

Heineken N.V. reports 2015 full year results

Strong performance delivering on strategy

Amsterdam, 10 February 2016 – Heineken N.V. (EURONEXT: HEIA; OTCQX: HEINY) today announces:

- Organic revenue +3.5% with revenue per hectolitre up +1.3%
- Consolidated beer volume +2.3% with positive growth in Americas, Asia Pacific and Europe offsetting weaker volume in Africa Middle East & Eastern Europe
- Heineken® volume in premium segment +3.5%
- Innovation rate of 9.2%, contributing €1.9 billion of revenue
- Operating profit (beia) +6.9% organically
- Net profit (beia) of €2,048 million, up 16% organically
- Diluted EPS (beia) of €3.57 (2014: €3.05)
- Proposed 2015 total dividend up 18% at €1.30 per share (2014: €1.10)

CEO STATEMENT

Jean-François van Boxmeer, CEO, Chairman of the Executive Board, commented:

“Our strong performance in 2015 reflects the successful execution of our strategy, as well as the relevance of our unique geographic diversity and our portfolio of premium brands, led by Heineken®. In 2015, top and bottom line growth was supported by increased investment in our brands, sustained innovation, and cost efficiencies. We improved operating margin by 46bps before the impact of the dilution from the Empaque disposal.

At the same time we have continued to invest for future growth, by entering or expanding our presence in markets including Myanmar, Ivory Coast, East Timor, Jamaica, Malaysia, Slovenia and South Africa. We are also particularly excited by our new partnership with Lagunitas, one of the leading craft brewers in the US. Whilst we expect further volatility in emerging markets and deflationary pressures in 2016, we are confident that we will again deliver top and bottom line growth, as well as margin expansion in line with our guidance.”

FINANCIAL SUMMARY

Key financials¹ <i>(in mhl or € million unless otherwise stated)</i>	FY15	FY14	Total growth %	Organic growth %
Revenue	20,511	19,257	6.5	3.5
Revenue/hl (in €)	95	92	2.7	1.3
Operating profit (beia)	3,381	3,129	8.1	6.9
Operating profit (beia) margin	16.5%	16.2%	23 bps ³	
Net profit (beia)	2,048	1,758	16	16
Net profit	1,892	1,516	25	
Diluted EPS (beia) (in €)	3.57	3.05	17	
Free operating cash flow	1,692	1,574	7.5	
Net debt/ EBITDA (beia) ²	2.4	2.5		

¹ Consolidated figures are used throughout this report, unless otherwise stated; please refer to the Glossary section for an explanation of non-IFRS measures and other terms used throughout this report

² Includes acquisitions and excludes disposals on a 12 month pro-forma basis

³ Comprises of 46 basis points underlying improvement less 23 basis points dilution from Empaque

OUTLOOK STATEMENT

- In 2016 HEINEKEN expects to deliver further organic revenue and profit growth despite an increasingly challenging external environment, with margin expansion in line with the medium term margin guidance of a year on year improvement in operating profit (beia) margin of around 40bps.
- Assuming spot rates as of 4 February 2016 the calculated negative currency translational impact would be approximately €60 million at consolidated operating profit (beia), and €35 million at net profit (beia). Foreign exchange markets remain very volatile.
- We expect an average interest rate of c.3.3%, and an effective tax rate (beia) broadly in line with 2015.
- Capital expenditure related to property, plant and equipment should be slightly above €2 billion (2015: €1.6 billion).

OPERATIONAL REVIEW

In line with prior guidance, volume growth was weighted to the second half of the year, reflecting a strong third quarter, particularly in Europe. Revenue per hectolitre improved despite limited pricing and deflationary pressures in a number of our key markets. Furthermore, the organisational changes announced in March 2015 allowed HEINEKEN to better focus on growth opportunities, be more agile in responding to consumer needs in the marketplace and more cost effective in doing so.

HEINEKEN continues to invest in key developing growth markets, and during the year announced plans to build new breweries in the Ivory Coast, East Timor, Mexico and Brazil and to expand capacity in Ethiopia. A new brewery opened in Myanmar in July 2015.

Revenue increased 3.5% organically, with a 2.2% increase in total volume and a 1.3% increase in revenue per hectolitre. Adjusting for negative country mix, revenue per hectolitre would have grown 1.7%. In the fourth quarter revenue grew 2.5% on an organic basis with revenue per hectolitre up 1.2% (1.6% adjusted for negative country mix).

Consolidated beer volumes <i>(in mhl)</i>	4Q15	Organic growth %	FY15	Organic growth %
Heineken N.V.	47.2	1.5	188.3	2.3
Africa Middle East & Eastern Europe	9.2	-3.8	35.9	-2.0
Americas	15.1	7.2	56.0	5.1
Asia Pacific	5.7	2.8	19.8	6.3
Europe	17.1	-0.7	76.6	1.3

Consolidated beer volume grew 2.3% organically in 2015, with slightly positive growth in the first half and 3.5% growth in the second half. After a particularly strong third quarter helped by comparatives and favourable weather in key markets, beer volume growth was more moderate in the fourth quarter, up 1.5%. There were market share gains in several of our key markets including Vietnam, Poland, US and Brazil.

