

Heineken increases synergy forecast for S&N acquisition

Publishes S&N pro forma financial information, announces new accounting policy for joint ventures

Amsterdam, 22 August 2008 – Heineken N.V. announced today that it has substantially completed its review of the acquired Scottish & Newcastle (S&N) businesses:

- It has increased the expected pre-tax synergies from the acquired (S&N) businesses to GBP 145 million from GBP120 million previously (EUR 184 million and EUR 152 million respectively at GBP/EUR 1.27), to be achieved in four years. At the end of August 2008, EUR 60 million of annualised cost synergies have already been realised.
- It has prepared the unaudited provisional condensed opening balance sheet from 1 May 2008. In addition Heineken has compiled unaudited, pro-forma condensed income (beia)¹ information for the whole of calendar year 2007 for the acquired S&N businesses. The adjustments have no effect on cash flows.
- It has refinanced in part its bank credit facilities related to the S&N acquisition through the raising of EUR 742 million of new long-term debt.

In addition, Heineken announced that it has changed the accounting treatment of joint ventures in the Group's reporting from the proportional consolidation method to the equity method as from 1 January 2008. The comparative figures have been adjusted for this change.

Heineken will host an analyst and investor conference call in relation to these announcements today at 9:00am CET. The call will be audiocast live via the company website <http://www.heinekeninternational.com/webcast/investors>, and will be available for download afterwards. Analysts and investors can call in using the follow telephone numbers:

The Netherlands
Toll Free: 0800 - 265 8591
Local line+31 (0)20 - 796 5332

The United Kingdom
Toll Free: 0800 - 358 2280
Local line: + 44 (0) 20 8515 2301

¹ For an explanation of the terms in this press release please refer to the glossary at the back of the release

Outcome of Heineken's review of the acquired S&N businesses**Increase of S&N costs synergies by 30%**

Heineken has substantially completed its review of the S&N businesses, which it acquired at the end of April 2008. The key results of the review are:

- Total expected pre-tax synergies over four years increase 21% to GBP 145 million before tax up from GBP 120 million, as a result of an increase in cost synergies to GBP 110 million (EUR 140 million). Based on its review Heineken is also confident that it will realise the expected revenue synergies of GBP 35 million (EUR 45 million).
- Restructuring costs related to the synergies are expected to total GBP 95 million before tax (EUR 120 million), mainly related to cash redundancy payments.
- Confirmation that the acquisition will be value enhancing by the fourth full year (2012). Due to declining consumer confidence and higher interest rates it is uncertain if the acquisition will be EPS (beia) accretive in 2009.
- On an annualised basis, EUR 60 million of synergies related to S&N have already been achieved by the end of August 2008 mainly as a result of:
 - Integration of Heineken's UK import organisation into S&N UK
 - Integration of S&N's import business in the USA into Heineken USA
 - Closure of the Head Office of S&N

Opening balance sheet and pro forma income (beia) information S&N acquisition

Heineken has drawn up the unaudited provisional condensed opening balance sheet per 1 May 2008. Heineken has also compiled unaudited pro forma condensed income (beia) information for the full year 2007 as if Heineken had acquired the relevant S&N businesses as per 1 January 2007. This pro forma information is derived from S&N's 2007 financial information and adjusted to reflect Heineken's accounting policies, taking into account certain transactions related to the acquisition and using the purchasing accounting method for acquisitions. This method requires measuring assets and liabilities at fair market value per the balance sheet date of 1 May 2008 for the opening balance sheet.

The pro-forma condensed income (beia) information does not purport to represent what our actual result of operations would have been had the acquisition of the S&N acquired businesses actually occurred on 1 January 2007, nor are they necessarily indicative of future result of operations. The information is presented for information purposes only.

The adjustments are subject to revision once the provisional accounting has been finalised.

