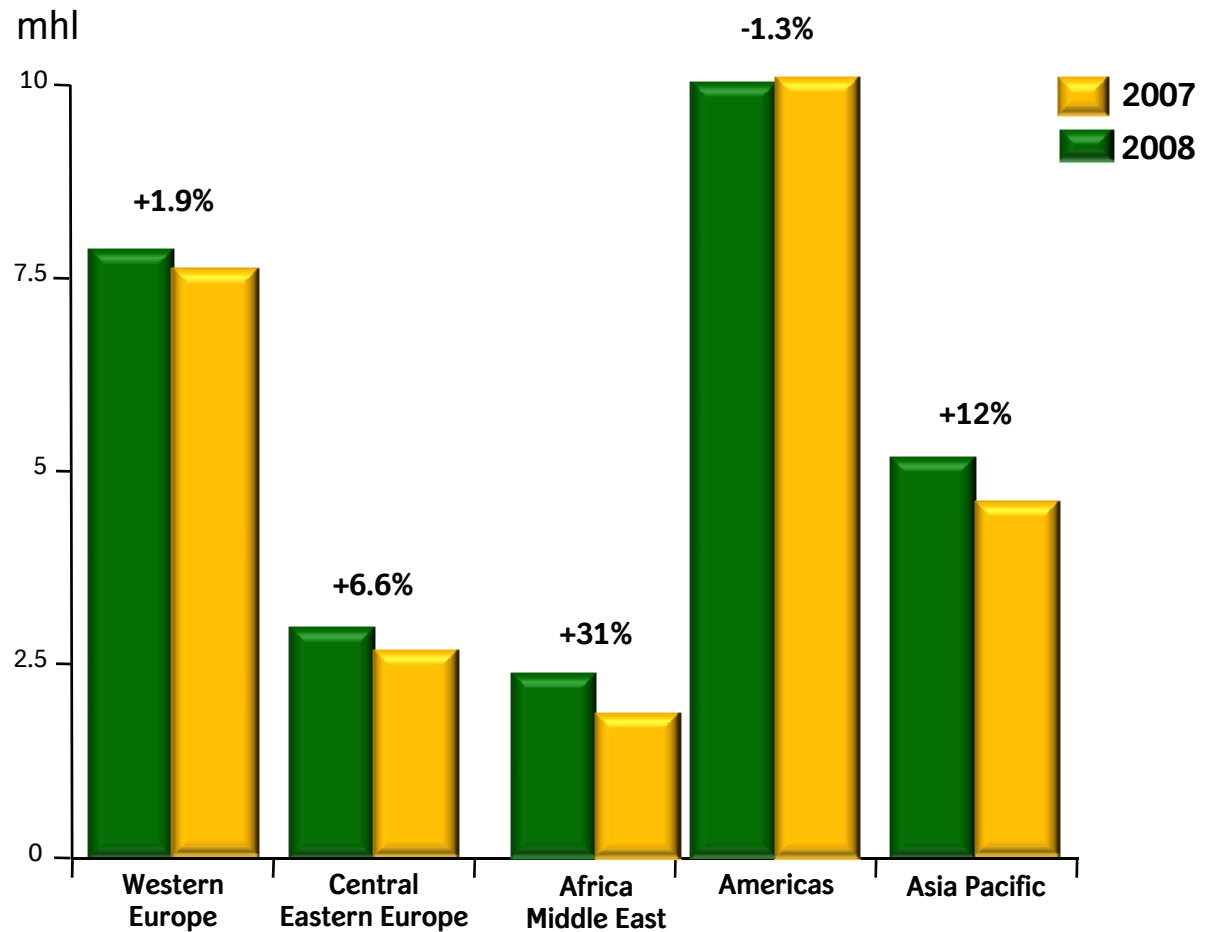
Resulting in strong EBIT (beia) but low reported net profit

	Euro	Change	Organic
Consolidated beer volume	125.8 m	+19%	+3.5%
Revenue	14.3 bn	+27%	+7.4%
EBIT (beia)	1.9 bn	+11%	+8.7%
Net Profit (beia)	1.0 bn	-9.5%	+11%
Reported Net profit	209 m	-74%	
New businesses:			
EBIT contribution	71 m		
Financing costs*	-320 m		
Exceptional charges (after tax)	757 m		
• of which Impairments (after tax)	508 m		