Heineken® volume (in mhl)	4Q15	Organic growth %	FY15	Organic growth %
Heineken® volume in premium segment	7.6	0.9	30.5	3.5
Africa Middle East & Eastern Europe	1.2	-4.8	4.6	1.1
Americas	2.5	6.9	9.4	6.4
Asia Pacific	1.7	-2.0	6.4	2.4
Europe	2.2	0.2	10.2	2.8

Heineken® volume in the premium segment grew 3.5%, with positive volume performance across all regions. In particular, the brand's volume grew double digit in Brazil, Compañía Cervecerías Unidas S.A. (CCU) markets, the UK, South Africa, and Mexico. Brand growth was also strong in Spain, and there was positive growth in Vietnam and in the US. These results more than offset weaker volume in Nigeria, Cameroon, Greece and Indonesia. Heineken® benefited from the continued association with the UEFA Champions League, its partnership with the James Bond franchise and its sponsorship of the 2015 Rugby World Cup in the second half of the year.

In 2015 **Desperados**, **Affligem** and **Sol Premium** all saw double digit growth, reflecting the continued success of our broader premium portfolio strategy. Desperados, the tequila flavoured beer, delivered particularly strong performance in France, Poland and Spain. Affligem, the Belgian abbey beer brand, saw strong growth in France and the Netherlands. Similar to the first half of the year, Brazil and CCU markets were the key volume growth drivers of Sol Premium, the Mexican beer.

Cider volume increased mid single digit, with double digit volume growth in the second half more than offsetting the slight decline in volume in the first half. This trend was also helped by better weather in some markets in the third quarter. In the UK, positive performance was supported by further innovations, including Strongbow Cloudy Apple and the continued success of Strongbow Dark Fruit, underpinning our leading position in the home base of cider. For the first time our volume outside the UK crossed the 1 million hectolitres threshold. In Europe, Romania, Slovakia and Czech Republic saw particularly strong growth. The US and Mexico were the main drivers of growth in the Americas.

HEINEKEN's focus on **innovation** delivered €1.9 billion in revenue and our innovation rate increased to 9.2% (2014: 7.7%). Innovation is now firmly embedded in the HEINEKEN company strategy. Our innovation agenda includes promoting moderate consumption, improving the quality of our draught offer, and addressing the craft and variety category. The popularity of 'Radler' beers continued to grow with strong performance in markets including Spain and Poland. The 0.0% variant combined with new flavours also gained positive momentum with consumers. THE SUB®, the at home draught beer appliance, continues to gain traction and is now available in 5 markets. Brewlock, the on premise dispense system is gaining positive momentum in the US.

Operating profit (beia) grew 6.9% organically, primarily reflecting higher revenue and improved cost efficiencies.

TOTAL DIVIDEND FOR 2015

The Heineken N.V. dividend policy is to pay out a ratio of 30% to 40% of full-year net profit (beia). For 2015, payment of a total cash dividend of €1.30 per share (2014: €1.10) will be proposed to the Annual General Meeting. This implies a 36% payout ratio, in line with the payout ratio in 2014. If approved, a final dividend of €0.86 per share will be paid on 4 May 2016, as an interim dividend of €0.44 per share was paid on 12 August 2015. The payment will be subject to a 15% Dutch withholding tax. The ex-final dividend date for Heineken N.V. shares will be 25 April 2016.

SUPERVISORY BOARD COMPOSITION

Mr. Hans Wijers (Chairman) and Mrs. Mary Minnick will resign by rotation from the Supervisory Board at the Annual General Meeting on 21 April 2016 (AGM). Mr. Wijers is eligible for re-appointment for a period of four years, and a non-binding nomination for his re-appointment will be submitted to the AGM. Mrs. Minnick has informed the Supervisory Board that she will not seek a third term as member of the Supervisory Board. The Supervisory Board is grateful for her commitment over the past eight years and for her contributions to the Supervisory Board, the Americas Committee and the Remuneration Committee.

ENQUIRIES

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INVESTOR CALENDAR HEINEKEN N.V.