Condensed pro forma income (beia) information of S&N businesses acquired by Heineken for 2007 *

<i>In millions Euro</i>	2007 H1	2007 H2	2007 FY
Revenue	1,849	1,905	3,754
Raw materials & packaging material	329	340	669
Goods for resale	486	497	983
Marketing & selling expenses	187	163	350
Energy & water	30	27	57
Repair and maintenance	38	33	71
Transport and other expenses	365	343	708
Raw material, consumables and services	1,435	1,403	2,838
Personnel expenses	273	246	519
Depreciation & amortisation	59	51	110
Total expenses	1,767	1,700	3,467
Result from operating activities	82	205	287
Share in profit of associates & joint ventures	7	9	16
EBIT (beia)	89	214	303
EBITDA (beia)	148	265	413

*Unaudited

- All amounts represented are before exceptional items
- Amortisation of brands and customer relationships is not included in line item depreciation & amortisation
- Note that this is not an income statement because line items (interest, tax) are missing

Adjustments on pro forma EBIT (beia) of S&N businesses acquired by Heineken for 2007 *

In millions Euro

EBIT (beia) as per shareholders' circular	343
Accounting policy alignment	14
Purchasing price allocation	2
Other pro forma adjustments	-71
Exchange rate change	15
EBIT (beia) as per pro forma P&L	<hr/> 303

*Unaudited

Notes to adjusted EBIT (beia)

- All adjustments are non-cash items and, therefore, do not have an impact on cash flows of the acquired S&N businesses.
- EBIT (beia) is based on historical financial information of the S&N acquired businesses. The pro-forma adjustments reflect the purchase price allocation, accounting policy alignment and other adjustments.
- For 2008, the effective tax rate related to S&N income is expected to be in line with the rate of the Heineken Group. The average interest rate related to S&N debt is forecast at 5.8%.

Main adjustments on EBIT (beia):

Accounting policy alignment

- **Consolidation of pub estate and UK logistic partners.** A pub estate partnership and a logistic partnership in the UK are now fully consolidated with minority interest, as opposed to reported under the equity method. + EUR 8 million.
- **Pension expenses.** Pension interest income is reported as part of personnel expenses rather than below the EBIT line as interest income. + EUR 11 million.

Purchasing price allocation effect

- **Depreciation and amortisation:** Fair market valuation of property, plant and equipment and software led to a lower valuation and consequently a lower depreciation and amortisation. + EUR13 million.
- **Book gains on pubs.** Book gains on the sale of pubs are eliminated as a result of the adjustment to fair value of pubs per 1 January 2007. –EUR 11 million

Main other adjustments

- **Deferred income from terminated licence.** Heineken will not longer report the amounts received annually in relation to the termination of the license agreement for the Beck's brand in the UK as revenue. –EUR22 million.
- **Pension expenses.** Heineken's actuarial assumptions to calculate pension liabilities resulting in an increase in annual pension expenses mainly due to different mortality tables. –EUR 37 million.

Exchange rate change

- In the pro forma statements an average exchange rate GBP/EUR 1.39 is used versus GBP/EUR 1.35 in the shareholders' circular. + EUR 15 million.

Pro forma segment reporting 2007 S&N businesses acquired*

In millions Euro

Revenue	2007 H1	2007 H2	2007 FY
Western Europe	1,788	1,845	3,633
Central & Eastern Europe	7	9	16
Americas	46	42	88
Asia Pacific	1	1	2
Headoffice & Eliminations	7	8	15
Total	1,849	1,905	3,754

EBIT (beia)

Western Europe	106	226	332
Central & Eastern Europe	-3	-2	-5
Americas	9	7	16
Asia Pacific	4	4	8
Headoffice & Eliminations	-27	-21	-48
Total	89	214	303

Consolidated Beer & Cider volumes

(hls mln)

Western Europe - beer	10.3	11.4	21.7
Western Europe – cider	2.1	2.4	4.5
Central & Eastern Europe	0.1	0.1	0.2
Americas	0.4	0.4	0.8
Total	12.9	14.3	27.2

*Unaudited

Provisional Opening Balance Sheet per 1 May 2008 of S&N businesses acquired*

	Carrying values	Fair value adjustments	1 May 2008 Opening B/S
Property, plant & equipment	1,681	-73	1,608
Intangible assets	747	1,198	1,672
Investments in associates & joint ventures	211	389	600
Other investments	409	173	582
Advances to customers	150		150
Deferred tax assets	1	7	8
Inventories	307	8	315
Trade and other receivables	931	-	931
Cash and cash equivalents	157	-	157
Assets	4,321	1,702	6,023
Loans and borrowings, interest bearing	3,255	-82	3,173
Loans and borrowings, non-interest bearing	367	-	367
Employee benefits	44	172	216
Provisions	116	-9	107
Deferred tax liabilities	76	476	552
Current part loans etc, interest bearing	590		590
Current part loans etc, non-interest bearing	1		1
Bank overdraft	288		288
Other current liabilities	972	14	986
Liabilities	5,709	571	6,280
Net identifiable assets and liabilities	-1,388	1,131	-257
Goodwill on acquisition			2,933
Consideration paid			2,676
Net bank overdraft acquired			131
Net cash outflow			2,807