* Excluding Other financial income and hedging costs

Heineken brand: Extending leadership

Heineken® +4.7% in International Premium Segment



Heineken entered 11 new markets with #1 and #2 positions

Western Europe

United Kingdom
Portugal
Finland
Belgium
Ireland
Switzerland

Central and Eastern Europe

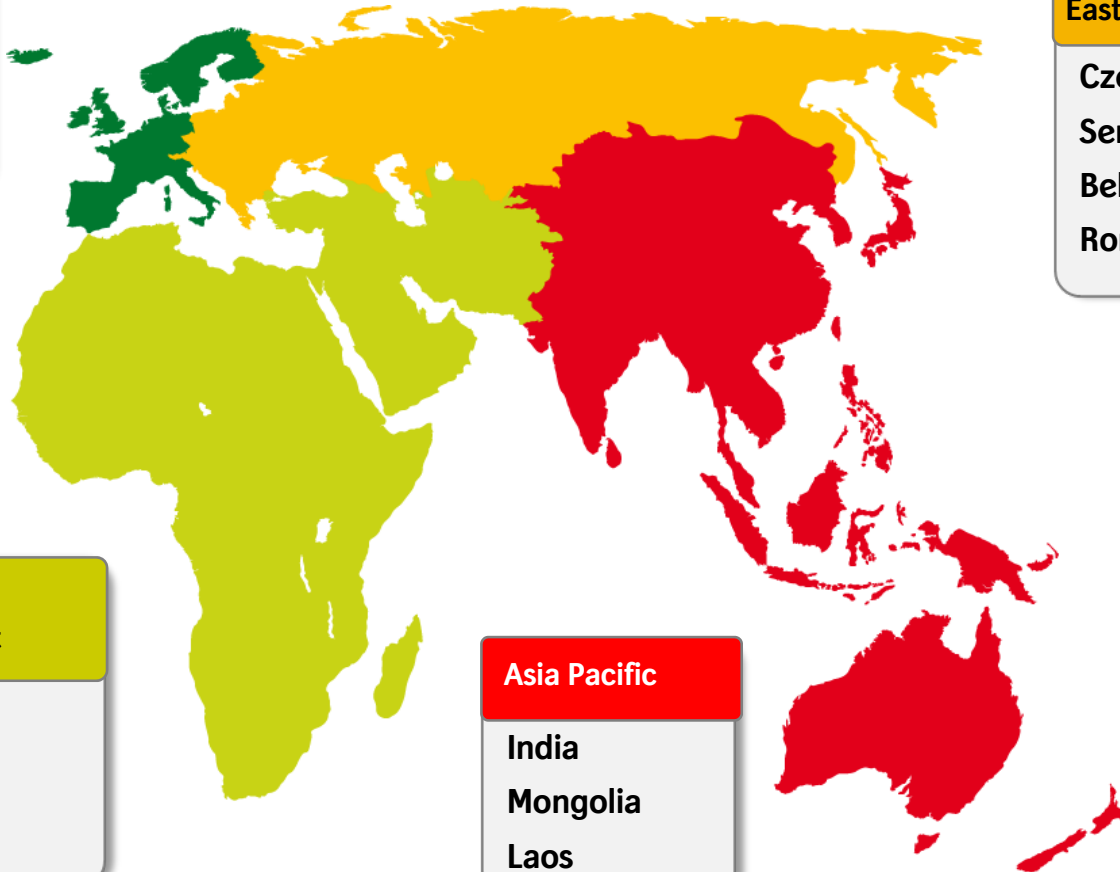
Czech Republic
Serbia
Belarus
Romania

Africa and the Middle East

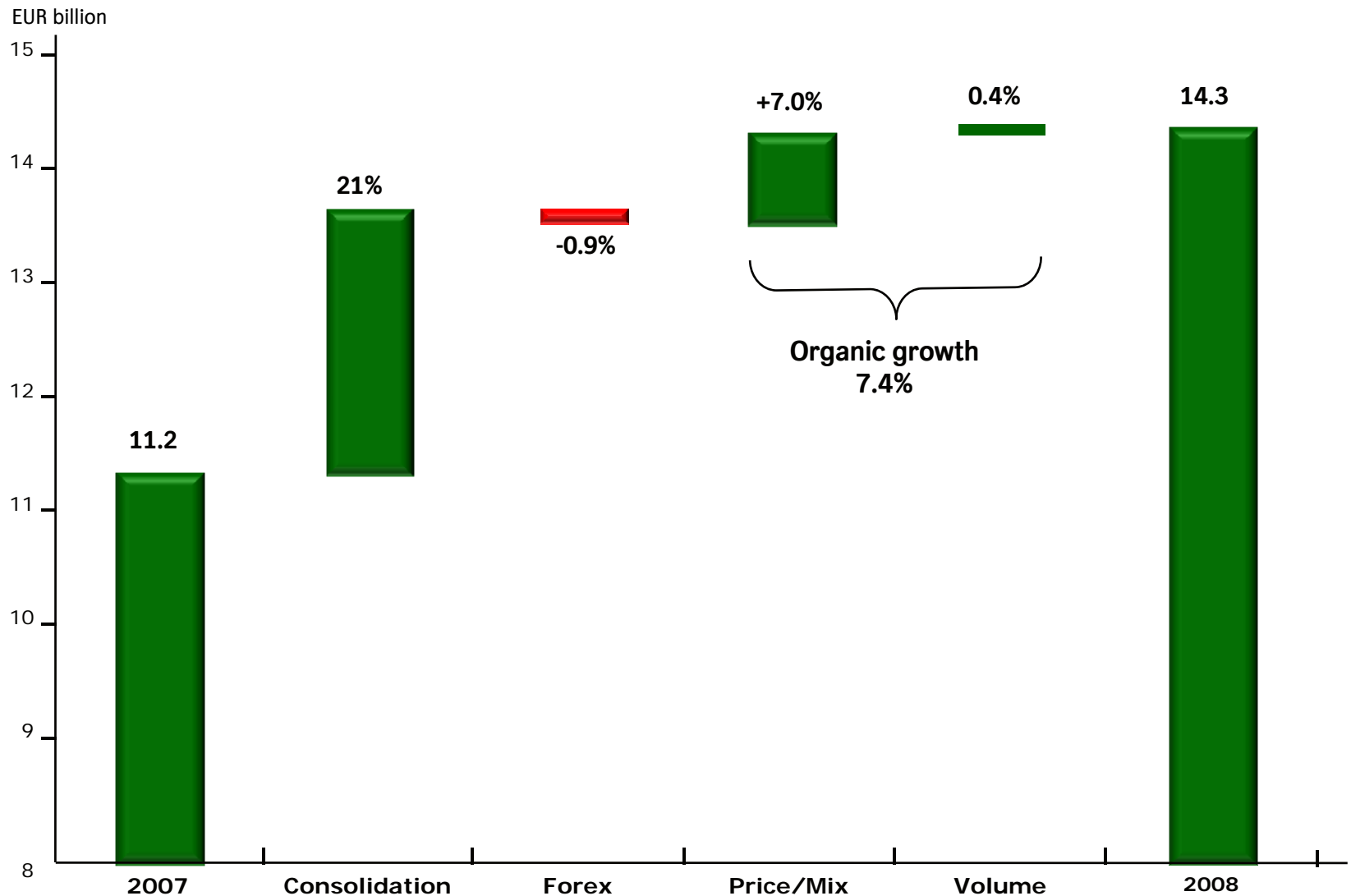
Algeria
Tunisia