Trading Update for Q1 2016	20 April 2016
Annual General Meeting	21 April 2016
Financial Markets Conference	10/11 May 2016
Half Year 2016 Results	1 August 2016
Trading Update for Q3 2016	26 October 2016

Conference call details

HEINEKEN will host an analyst and investor conference call in relation to its 2015 FY results today at 10:00 CET/ 9:00 BST. The call will be audio cast live via the company's website: www.theheinekencompany.com/investors/webcasts. An audio replay service will also be made available after the conference call at the above web address. Analysts and investors can dial-in using the following telephone numbers:

Netherlands

Local line: +31(0)20 716 8256

National free phone: 0800 020 2576

United Kingdom

Local line: +44(0)20 3427 1900

National free phone: 0800 279 5736

United States of America

Local line: +1212 444 0481

National free phone: 1 877 280 2342

Participation/ confirmation code for all countries: 5446555

Editorial information:

HEINEKEN is the world's most international brewer. It is the leading developer and marketer of premium beer and cider brands. Led by the Heineken® brand, the Group has a powerful portfolio of more than 250 international, regional, local and specialty beers and ciders. We are committed to innovation, long-term brand investment, disciplined sales execution and focused cost management. Through "Brewing a Better World", sustainability is embedded in the business and delivers value for all stakeholders. HEINEKEN has a well-balanced geographic footprint with leadership positions in both developed and developing markets. We employ 81,000 people and operate more than 160 breweries in 70 countries. Heineken N.V. and Heineken Holding N.V. shares trade on the Euronext in Amsterdam. Prices for the ordinary shares may be accessed on Bloomberg under the symbols HEIA NA and HEIO NA and on Reuters under HEIN.AS and HEIO.AS. HEINEKEN has two sponsored level 1 American Depositary Receipt (ADR) programmes: Heineken N.V. (OTCQX: HEINY) and Heineken Holding N.V. (OTCQX: HKHHY). Most recent information is available on HEINEKEN's website: www.theHEINEKENcompany.com and follow us via @HEINEKENCorp.

Home Member State

The Company announces that the Netherlands is its Home Member State for the purposes of the EU Transparency Directive.

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, change in 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 speak only of the date of this press release. HEINEKEN does not undertake any obligation to update these forward-looking statements contained in this press release. Market share estimates contained in this press release are based on outside sources, such as specialised research institutes, in combination with management estimates.

REGIONAL OVERVIEW

Revenue (in € million)	FY15	FY14	Organic growth %
Heineken N.V.	20,511	19,257	3.5
Africa Middle East & Eastern Europe	3,263	3,189	2.7
Americas	5,159	4,631	8.5
Asia Pacific	2,483	2,088	4.1
Europe	10,227	9,760	1.4
Head Office & Eliminations	-621	-411	n.a.

Operating Profit (beia) (in € million)	FY15	FY14	Organic growth %
Heineken N.V.	3,381	3,129	6.9
Africa Middle East & Eastern Europe	579	671	-11
Americas	904	780	15
Asia Pacific	702	550	9.7
Europe	1,196	1,109	7.3
Head Office & Eliminations	0	19	n.a.

Developing markets (in mhl or € million unless otherwise stated)	FY15		
	Group beer volume	Group revenue	Group operating profit (beia) ¹
Developing markets in:	132.3	11,499	2,236
Africa Middle East & Eastern Europe	37.4		
Latin America & the Caribbean	49.4		
Asia Pacific	22.0		
Europe	23.6		
% of Group	64%	51%	61%

¹ Excludes Head Office & Eliminations

Head office costs, other items and eliminations

Key Financials (in mhl or € million unless otherwise stated)	FY15	FY14
Revenue	-621	-411
Operating profit (beia)	0	19

Operating profit (beia) decreased by €19 million during the year with approximately €80 million reduction from the disposal of the Mexican packaging business EMPAQUE (completed on 18 February 2015), largely offset by increased license fees and lower costs.

Africa Middle East & Eastern Europe

Key Financials <i>(in mhl or € million unless otherwise stated)</i>	FY15	FY14	Total growth %	Organic growth %
Revenue	3,263	3,189	2.3	2.7
Revenue/ hl (in €)	76	74	2.8	4.3
Operating profit (beia)	579	671	-14	-11
Operating profit (beia) margin	17.7%	21.0%	-330 bps	
Total volume	43.0	43.2	-0.4	-1.6
Beer volume	35.9	36.1	-0.7	-2.0
Licensed & non-beer volume	7.0	7.0	0.7	0.6

Beer volume decreased –2.0% organically driven by negative volume development in Russia, Belarus, the Democratic Republic of Congo, Nigeria and Egypt. This decline was partially offset by strong volume growth in Ethiopia, in exports and Rwanda.

Revenue grew 2.7% organically driven by positive revenue per hectolitre growth of 4.3%, partly offset by a total volume decline of –1.6%. Adverse currency impacted revenue by around 2%, mainly due to Nigerian Naira and Russian Rouble.

Operating profit (beia) declined by –11% organically, negatively impacted by tough macroeconomic conditions in the region, particularly in Nigeria and in the Democratic Republic of Congo. Weaker tourism trends in Middle East and North Africa also weighed negatively on the results particularly in Egypt. This was partly offset by strong performance in Russia and Ethiopia.