Notes to the Provisional Opening balance sheet and income (beia) information of S&N acquired businesses

- Due to the seasonality of the beer, the provisional opening balance sheet shows a substantially higher working capital and net debt.
- The consideration paid (purchase price) can change, as the final settlement with the consortium partner has not been completed.
- S&N previously applied the equity accounting method for joint ventures and therefore the change in accounting policy has no impact.
- Amounts were converted into euros at GBP/EUR 1.274 for the balance sheet and GBP/EUR 1.39 for the pro-forma income (beia) information.
- Consolidation of the assets and liabilities of a pub estate partnership and a logistic partnership in the UK, resulting in an increase of debt by EUR 746 million
- Financing from factoring is not netted against receivables anymore but presented as debt resulting in an increase in interest bearing debt of EUR 171 million.
- Main fair value adjustments and accounting policy adjustments of the assets and liabilities of S&N:
 - Fair value adjustments of intangible assets (excluding goodwill amounts to EUR 1,198 million resulting in a total of EUR 1,672 million of which related to brands (EUR 1,308 million), customer relations and other contracts (EUR 329 million) and software (EUR 35 million). Brands have been assigned a useful life of 15-50 years, customer relations a useful life of 5-8 years. The main brands capitalised are Fosters, Strongbow and Sagres. The amortisation of brands and customer relations are excluded from EBIT (beia)
 - Associates and joint ventures includes India, which is now valued in line with the pricing of a recent rights issue.
 - Beamish & Crawford, Ireland has been classified as “Other investments” awaiting the outcome of the review by the Irish Competition Authority
 - Employee Benefits has been increased by EUR 172 million as a result of the more conservative actuarial assumptions used by Heineken.

Heineken raises EUR 742 million of long-term debt

Heineken has successfully raised a total of EUR 742 million of unrated long-term debt to partially refinance the S&N acquisition bank credit facility and for general corporate purposes. The debt was issued in two markets:

Private placement to institutional investors in the USA of unsecured notes for a total principal amount of USD 505 million (EUR 324 million).

Repayment dates are:

- August 2015 for USD 52.5 million
- August 2018 for USD 452.5 million.

Issue of unsecured notes to institutional investors in Germany for a principal amount of EUR 418 million in 8 tranches. Maturity dates are between July 2013 and July 2016.

The average after-swap interest rate for the new long-term debt is 6.25%.

Change of accounting treatment of joint ventures

Heineken has decided to change the accounting treatment of the Group's joint ventures (JVs) from the proportional consolidation method to the equity method. Attached to this press release, Heineken provides the restated 2007 financial information for Heineken N.V.. The pro forma income statement of S&N is not included in the restated financial information.

JVs are those entities over which Heineken has joint control, as established by contractual agreement and requiring unanimous consent for strategic, financial and operating decisions.

Heineken based its decision on Exposure Draft 9 ('ED 9') as issued in September 2007 by the International Accounting Standards Board (IASB), which proposes to only allow the equity accounting method for JVs. It is expected that ED 9 will result in a new standard in 2009. The new accounting policy is also in line with most of Heineken's peers.

Key figures restated for joint venture accounting

	2007 HY	2007 FY
	(hl m)	(hl m)
Group beer volume	68.1	139.2
Consolidated beer volume	51.0	105.4
	(EUR m)	(EUR m)
Revenue	5,476	11,245
EBIT	605	1,419
EBIT (beia)	861	1,748
Net Profit	302	807
Net Profit (beia)	548	1,119
	(EUR)	(EUR)
Diluted EPS	0.62	1.65
Diluted EPS (beia)	1.12	2.28

The restatement had no impact on equity and profit attributable to equity holders of Heineken.