South Africa

Asia Pacific

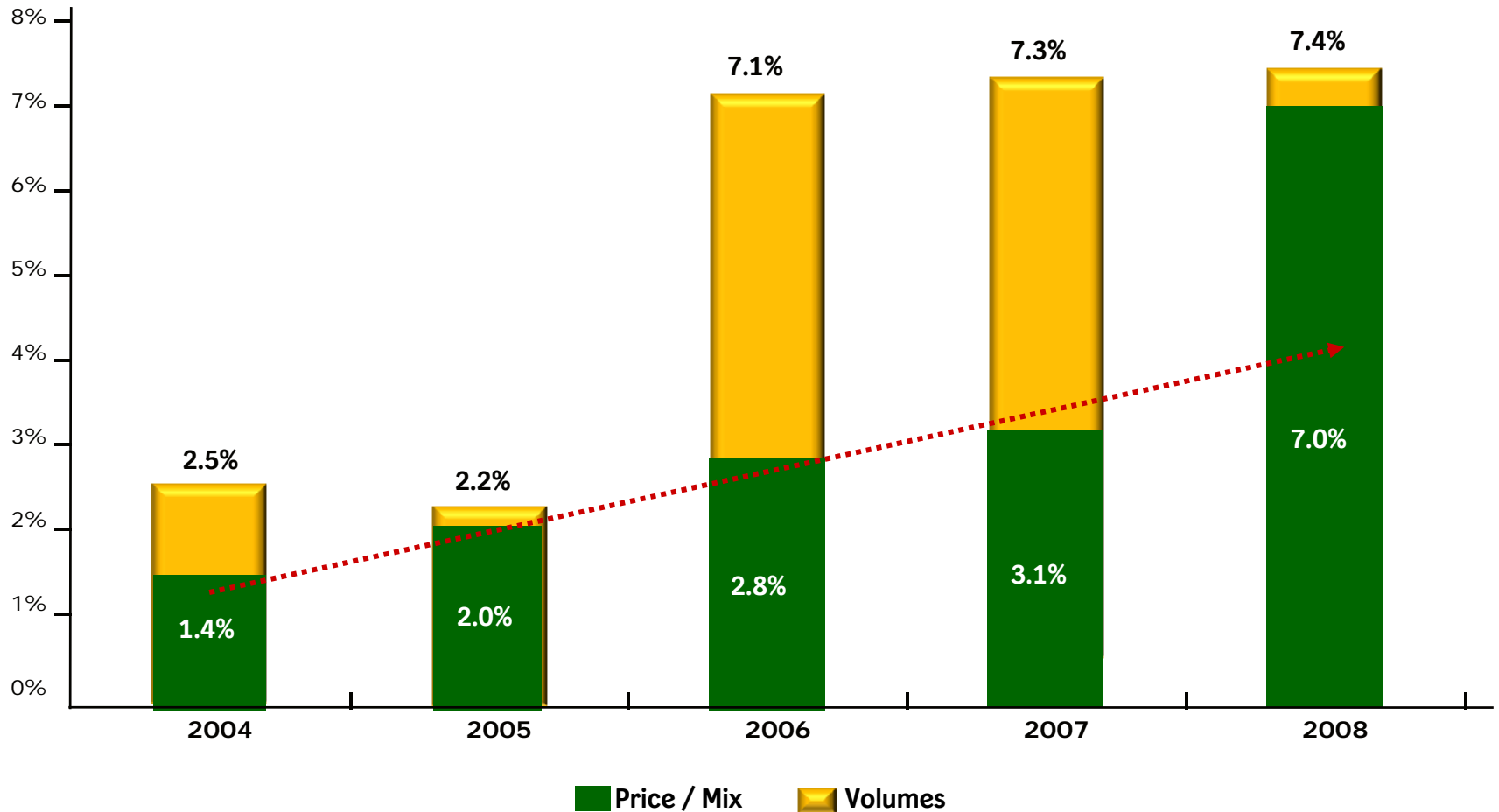
India
Mongolia
Laos



Revenue grew 7.4% organically

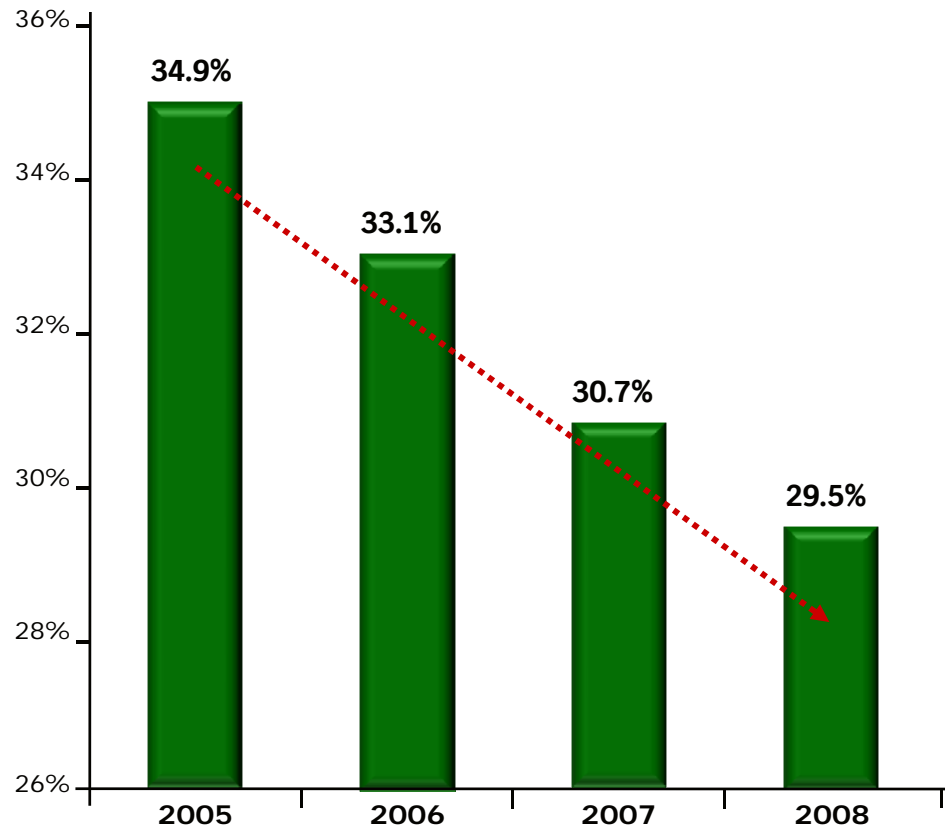


Strong pricing and better sales mix



...and vigorous cost cutting...