In **Nigeria**, trading conditions remained challenging due to falling global oil prices, currency pressures, fuel shortages and increased inflation, resulting in weaker consumer confidence. Volume declined low single digit, although trends improved in the second half of the year with slightly positive volume. The performance of Goldberg, Life and 33 Export brands was very strong, benefiting from the continued outperformance of the value for money segment relative to mainstream and premium beer. Cost savings and merger synergies only partially offset this negative mix and the devaluation impact.

In **Russia**, tough trading conditions and low consumer confidence impacted the overall beer market, and volume was down high single digit. Despite this, effective revenue management, innovation and premiumisation of the brand portfolio positively contributed to improved top and bottom line results. The premium brand portfolio with Amstel Premium Pilsner, Krusovice and Heineken® continued to outperform the overall beer market.

In **Ethiopia**, volume was up double digit, driven by strong growth of the Walia brand. The brewery opened in 2014 is now running at full capacity, with additional capacity currently being added.

Americas

Key Financials <i>(in mhl or € million unless otherwise stated)</i>	FY15	FY14	Total growth %	Organic growth %
Revenue	5,159	4,631	11	8.5
Revenue/ hl (in €)	90	85	5.7	3.1
Operating profit (beia)	904	780	16	15
Operating profit (beia) margin	17.5%	16.8%	70 bps	
Total volume	57.5	54.6	5.4	5.2
Beer volume	56.0	53.2	5.3	5.1
Licensed & non-beer volume	1.4	1.2	9.9	11

Beer volume grew 5.1% organically, with volume growth accelerating in the second half of the year. All key markets contributed to this growth.

Revenue grew 8.5% organically driven by total volume growth of 5.2% and higher revenue per hectolitre of 3.1%. Improved brand mix and effective revenue management both contributed to top line growth. Despite headwinds on emerging market currencies, currency positively impacted revenue by €109 million largely due to US dollar strength.

Operating profit (beia) grew 15% organically with Mexico and Brazil being the main drivers.

In **Mexico**, beer volume grew mid single digit, driven by effective marketing and sales programmes and benefiting from strong industry growth. Tecate and Dos Equis both grew double digit during the second half of the year. Higher pricing, continued cost savings and successful revenue management delivered profit growth and further margin expansion.

In **Brazil**, beer volume grew high single digit, despite the economic downturn and tough comparatives in the second quarter from the football World Cup in the prior year. Continued premiumisation of the brand portfolio and effective revenue management resulted in strong revenue per hectolitre growth. Double digit growth of Heineken® combined with strong performance from the remaining premium portfolio, including Desperados and Sol Premium, contributed to positive performance.

In the **US**, volume was positive and ahead of the overall market, driven by the successful implementation of the portfolio strategy. Both Tecate and Dos Equis volumes were up mid single digit, with Tecate Light up high double digit. Heineken® continued to show encouraging signs of growth. Strongbow volume was up double digit and continued to gain share in cider.

HEINEKEN continues to invest in the region and in 2015 further strengthened the brand portfolio with the Lagunitas and Red Stripe brands. New breweries are under construction in both Mexico and Brazil, reiterating the commitment and confidence in further growth in Americas.

Asia Pacific

Key Financials (in mhl or € million unless otherwise stated)	FY15	FY14	Total growth %	Organic growth %
Revenue	2,483	2,088	19	4.1
Revenue/ hl (in €)	122	112	9.7	-2.1
Operating profit (beia)	702	550	28	9.7
Operating profit (beia) margin	28.3%	26.3%	200 bps	
Total volume	20.3	18.7	8.4	6.3
Beer volume	19.8	18.3	8.1	6.3

Beer volume grew 6.3% organically, with strong growth in Vietnam, Cambodia, Myanmar, Korea, and Sri Lanka. Economic headwinds in China and the regulatory restraints on the sale of alcohol in Indonesia adversely impacted overall volume.

Revenue grew 4.1% organically, with total volume up 6.3% and revenue per hectolitre down -2.1%, adversely impacted by negative country mix. Excluding adverse country mix, revenue per hectolitre would be up 1%. Currency had a positive effect, mainly due to the Vietnamese Dong.

Operating profit (beia) increased 9.7% organically as strong performance in Vietnam, Mongolia, Singapore, Sri Lanka, and Korea more than offset weaker results in China and Indonesia.

In **Vietnam**, beer volume grew double digit driven by a strong performance of the Tiger brand. The Heineken® brand had a strong start boosted by the Vietnamese new year and ended the year up in the low single digit. Volume benefited from improved consumer confidence as the year progressed, combined with the success of the portfolio strategy and strong commercial execution.