The joint ventures involved are:

Brau Holding International GmbH & Co KgaA	Germany
Zagorka Brewery A.D.	Bulgaria
Pivara Skopje A.D	Macedonia
Brasseries du Congo S.A.	Congo
Asia Pacific Investment Pte.Ltd.	Singapore
Compania Cervecierias Unidas S.A.	Chile
Tempo Beverages Ltd.	Israel
Heineken Lion Australia Pty.	Australia

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Appendix 1

Restated condensed consolidated interim income statement*

For the six months period ended 30 June 2007

<i>In millions of Euro</i>	2007 Heineken stand- alone (Proportionate consolidation)	Deconsolidation Joint ventures	2007 Heineken stand- alone (Equity method)
Revenue	6,127	(651)	5,476
Other income	-	-	-
Raw material, consumables and services	4,034	(415)	3,619
Personnel expenses	1,093	(107)	986
Amortisation, depreciation and impairments	363	(42)	321
Total expenses	5,490	(564)	4,926
Results from operating activities	637	(87)	550
Interest income	39	(2)	37
Interest expenses	(85)	7	(78)
Net finance expenses	(46)	5	(41)
Share of profit of associates and joint ventures (net of income tax)	12	43	55
Profit before income tax	603	(39)	564
Income tax expense	(221)	19	(202)
Profit	382	(20)	362
Attributable to:			
Equity holders of the Company (net profit)	302	-	302
Minority interest	80	(20)	60
Profit	382	(20)	362
Weighted average number of shares-basic	489,372,991		489,372,991
Weighted average number of shares-diluted	489,974,594		489,974,594
Basic earnings per share (in €)	0.62		0.62
Diluted earnings per share (in €)	0.62		0.62

*Unaudited

Appendix 2

Restated consolidated income statement*

For the year ended 31 December 2007

In millions of Euro

	2007 Heineken stand- alone (Proportionate consolidation)	Deconsolidation Joint ventures	2007 Heineken stand- alone (Equity method)
Revenue	12,564	(1,319)	11,245
Other income	30	(2)	28
Raw materials, consumables and services	8,162	(842)	7,320
Personnel expenses	2,165	(214)	1,951
Amortisation, depreciation and impairments	764	(126)	638
Total expenses	11,091	(1,182)	9,909
Results from operating activities	1,503	(139)	1,364
Interest income	67	(3)	64
Interest expenses	(168)	13	(155)
Other net finance (expenses)/ income	(26)	22	(4)
Net finance expenses	(127)	32	(95)
Share of profit of associates and joint ventures (net of income tax)	25	29	54
Profit before income tax	1,401	(78)	1,323
Income tax expenses	(429)	35	(394)
Profit	972	(43)	929
Attributable to:			
Equity holders of the Company (net profit)	807	-	807
Minority interest	165	(43)	122
Profit	972	(43)	929
Weighted average number of shares - basic	489,353,315		489,353,315
Weighted average number of shares - diluted	489,974,594		489,974,594
Basic earnings per share (€)	1.65		1.65
Diluted earnings per share (€)	1.65		1.65

*Unaudited

Appendix 3

Restated condensed consolidated interim balance sheet*

As at 30 June 2007

In millions of Euro

	2007 Heineken stand-alone (Proportionate consolidation)	Deconsoli- dation Joint ventures	2007 Heineken stand- alone (Equity method)
Assets			
Property, plant & equipment	5,006	(693)	4,313
Intangible assets	2,423	(454)	1,969
Investments in associates and joint ventures	208	713	921
Other investments	433	(54)	379
Advances to customers	190	(7)	183
Deferred tax assets	387	(11)	376
Total non-current assets	8,647	(506)	8,141
Inventories	1,109	(131)	978
Other investments	58	(5)	53
Trade and other receivables	2,610	(181)	2,429
Prepayments and accrued income	150	(17)	133
Cash and cash equivalents	1,103	(108)	995
Assets classified as held for sale	30	-	30
Total current assets	5,060	(442)	4,618
Total assets	13,707	(948)	12,759
Equity			
Share capital	784	-	784
Reserves	652	-	652
Retained earnings	3,627	-	3,627
Equity attributable to equity holders of the Company	5,063	-	5,063
Minority interests	509	(230)	279
Total equity	5,572	(230)	5,342
Liabilities			
Loans and borrowings	2,016	(213)	1,803
Employee benefits	641	(62)	579
Provisions	192	(7)	185
Deferred tax liabilities	473	(43)	430
Total non-current liabilities	3,322	(325)	2,997
Bank overdrafts	692	(57)	635
Loans and borrowings	511	(89)	422
Trade and other payables	3,303	(228)	3,075
Tax liabilities	149	(18)	131
Provisions	158	(1)	157
Total current liabilities	4,813	(393)	4,420
Total liabilities	8,135	(718)	7,417
Total equity and liabilities	13,707	(948)	12,759