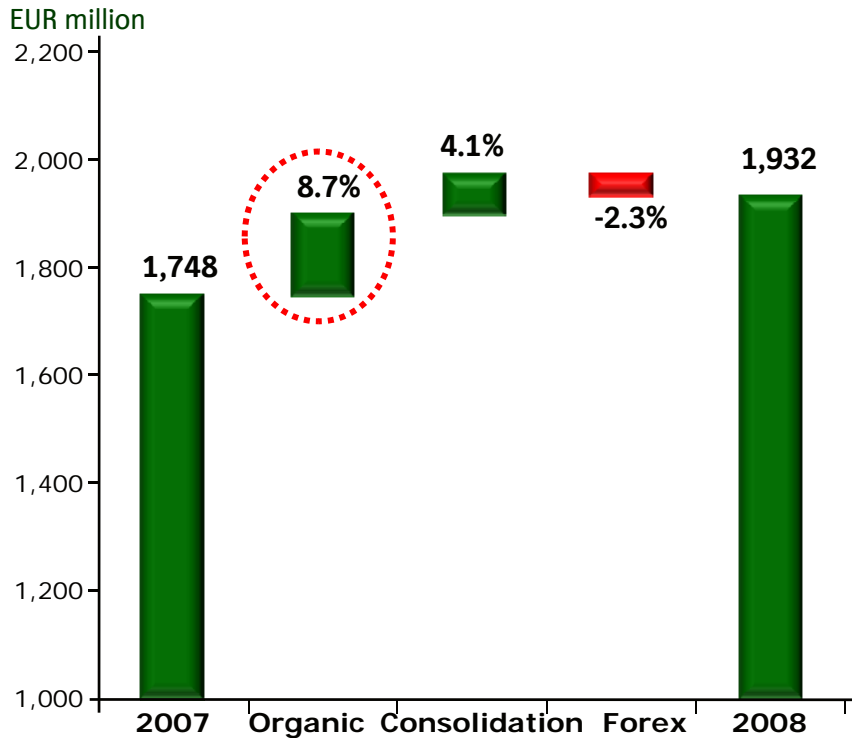
F2F fixed costs as % of revenue



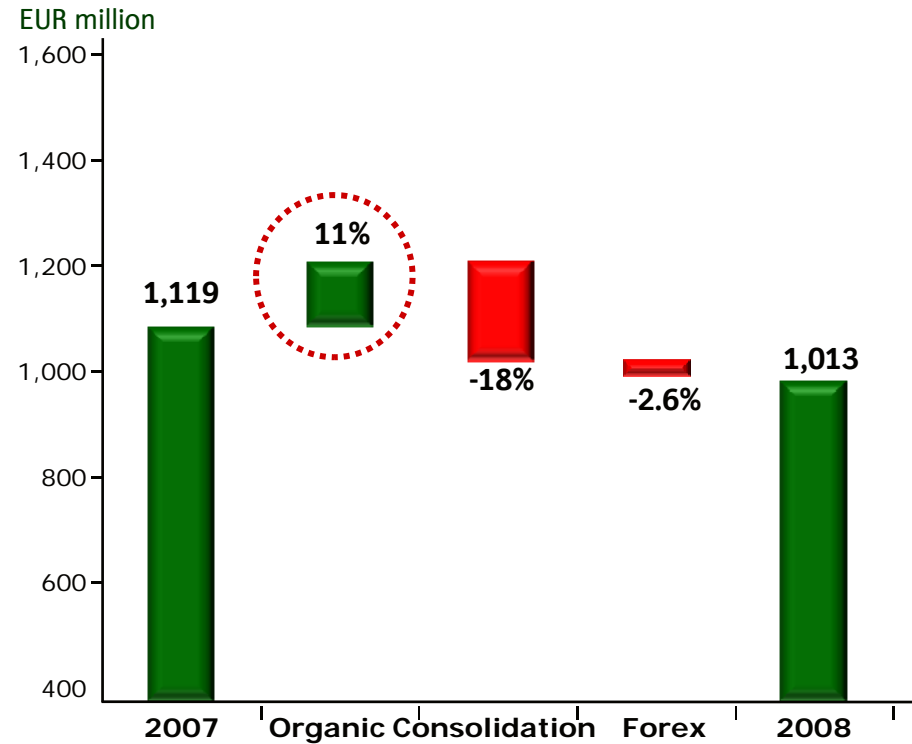
- F2F cumulative savings EUR 469m
- 2008 savings EUR 164m
- F2F cumulative exceptional restructuring costs EUR 284m
 - 2008 costs EUR 125m
- 5 breweries closed
- FTE reduction >12,000
- “Total Cost Management” programme launched for 2009-2011

... drive strong organic profit growth

Ebit (beia)

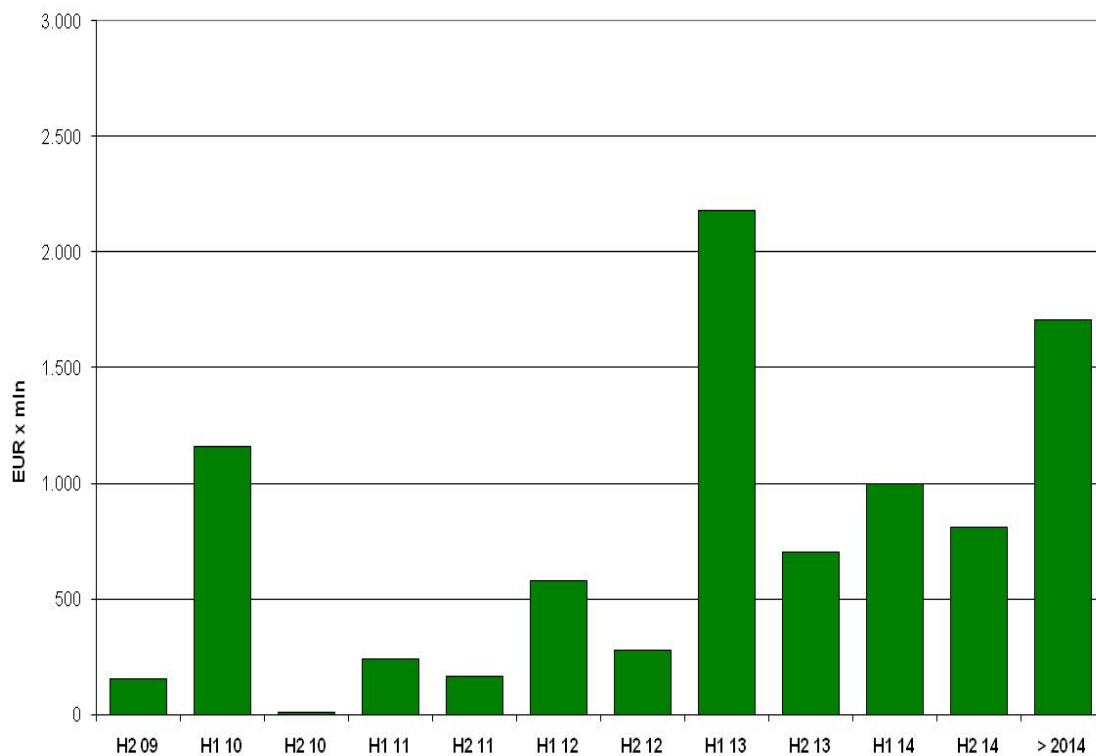


Net profit (beia)



Financially robust: balanced maturity profile

Long-term debt redemption scheme per end of March '09



- 2008 Net debt: 8.9 bn,
- 2008 Net debt/EBITDA ratio of 3.3x
- Target is below 2.5x