In **China**, volume declined by low single digit, with weaker volume in the second half of the year, more than offsetting positive trends in the first half. Volume continued to be adversely impacted by market volatility and weaker macroeconomic trends.

In **Indonesia**, volume was down double digit, though the trend improved in the second half of the year. The regulation banning the sale of alcoholic beverages in minimarts (convenience stores) continued to adversely impact volumes in the market. High inflation and a soft consumer backdrop also impacted results.

In **Cambodia**, volume grew double digit driven by market share gains and the continued successful implementation of the portfolio strategy.

HEINEKEN continues to invest in the region through expanding its footprint into high-growth territories in Myanmar, East Timor and Malaysia (through increasing its indirect ownership in Guinness Anchor Berhad). Production capacity is being expanded in China and Cambodia to capture long term growth prospects in these markets.

Europe

Key Financials (in mhl or € million unless otherwise stated)	FY15	FY14	Total growth %	Organic growth %
Revenue	10,227	9,760	4.8	1.4
Revenue/ hl (in €)	100	99	1.1	-0.2
Operating profit (beia)	1,196	1,109	7.8	7.3
Operating profit (beia) margin	11.7%	11.4%	30 bps	
Total volume	95.2	91.8	3.7	1.4
Beer volume	76.6	73.6	4.0	1.3

Beer volume increased by 1.3% with brand investment and innovations driving strong growth of the premium brands led by Heineken® and cider across our key markets. The loss of export volume from Portugal to Angola continued to adversely impact overall volume.

Revenue increased by 1.4% organically, with revenue per hectolitre flat. Positive organic volume growth of 1.4% was helped by the strong performance in Q3, helped by better weather. Deflationary pressure combined with off trade pricing pressure resulted in limited pricing, which adversely impacted revenue per hectolitre.

Operating profit (beia) was up 7.3% organically driven by disciplined cost management, a continued focus on innovation and the successful premiumisation strategy. Higher profits were seen in Poland, Spain, UK and France offsetting lower profits in Greece and Croatia.

In the **UK**, beer volume declined low single digit, impacted by continued promotional pressure and challenging market conditions. Off premise volume performance was strong although pricing within this segment remains challenging. Premium volume increased strongly in both cider and beer, led by Heineken®. Cider innovations were successful and value enhancing.

In **France**, volume grew low single digit, with strong growth of Desperados and Affligem. The pricing environment remains challenging given pressure from collective buying groups.

In **Spain**, beer volume was up low single digit supported by the continued improvement in the underlying economic environment, resulting in more favourable consumer conditions notably most visible in improved on trade performance.

In the **Netherlands**, strengthened commercial execution, particularly in the on trade combined with slightly more positive market conditions continued to benefit volume which grew low single digit.

In **Poland**, beer volume increased high single digit, driven by the benefit for part of the year from the relisting by an important modern trade customer. The underlying market continued to be adversely impacted by channel mix. The focus on premiumisation including Zywiec, and Desperados continues to successfully build positive brand equity.

FINANCIAL REVIEW

Key figures <i>(in mhl or € million unless otherwise stated)</i>	FY14	Currency translation	Consolidation impact	Organic growth	FY15	Organic growth %
Revenue (beia)	19,257	489	85	681	20,511	3.5
Total expenses (beia)	-16,128	-385	-154	-464	-17,130	-2.9
Operating profit (beia)	3,129	104	-69	217	3,381	6.9
Share of net profit of assoc./ JVs (beia)	139	13	-13	38	177	27
EBIT (beia)	3,268	117	-82	255	3,558	7.8
Net interest income/(expenses) (beia)	-409	-7	-4	67	-352	17
Other net finance income/(expenses) (beia)	-80	2	5	-2	-76	-3.0
Income tax expense (beia)	-784	-28	29	-39	-822	-5.0
Minority interests (beia)	-237	-14	-6	-5	-261	-2.0
Net profit (beia)	1,758	70	-57	276	2,048	16
Eia	-242				-156	
Net profit	1,516				1,892	

Main changes in consolidation

The disposal of the Mexican packaging business EMPAQUE was completed on 18 February 2015 for a value of USD1.225 billion (€956 million).

On 7 October 2015, HEINEKEN and Diageo plc ("Diageo") completed a transaction to bring increased focus to their respective beer businesses:

- HEINEKEN acquired Diageo's 57.9% stake in Jamaican listed Desnoes & Geddes ("D&G") taking its shareholding to 73.3%. Following the completion on 21 January of the tender offer to purchase for cash all outstanding ordinary shares of D&G, HEINEKEN holds 95.8% of the share capital of this company.
- HEINEKEN now has full ownership of GAPL Pte Ltd ("GAPL"), having acquired Diageo's shareholding, which was slightly lower than 50%. GAPL owns 51% of the issued share capital of Guinness Anchor Berhad, which is listed on the Malaysian Stock Exchange.