*Unaudited

Appendix 4

Restated consolidated balance sheet*

As at 31 December 2007

In millions of Euro

	2007 Heineken stand- alone (Proportionate consolidation)	Deconsoli- dation Joint ventures	2007 Heineken stand- alone (Equity method)
Assets			
Property, plant & equipment	5,362	(689)	4,673
Intangible assets	2,541	(431)	2,110
Investments in associates and joint ventures	214	678	892
Other investments	452	(55)	397
Advances to customers	219	(10)	209
Deferred tax assets	336	(20)	316
Total non-current assets	9,124	(527)	8,597
Inventories	1,007	(124)	883
Other investments	105	(2)	103
Trade and other receivables	1,873	(193)	1,680
Prepayments and accrued income	123	(13)	110
Cash and cash equivalents	715	(155)	560
Assets classified as held for sale	21	-	21
Total current assets	3,844	(487)	3,357
Total assets	12,968	(1,014)	11,954
Equity			
Share capital	784	-	784
Reserves	692	-	692
Retained earnings	3,928	-	3,928
Equity attributable to equity holders of the Company	5,404	-	5,404
Minority interests	542	(235)	307
Total equity	5,946	(235)	5,711
Liabilities			
Loans and borrowings	1,521	(226)	1,295
Employee benefits	646	(60)	586
Provisions	184	(26)	158
Deferred tax liabilities	478	(51)	427
Total non-current liabilities	2,829	(363)	2,466
Bank overdrafts	282	(31)	251
Loans and borrowings	873	(86)	787
Trade and other payables	2,806	(281)	2,525
Tax liabilities	89	(18)	71
Provisions	143	-	143
Total current liabilities	4,193	(416)	3,777
Total liabilities	7,022	(779)	6,243
Total equity and liabilities	12,968	(1,014)	11,954

Appendix 5

Restated condensed consolidated interim statement of cash flows*

For the six months period ended 30 June 2007

In millions of Euro

	2007 Heineken stand- alone (Proportionate consolidation)	Deconsoli- dation Joint ventures	2007 Heineken stand-alone (Equity method)
Operating activities			
Profit	382	(20)	362
Adjustments for:			
Amortisation, depreciation and impairments	363	(42)	321
Net interest (income)/expenses	46	(5)	41
Investment income and share of profit of associates and joint ventures	(22)	(43)	(65)
Income tax expenses	221	(19)	202
Other non-cash items	42	16	58
Cash flow from operations before changes in working capital and provisions	1,032	(113)	919
Change in inventories	(223)	17	(206)
Change in trade and other receivables	(731)	3	(728)
Change in trade and other payables	785	9	794
Total change in working capital	(169)	29	(140)
Change in provisions and employee benefits	(37)	-	(37)
Cash flow from operations	826	(84)	742
Interest paid & received	(33)	3	(30)
Dividend received	11	11	22
Income taxes paid	(182)	20	(162)
Cash flow used for interest, dividend & income tax	(204)	34	(170)
Cash flow from operating activities	622	(50)	572
Investing activities			
Proceeds from sale of property, plant & equipment and intangible assets	23	(5)	18
Purchase of property, plant & equipment	(436)	51	(385)
Purchase of intangible assets	(6)	3	(3)
Loans issued to customers and other investments	(86)	12	(74)
Repayment on loans to customers	25	(4)	21
Cash flow used in operational investing activities	(480)	57	(423)

*Unaudited

Restated condensed consolidated interim statement of cash flows – continued*

For the six months period ended 30 June 2007

In millions of Euro

	2007		2007
	Heineken stand- alone (Proportionate consolidation)	Deconsoli- dation Joint ventures	Heineken stand-alone (Equity method)
Acquisition of subsidiaries and minority interests, net of cash acquired	(1)	(2)	(3)
Acquisition of associates, joint ventures and other investments	(13)	5	(8)
Disposal of associates, joint ventures and other investments	8	(2)	6
Cash flow used for acquisitions and disposals	(6)	1	(5)
Cash flow used in investing activities	(486)	58	(428)
Financing activities			
Proceeds from loans and borrowings	26	(1)	25
Repayment of loans and borrowings	(80)	13	(67)
Dividends paid	(296)	20	(276)
Purchase own shares	(8)	-	(8)
Other	6	(4)	2
Cash flow used in financing activities	(352)	28	(324)
Net Cash Flow	(216)	36	(180)
Cash and cash equivalents as at 1 January	627	(86)	541
Effect of movements in exchange rates	-	(1)	(1)
Cash and cash equivalents as at 30 June	411	(51)	360