- 85% of debt at fixed interest rates
- Debt >80% euro denominated.
- Average interest rate 2009 5.8%

Available financing:

- Revolving Credit Facility: maturity 2012, EUR 1,530m undrawn as per year end 2008
- 2-year stand-by revolving credit facility of EUR 375m
- GBP 400m 6-year bond swapped into EUR 450m
- Euro 1bn 5-year bond



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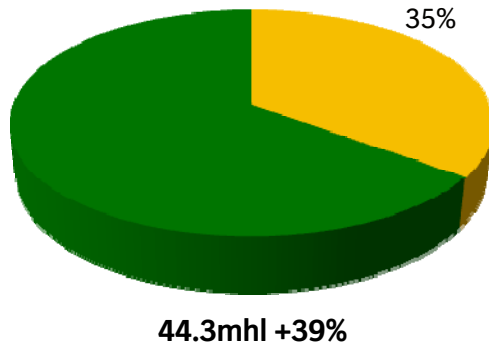
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Review by Region

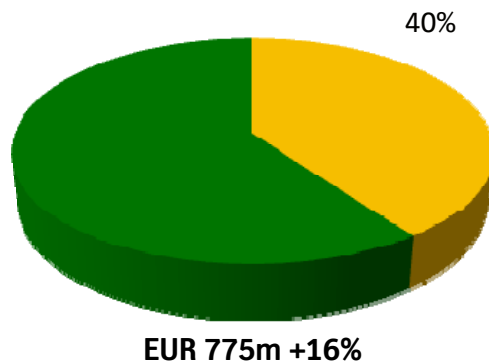
Western Europe

continued organic profit growth

Consolidated beer volume



EBIT (beia)



- EBIT (beia) increased organically
- Heineken® grew 1.9% to 7.6mhl
- Robust pricing, maintaining margins in existing markets
- Operating profit (beia) margin 10.1% (-210 bps) due to S&N
- F2F programme delivered all cost savings as planned
- Weakening economies, high consumer price inflation and smoking bans affected volume
- On-trade declines
- Consolidated beer volume -1.6% organically

The UK

the perfect storm



- Worst recession for decades
- Two unprecedented excise duty increases
- Pricing insufficient to offset cost increases
- On-trade down 9.5%
- Smoking ban effect
- Pound fell 21% against euro

Long-term potential remains:

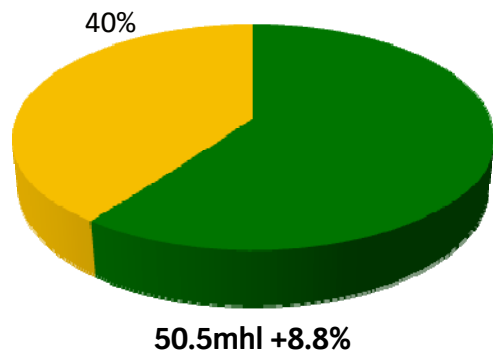
- Market leader in volume and value
- Strongest brand portfolio
- Heineken® volume grew 24%
- Leader in cider, volume grew 6.5% to 3.2mhl; market share 48%
- Gaining market share in on-trade
- Improving prices
- Delivering synergies
- Additional, significant cost reductions
- Priorities clear: investing in brands, improving prices, restructuring



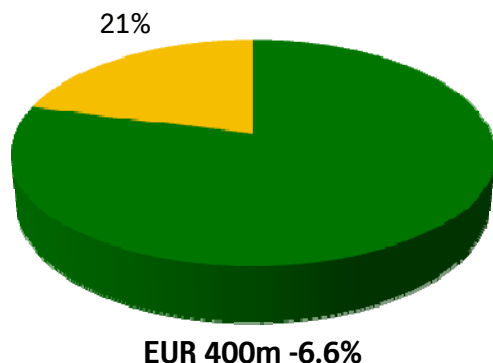
Central and Eastern Europe

growing volume and share

Consolidated beer volume



EBIT (beia)

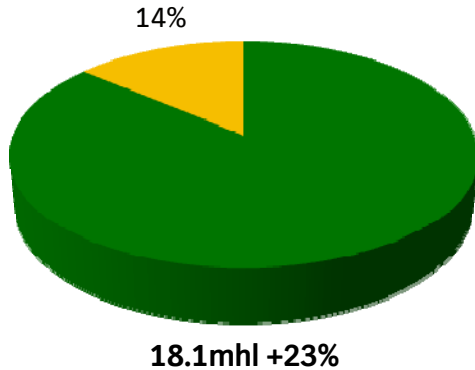


- Beer markets developed well but slowed towards Q4
- Consolidated beer volume grew 8.8%
- Strong performances in Greece, Poland, Slovakia, Romania and Croatia
- Heineken® grew 6.6% to 2.8mhl, growing across all markets
- Pricing not sufficient to compensate higher input costs
- Russia: market share increased, lower margins, drop in rouble, impairment of goodwill
- Operating margin 10.5% (-270 bps)
- Expanding footprint: Romania, Serbia, Czech Republic and Belarus