On 15 October 2015 HEINEKEN completed the acquisition of a 53.4% stake of Pivovarna Laško d.d. in Slovenia. Following the completion of the mandatory takeover offer on 18 January 2016 and a small additional share purchase, HEINEKEN now holds 97.5% of the share capital of this Company.

On 1 December 2015 HEINEKEN completed the restructuring of its operations in South Africa and Namibia. In South Africa, HEINEKEN now holds a 75% stake in DHN Drinks (Pty) Limited and a 75% stake in Sedibeng (Pty) Limited with Namibian Breweries Limited ("NBL") holding a 25% stake in both entities. In Namibia, HEINEKEN now indirectly holds a 29.9% stake in NBL.

In addition on 23 July 2015, Groupa Żywiec signed with Orbico Group a conditional agreement upon which Orbico Group would purchase 80% of the shares in Dистриbev Sp. z o.o (Group Żywiec's recently established sales and distribution company serving the traditional trade and horeca market). The enterprise value for the 80% stake amounted to PLN 96 million (€23 million), and is subject to customary price adjustments. The transaction closed 1 February 2016 and will impact consolidation in 2016.

Revenue

Revenue increased by 6.5% to €20,511 million. Currency impact contributed 2.5% (€489 million), largely driven by appreciation of the British pound (+11%), US Dollar and Vietnamese dong (+16%). The impact of consolidation changes was €85 million, adding 0.5%. The organic revenue increase of 3.5% comprised of a total consolidated volume growth of 2.2%, and a 1.3% increase in revenue per hectolitre.

Total expenses (beia)

Total expenses (beia) were €17,130 million, up by 2.9% organically. On an organic basis, input costs increased by 4.7% and by 2.4% on a per hectolitre basis driven by mix and adverse foreign currency. Marketing and selling (beia) expenses increased organically by 6.3% to €2,755 million, representing 13.4% of revenues (2014: 12.7%). Personnel expenses increased organically by 1.9% to €3,322 million.

Operating profit (beia)

Operating profit (beia) was €3,381 million, up 6.9% organically, with a €104 million benefit from favourable foreign currency and a €69 million decline from consolidation. Higher revenue and the benefit of realised cost savings was only partially offset by higher marketing and selling expenses.

Share of net profit of associates and joint ventures (beia)

Share of net profit of associates and joint ventures (beia) increased from €139 million to €177 million. On an organic basis, an increase of €38 million reflected a higher share of net profit mainly from the joint venture operations in South Africa.

Net finance expenses (beia)

Net interest expenses (beia) decreased by €57 million to €352 million, reflecting a lower average effective interest rate on outstanding debts. The average interest rate in 2015 was 3.3% compared with 3.7% in 2014. Other net finance expenses (beia) decreased by €4 million to €76 million.

Income tax expense (beia)

The effective tax rate (beia) was 27.8% (2014: 29.7%). The decrease was mainly due to a number of one-off tax benefits as well as lower tax rates in some countries.

Net profit and net profit (beia)

Net profit increased by €376 million to €1,892 million. Favourable currency movements increased this by €70 million, whilst there was a negative impact from consolidation changes of €57 million. Net profit (beia) grew by €290 million to €2,048 million, an organic increase of 16%.

Exceptional items & amortisation of acquisition related intangibles (EIAs)

For 2015 EIAs included in EBIT include €321 million for amortisation of acquisition-related intangibles (2014: €291 million) and €10 million favourable exceptional items. Included within exceptionals, the €379 million exceptional gain on the disposal of Empaque was largely offset by €157 million relating to impairment of assets, including the write down of assets in DRC and Rwanda for €79 million, restructuring expenses of €106 million (2014: €111 million), and €106 million other costs which included €32 million for the Greece anti-trust fine.

US dollar hedging

HEINEKEN delays the impact of the US dollar fluctuations versus the Euro by hedging the net cash inflow of US dollars from exports for up to 18 months in advance.

For 2015 the average EUR/USD exchange rate inclusive of hedging was 1.30, versus 1.31 in 2014. For the full year 2016, the net dollar inflow is forecast to be USD\$513 million, of which 85% has been hedged at EUR/USD 1.16. For 2017, the net dollar inflow is forecast to be approximately USD\$501 million of which 27% is hedged at EUR/USD 1.13 as of 4 February 2016.

Capital expenditure and cash flow

Capital expenditure related to property, plant and equipment amounted to €1,638 million in 2015 (2014: €1,494 million) representing 8.0% of revenues. The increase in capital expenditure on the prior year included investing in capacity expansion in Ethiopia, Cambodia, East Timor, Ivory Coast, Mexico, Brazil and China.

Free operating cash flow amounted to €1,692 million (2014: €1,574 million), higher than last year primarily due to a positive benefit from working capital, which more than offset the higher capital expenditure.