*Unaudited

Appendix 6

Restated consolidated statement of cash flows*

For the year ended 31 December 2007

In millions of Euro

	2007	Deconsoli- dation	2007
	Heineken stand- alone (Proportionate consolidation)	Joint ventures	Heineken stand-alone (Equity method)
Operating activities			
Profit	972	(43)	929
Adjustments for:			
Amortisation, depreciation and impairments	764	(126)	638
Net interest (income)/expenses	101	(10)	91
Gain on sale of property, plant & equipment, intangible assets and subsidiaries, joint ventures and associates	(30)	2	(28)
Investment income and share of profit of associates and joint ventures	(41)	(28)	(69)
Income tax expenses	429	(35)	394
Other non-cash items	103	2	105
Cash flow from operations before changes in working capital and provisions	2,298	(238)	2,060
Change in inventories	(140)	10	(130)
Change in trade and other receivables	(175)	16	(159)
Change in trade and other payables	282	(38)	244
Total change in working capital	(33)	(12)	(45)
Change in provisions and employee benefits	(53)	(18)	(71)
Cash flow from operations	2,212	(268)	1,944
Interest paid & received	(96)	9	(87)
Dividend received	27	20	47
Income taxes paid	(413)	38	(375)
Cash flow used for interest, dividend & income tax	(482)	67	(415)
Cash flow from operating activities	1,730	(201)	1,529
Investing activities			
Proceeds from sale of property, plant & equipment and intangible assets	81	(11)	70
Purchase of property, plant & equipment	(1,123)	119	(1,004)
Purchase of intangible assets	(22)	5	(17)
Loans issued to customers and other investments	(146)	13	(133)
Repayment on loans to customers	225	(7)	218
Cash flow used in operational investing activities	(985)	119	(866)

*Unaudited

Restated consolidated statement of cash flows – continued*

For the year ended 31 December 2007

In millions of Euro

	2007		2007
	Heineken stand- alone (Proportionate consolidation)	Deconsoli- dation Joint ventures	Heineken stand-alone (Equity method)
Acquisition of subsidiaries and minority interests, net of cash acquired	(245)	4	(241)
Acquisition of associates, joint ventures and other investments	(89)	31	(58)
Disposal of subsidiaries and minority interests, net of cash disposed of	12	-	12
Disposal of associates, joint ventures and other investments	44	(16)	28
Cash flow used for acquisitions and disposals	(278)	19	(259)
Cash flow used in investing activities	(1,263)	138	(1,125)
Financing activities			
Proceeds from loans and borrowings	77	(10)	67
Repayment of loans and borrowings	(265)	13	(252)
Dividends paid	(450)	33	(417)
Purchase own shares	(15)	-	(15)
Other	(3)	(11)	(14)
Cash flow used in financing activities	(656)	25	(631)
Net Cash Flow	(189)	(38)	(227)
Cash and cash equivalents as at 1 January	627	(86)	541
Effect of movements in exchange rates	(5)	-	(5)
Cash and cash equivalents as at 31 December	433	(124)	309

*Unaudited

Appendix 7

Restated information by region*

For the six months period ended 30 June 2007

In millions of Euro

	2007 Heineken stand- alone (Proportionate consolidation)	Deconsoli- dation Joint ventures	2007 Heineken stand- alone (Equity method)
Revenue			
Western Europe	2,703	-	2,703
Central and Eastern Europe	1,779	(235)	1,544
Americas	1,003	(198)	805
Africa and Middle East	653	(50)	603
Asia/Pacific	299	(184)	115
Head Office/eliminations/others	(310)	16	(294)
Total revenue	6,127	(651)	5,476
EBIT			
Western Europe	81	(1)	80
Central and Eastern Europe	201	(6)	195
Americas	134	(14)	120
Africa and Middle East	154	(2)	152
Asia/Pacific	52	(22)	30
Head Office/eliminations/others	27	1	28
Total EBIT	649	(44)	605
EBIT (excl. exceptional items and amortisation of brands)			
Western Europe	332	-	332
Central and Eastern Europe	207	(6)	201
Americas	134	(16)	118
Africa and Middle East	154	(1)	153
Asia/Pacific	52	(21)	31
Head Office/eliminations/others	27	(1)	26
Total EBIT (BEIA)	906	(45)	861
Total assets			
Western Europe	4,396	13	4,409
Central and Eastern Europe	5,543	(417)	5,126
Americas	1,246	(264)	982
Africa and Middle East	1,132	(45)	1,087
Asia/Pacific	622	(228)	394
Head Office	388	20	408
	13,327	(921)	12,406
Unallocated items	380	(27)	353
Total assets	13,707	(948)	12,759