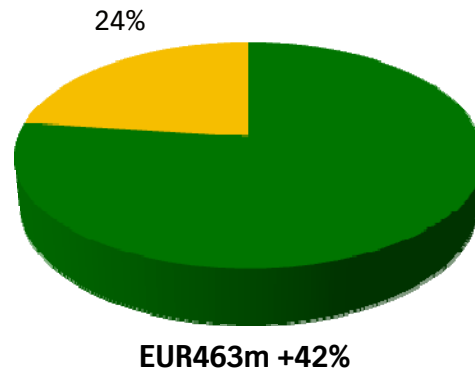
Africa & Middle East

an outstanding performance

Consolidated beer volume



EBIT (beia)

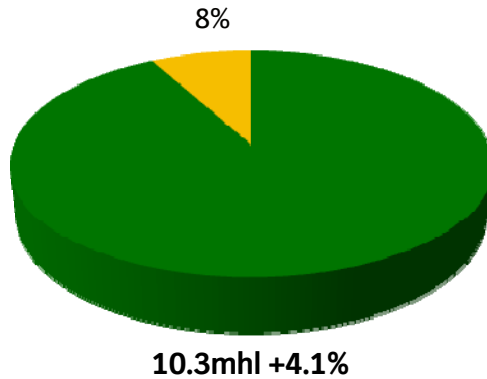


- Little impact of recession on beer consumption
- Political stability and stronger economies support growth
- Operating margin (beia) 24.9% (+200 bps)
- Heineken® grew 31% to 2.1mhl
- Excellent performance in Nigeria of Nigerian Breweries and Consolidated Breweries
- Good performances in Central Africa and Egypt
- Strong volume growth in South Africa, Sedibeng brewery operational by end of 2009
- Greenfield breweries in Democratic Republic of Congo and Tunisia commissioned
- Acquired brewery in Algeria develops well

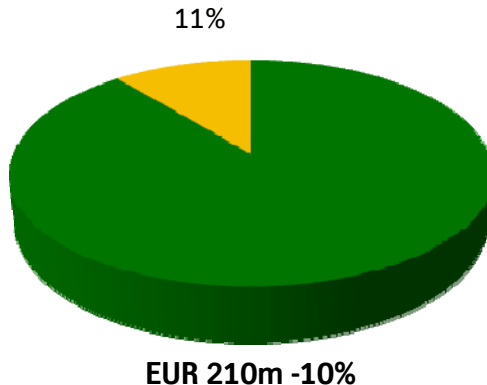
The Americas

an increasingly challenging environment

Consolidated beer volume



EBIT (beia)



- Group beer volume 19.4mhl (+2.2% organically)
- Heineken® at 9mhl (-1.3%)
- Organic EBIT(beia) growth offset by negative currencies
- Heineken USA volume -2%, segment -1.5%
 - Dutch brands depletions -4.9%
 - Mexicans brands depletions +7.9%
 - Strong pricing: +4.2% across the Dutch portfolio as of November 2008
 - New advertising campaign for Heineken®
- Exports to Canada developed strongly
- Good volume growth in Caribbean and Latin America

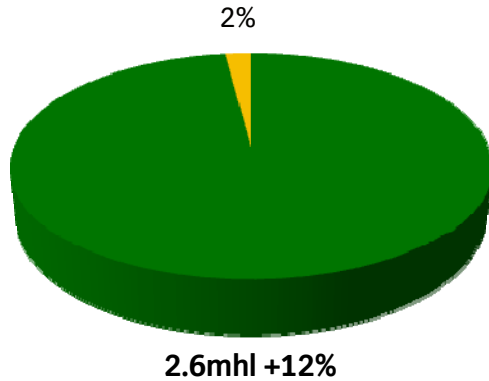
CCU joint venture

- Group beer volume +8% organically, acquisitions in Chile (wine) and Argentina (beer), Profit contribution stable

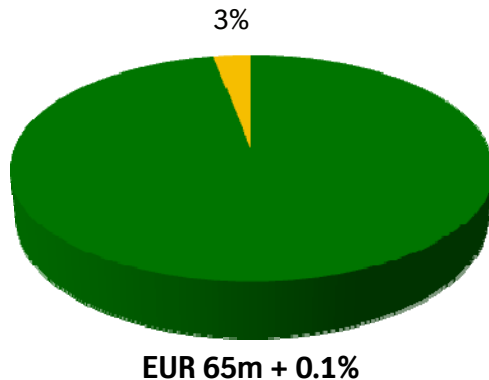
Asia Pacific

sustained growth in value and volume

Consolidated beer volume



EBIT (beia)



- Group beer volume 14.6mhl (+9.1%)
- Heineken® grew 12% to 4.4mhl
- Operating profit margin (beia) 16.7% (+300 bps)
- **Asia Pacific Breweries** joint venture,
 - Group beer volume 10.8 mhl, Net profit (beia) EUR 15.2m (Heineken share)
 - Strengthened footprint
- **United Breweries/MABL** joint ventures (37.5% stake),
 - Lower share price and rupiah led to impairment
- **Heineken's direct operations:**
 - Group beer volume 3.6 mhl, EBIT (beia) EUR 46.9m, growing 44%
 - Multi Bintang Indonesia, higher volume and profit
 - Export to Taiwan, Australia and South Korea developed well



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Priorities for action in
the coming period

Recession affects beer market

- Declining on-trade
- Trading down
- Slowdown started in Q4 2008 and continued in Q1 2009

Next to the above:

- Excise duty increases
- Higher interest rates
- Lower exchange rates against the euro