Financial structure

Total gross debt amounts to €12,565 million (2014: €11,757 million). Net debt¹ increased to €11,510 million (2014: €10,910 million) as the cash outflow for dividends, share buyback, acquisitions and foreign currency impact on debt exceeded the strong FOCF and proceeds of the EMPAQUE divestment.

Including the effect of cross-currency swaps, 55% of net debt is Euro-denominated and 33% is US dollar and US dollar proxy currencies. The pro forma net debt¹/EBITDA (beia) ratio was 2.4x on 31 December 2015 (2014: 2.5x) in line with the long-term target net debt/EBITDA (beia) ratio of below 2.5x.

¹ HEINEKEN has amended its net debt definition to include derivative financial instruments designated as cash flow hedges if these hedges are considered to be inextricably linked to the underlying borrowings because they are used to mitigate the foreign currency exchange risk arising from the group's foreign currency borrowings. The change in this definition has resulted in a reduction in net debt of €215 million at 31 December 2015, and €166 million at 31 December 2014

During 2015 the following notes were issued under HEINEKEN's Euro Medium Term Note Programme:

- €500 million 6-year Notes with a coupon of 1.25% (September).
- €540 million of private placement 7 year USD Notes, 8-year and 10-year EUR Notes, with a weighted average yield of approximately 2.4% (October).
- €460 million 9-year Notes with a coupon of 1.5% (December).

Share buyback

Following the completion of the divestment of EMPAQUE in February 2015, HEINEKEN announced that it would deploy up to €750 million of the proceeds for a share buyback program in 2015. HEINEKEN announced with its Q3 Trading Update on 28 October 2015 that the share buyback had been terminated in light of recently announced acquisitions. HEINEKEN purchased a total of 5,229,279 shares under this program for a total consideration of €365 million.

Average number of shares

HEINEKEN has 576,002,613 shares in issue. In the calculation of basic EPS, the weighted average number of shares outstanding in 2015 was 572,292,454 including the impact of the share buyback as well as shares purchased for the employee incentive programme. In the calculation of diluted EPS, adjusting for the shares to be delivered under the employee incentive programme (added to the weighted average shares outstanding), the weighted average diluted number of shares in 2015 was 572,944,188 (576,002,613 in 2014).

Full Year 2015 Metrics

In mhl or €million unless otherwise stated & consolidated figures unless otherwise stated	FY14	Currency Translation	Consolidation Impact	Organic Growth	FY15	Organic Growth %
Africa, Middle East & Eastern Europe						
Revenue	3,189	-71	59	86	3,263	2.7
Revenue per HI (in €) ¹	74			3	76	4.3
Operating profit (beia)	671	-3	-17	-71	579	-11
Operating profit (beia) margin	21.0%				17.7%	
Total volume	43.2		0.5	-0.7	43.0	-1.6
Beer volume	36.1		0.5	-0.7	35.9	-2.0
Licensed & non-beer volume	7.0		—	—	7.0	0.6
Third party products volume	0.1		—	—	0.1	-2.4
Group beer volume	40.4				39.9	
Americas						
Revenue	4,631	109	26	393	5,159	8.5
Revenue per HI (in €) ¹	85			3	90	3.1
Operating profit (beia)	780	4	-1	120	904	15
Operating profit (beia) margin	16.8%				17.5%	
Total volume	54.6		0.1	2.9	57.5	5.2
Beer volume	53.2		0.1	2.7	56.0	5.1
Licensed & non-beer volume	1.2		—	0.2	1.4	11
Third party products volume	0.1		—	—	0.1	-4.4
Group beer volume	57.0				60.2	
Asia Pacific						
Revenue	2,088	256	52	87	2,483	4.1
Revenue per HI (in €) ¹	112			-2	122	-2.1
Operating profit (beia)	550	67	31	54	702	9.7
Operating profit (beia) margin	26.3%				28.3%	
Total volume	18.7		0.4	1.2	20.3	6.3
Beer volume	18.3		0.3	1.1	19.8	6.3
Licensed & non-beer volume	0.3		—	0.1	0.4	15
Third party products volume	0.1		—	—	0.1	-7.3
Group beer volume	24.0				25.7	
Europe						
Revenue	9,760	198	134	135	10,227	1.4
Revenue per HI (in €) ¹	99			—	100	-0.2
Operating profit (beia)	1,109	26	-20	81	1,196	7.3
Operating profit (beia) margin	11.4%				11.7%	
Total volume	91.8		2.1	1.2	95.2	1.4
Beer volume	73.6		2.0	0.9	76.6	1.3
Licensed & non-beer volume	10.0		0.1	0.2	10.3	1.8
Third party products volume	8.2		—	0.1	8.3	1.6
Group beer volume	77.3				79.6	
Head Office & Eliminations						
Revenue	-411	-3	-186	-20	-621	n.a.
Operating profit (beia)	19	10	-62	33	0	n.a.
Heineken N.V.						
Revenue	19,257	489	85	681	20,511	3.5
Revenue per HI (in €) ¹	92			1	95	1.3
Total expenses (beia)	-16,128	-385	-154	-464	-17,130	-2.9
Operating profit (beia)	3,129	104	-69	217	3,381	6.9
Operating profit (beia) margin	16.2%				16.5%	
Share of net profit of associates / JVs (beia)	139	13	-13	38	177	27
Net Interest income / (expenses) (beia)	-409	-7	-4	67	-352	17
Other net finance income / (expenses) (beia)	-80	2	5	-2	-76	-3.0
Income tax expense (beia)	-784	-28	29	-39	-822	-5.0
Minority Interests	-237	-14	-6	-5	-261	-2.0
Net profit (beia)	1,758	70	-57	276	2,048	16
Total volume	208.3		3.1	4.6	216.0	2.2
Beer volume	181.3		2.9	4.1	188.3	2.3
Licensed & non-beer volume	18.5		0.1	0.4	19.1	2.2
Third party products volume	8.5		—	0.1	8.6	1.3
Group beer volume	198.8				205.4	