*Unaudited

Appendix 7 - continued

Restated information by region*

For the year ended 31 December 2007

In millions of Euro

	2007 Heineken stand- alone (Proportionate consolidation)	Deconsoli- dation Joint ventures	2007 Heineken stand- alone (Equity method)
Revenue			
Western Europe	5,450	-	5,450
Central and Eastern Europe	3,686	(460)	3,226
Americas	2,043	(435)	1,608
Africa and Middle East	1,416	(105)	1,311
Asia/Pacific	597	(352)	245
Head Office/eliminations/others	(628)	33	(595)
Total revenue	12,564	(1,319)	11,245
EBIT			
Western Europe	410	1	411
Central and Eastern Europe	381	(28)	353
Americas	278	(44)	234
Africa and Middle East	329	(3)	326
Asia/Pacific	100	(35)	65
Head Office/eliminations/others	30	(1)	29
Total EBIT	1,528	(110)	1,418
EBIT (excl. exceptional items and amortisation of brands)			
Western Europe	665	3	668
Central and Eastern Europe	444	(16)	428
Americas	278	(44)	234
Africa and Middle East	329	(23)	306
Asia/Pacific	100	(35)	65
Head Office/eliminations/others	30	17	47
Total EBIT (BEIA)	1,846	(98)	1,748
Total assets			
Western Europe	3,785	13	3,798
Central and Eastern Europe	5,602	(389)	5,213
Americas	1,244	(309)	935
Africa and Middle East	1,395	(111)	1,284
Asia/Pacific	553	(207)	346
Head Office	25	48	73
	12,604	(955)	11,649
Unallocated items	364	(59)	305
Total assets	12,968	(1,014)	11,954

*Unaudited

Appendix 8

Restated notes to the consolidated financial statements For the year ended 31 December 2007

Restated property, plant and equipment*	Land and buildings	Plant and equipment	Other fixed assets	Under construction	Total
<i>In millions of Euro</i>					
Restated cost					
Balance as at 1 January 2007	2,337	4,368	2,962	356	10,023
Changes in consolidation	39	28	12	2	81
Purchases	49	164	302	489	1,004
Transfer of completed projects under construction	108	233	68	(409)	-
Transfer to assets classified as held for sale	11	(3)	-	-	8
Disposals	(25)	(133)	(331)	1	(488)
Effect of movements in exchange rates	(21)	(42)	(19)	(7)	(89)
Balance as at 31 December 2007	2,498	4,615	2,994	432	10,539

Restated depreciation and impairment losses

Balance as at 1 January 2007	(1,184)	(2,560)	(2,030)	-	(5,774)
Changes in consolidation	7	21	1	-	29
Depreciation charge for the year	(65)	(223)	(327)	-	(615)
Impairment losses	(1)	(13)	(4)	-	(18)
Reversal impairment losses	3	12	9	-	24
Transfer to assets classified as held for sale	(4)	2	-	-	(2)
Disposals	12	112	304	-	428
Effect of movements in exchange rates	11	30	21	-	62
Balance as at 31 December 2007	(1,221)	(2,619)	(2,026)	-	(5,866)

Restated carrying amount

As at 1 January 2007	1,153	1,808	932	356	4,249
As at 31 December 2007	1,277	1,996	968	432	4,673