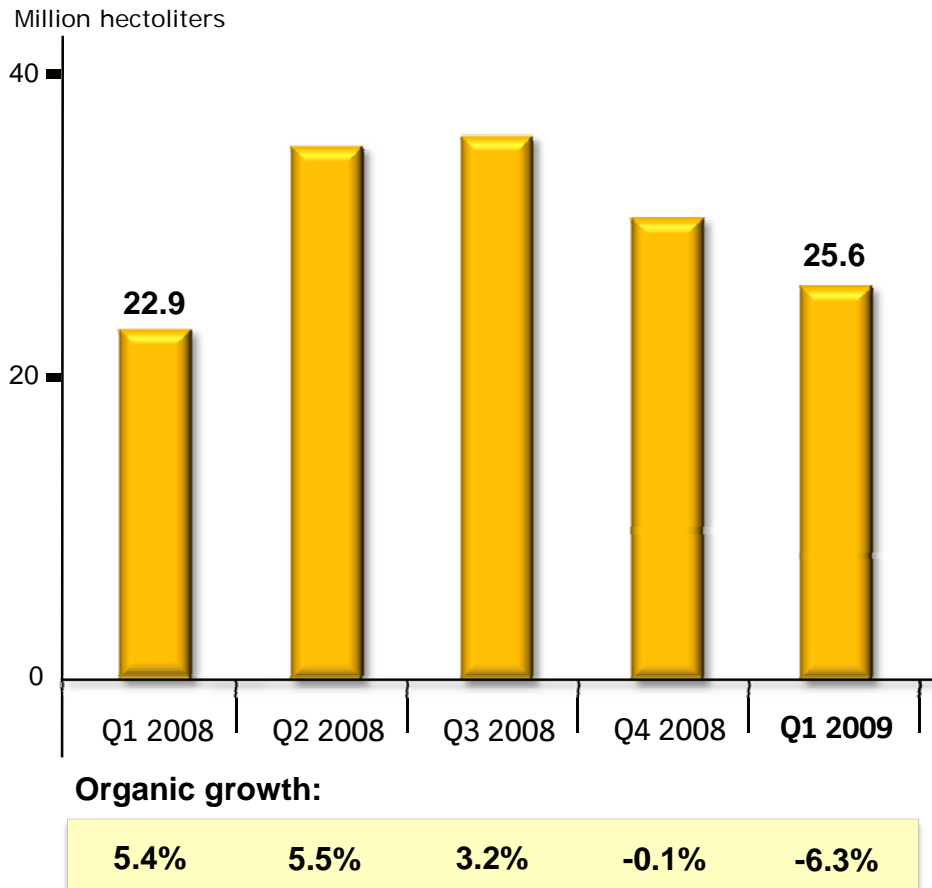


Q1 2009 performance

- Revenue of EUR 3,046m (+24%)
 - Organically: pricing +6%, volume -7%
 - Increasing selling prices across most markets
- Consolidated beer volume of 25.6mhl (+12%)
 - Organic growth -6.3%
 - Continued strong volume performance Africa
 - Organic volume declines in Europe and Americas
- Heineken® brand volume in international premium segment -5.8%
 - Maintaining price positioning

Volume developments Q1 2009

Consolidated beer volume (mhl)



- Q1 is low selling season
- In Europe and US, volume started to weaken in Q4 2008 already
- Continued strong performance Africa
- Lower volume in Q1 2009 due to:
 - Global economic downturn
 - Unfavourable weather
 - Continued effect smoking bans
 - Distribution destocking
 - Excise duty increases
 - Increases in selling prices

Heineken's position is robust

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- Beer is relatively resilient
- Financial structure and cash flow remain sound
- Strong brand portfolios
- Heineken brand, the leading international premium brand
- Best geographic spread, leading positions in 59 of our 66 markets
- Proven track record



Priorities for the coming years

Focus on

- Cash flow generation and cash conversion (above 100% in 2009-2011)
- Reduce debt to below 2.5 times Net debt/EBITDA (beia)
- Continued rigorous cost cutting through Total Cost Management
- Continue to build our key brands, maintaining price positioning
- Improve performance of the new businesses

Commercial



1. Report for the financial year 2008

- a) Adoption of the financial statements for the financial year 2008
- b) Decision on the appropriation of the balance of the income statement in accordance with Article 12 paragraph 7 of the company's Articles of Association and the distribution of retained earnings
- c) Discharge of the members of the Executive Board
- d) Discharge of the members of the Supervisory Board

2. Amendments of the Articles of Association

3.
 - a) Extension ~~and amendment~~ of the authorisation of the Executive Board to acquire own shares
 - b) Extension of the authorisation of the Executive Board to issue (rights to) shares.
 - c) Extension of the authorisation of the Executive Board to restrict or exclude shareholders' pre-emptive rights.
4.
 - a) Agenda item withdrawn
 - b) Agenda item withdrawn
5.
 - a) Re-appointment of Mr. M. Das as member (and delegated member) of the Supervisory Board
 - b) Re-appointment of Mr. J.M. Hessels as member of the Supervisory Board
 - c) Appointment of Mr. Ch. Navarre as member of the Supervisory Board

- This presentation 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 foreign exchange fluctuations, change 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.
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