*Unaudited

Appendix 8 – continued

Restated intangible assets*

In millions of Euro

	Goodwill	Brands	Software, research and develop-ment and other	Total
<i>Restated cost</i>				
Balance as at 1 January 2007	1,768	223	144	2,135
Changes in consolidation	151	15	2	168
Purchases/internally developed	-	-	17	17
Disposals	-	-	(1)	(1)
Effect of movements in exchange rates	(23)	(1)	-	(24)
Balance as at 31 December 2007	1,896	237	162	2,295
<i>Restated amortisation and impairment losses</i>				
Balance as at 1 January 2007	(13)	(31)	(114)	(158)
Amortisation charge for the year	-	(8)	(17)	(25)
Impairment losses	(1)	(3)	-	(4)
Disposals	-	-	1	1
Effect of movements in exchange rates	-	1	-	1
Balance as at 31 December 2007	(14)	(41)	(130)	(185)
<i>Restated carrying amount</i>				
As at 1 January 2007	1,755	192	30	1,977
As at 31 December 2007	1,882	196	32	2,110

*Unaudited

Appendix 8 – continued

Restated inventories*

In millions of Euro

	2007	Deconsoli-	2007
	Heineken stand- alone (Proportionate consolidation)	dation Joint ventures	Heineken stand- alone (Equity method)
Raw materials	168	(50)	118
Work in progress	92	(9)	83
Finished products	188	(25)	163
Goods for resale	221	(10)	211
Non-returnable packaging	108	(8)	100
Other inventories	230	(22)	208
	1,007	(124)	883

Restated trade and other receivables*

In millions of Euro

	2007	Deconsoli-	2007
	Heineken stand- alone (Proportionate consolidation)	dation Joint ventures	Heineken stand-alone (Equity method)
Trade receivables due from associates and joint ventures	9	48	57
Trade receivables	1,416	(184)	1,232
Other receivables including current part loans to customers	448	(57)	391
	1,873	(193)	1,680

Restated trade and other payables*

In millions of Euro

	2007	Deconsoli-	2007
	Heineken stand- alone (Proportionate consolidation)	dation Joint ventures	Heineken stand- alone (Equity method)
Trade payables due to associates and joint ventures	6	1	7
Other trade payables	1,164	(128)	1,036
Returnable packaging deposits	382	(12)	370
Taxation and social security contributions	296	(24)	272
Dividend	36	(4)	32
Interest	38	(1)	37
Derivatives used for hedging	22	(1)	21
Other payables	174	3	177
Accruals and deferred income	688	(115)	573
	2,806	(281)	2,525

*Unaudited

Appendix 8 – continued

Restated loans and borrowings*

Non-current liabilities

In millions of Euro

	2007		2007
	Heineken stand- alone (Proportionate consolidation)	Deconsoli- dation Joint ventures	Heineken stand- alone (Equity method)
Secured bank loans	38	(20)	18
Unsecured bank loans	304	(148)	156
Unsecured bond issues	1,143	(40)	1,103
Finance lease liabilities	16	(11)	5
Non-current interest-bearing liabilities	1,501	(219)	1,282
Non-current non-interest-bearing liabilities	20	(7)	13
	1,521	(226)	1,295

Current interest-bearing liabilities

In millions of Euro

Current portion of secured bank loans	39	(29)	10
Current portion of unsecured bank loans	291	(53)	238
Current portion of unsecured bond issues	216	(2)	214
Current portion of finance lease liabilities	2	-	2
Total current portion of non-current interest-bearing liabilities	548	(84)	464
Deposits from third parties	323	-	323
Other current interest-bearing liabilities	2	(2)	-
Bank overdrafts	282	(31)	251
	1,155	(117)	1,038

*Unaudited

Appendix 9**Notes to the appendices****Accounting for joint ventures**

The group's share of the recognised income and expenses of joint ventures are accounted for using the equity method. The equity method implicates that the interest in the jointly controlled entity is initially recorded at cost (including the amount of goodwill) in the consolidated financial statements at the date that joint control commences. The consolidated financial statements include Heineken's share of the total recognised income and expenses of JVs on an equity-accounted basis, from the date that joint control commences until the date that joint control ceases. When Heineken's share of losses exceeds the carrying amount of the JV, the carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that Heineken has an obligation or has made a payment on behalf of the JV.

Appendix 10*Glossary***Beia**

Before exceptional items and amortization of brands and customer relationships.

Earnings per share*Basic*

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

Diluted

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

EBIT

Earnings before interest and taxes and net finance expenses.

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.

Net debt

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

Net profit

Profit after deduction of minority interests (profit attributable to equity holders of the Company).

Profit

Total profit of the Group before deduction of minority interests.

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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

Consolidated beer volume

100 per cent of beer volume produced and sold by fully consolidated companies