¹ Revenue per HI calculation excludes interregional revenue

Note: due to rounding, this table will not always cast

Fourth Quarter 2015 Metrics

In mhl or €million unless otherwise stated & consolidated figures unless otherwise stated	4Q14	Currency Translation	Consolidation Impact	Organic Growth	4Q15	Organic Growth %
Africa, Middle East & Eastern Europe						
Revenue	854	-31	55	-32	846	-3.7
Revenue per HI (in €) ¹	79			—	77	0.0
Total volume	10.9		0.5	-0.4	10.9	-3.7
Beer volume	9.1		0.5	-0.3	9.2	-3.8
Licensed & non-beer volume	1.7		—	-0.1	1.7	-3.3
Third party products volume	—		—	—	—	-4.3
<i>Group beer volume</i>	<i>10.4</i>				<i>10.2</i>	
Americas						
Revenue	1,235	-60	31	126	1,333	10
Revenue per HI (in €) ¹	86			2	86	2.7
Total volume	14.3		0.1	1.0	15.5	7.3
Beer volume	13.9		0.1	1.0	15.1	7.2
Licensed & non-beer volume	0.4		—	—	0.4	10
Third party products volume	—		—	—	—	-3.1
<i>Group beer volume</i>	<i>15.1</i>				<i>16.5</i>	
Asia Pacific						
Revenue	612	33	53	2	701	0.4
Revenue per HI (in €) ¹	115			-3	119	-2.6
Total volume	5.3		0.4	0.2	5.9	3.0
Beer volume	5.2		0.4	0.1	5.7	2.8
Licensed & non-beer volume	0.1		—	0.1	0.2	14
Third party products volume	—		—	—	—	-3.8
<i>Group beer volume</i>	<i>6.6</i>				<i>7.1</i>	
Europe						
Revenue	2,267	45	40	7	2,359	0.3
Revenue per HI (in €) ¹	100			2.0	103	1.9
Total volume	21.0		0.6	-0.1	21.5	-0.5
Beer volume	16.7		0.5	-0.1	17.1	-0.7
Licensed & non-beer volume	2.4		0.1	—	2.5	0.6
Third party products volume	1.9		—	—	1.9	0.6
<i>Group beer volume</i>	<i>17.5</i>				<i>17.8</i>	
Head Office & Eliminations						
Revenue	-86	-8	-58	21	-133	n.a.
Heineken N.V.						
Revenue	4,882	-21	121	124	5,106	2.5
Revenue per HI (in €) ¹	95			1	95	1.2
Total volume	51.5		1.6	0.7	53.8	1.4
Beer volume	45.0		1.5	0.7	47.2	1.5
Licensed & non-beer volume	4.5		0.1	—	4.6	0.1
Third party products volume	2.0		—	—	2.0	0.4
<i>Group beer volume</i>	<i>49.6</i>				<i>51.6</i>	

¹ Revenue per HI calculation excludes interregional revenue

Note: due to rounding, this table will not always cast

Consolidated financial statements for the full year 2015

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The 2015 financial information included in the primary statements attached to this press release are derived from the Annual Report 2015. This Annual Report has been authorised for issue. The Annual Report has not yet been published by law and still has to be adopted by the Annual General Meeting on 21 April 2016.

In accordance with section 393, Title 9, Book 2 of the Netherlands Civil Code, Deloitte Accountants B.V. has issued an unqualified auditors' opinion on the Annual Report.

The full Annual Report will be available to download on the website from 17 February 2016.

CONSOLIDATED INCOME STATEMENT

	2015	2014
For the year ended 31 December		
<i>In millions of EUR</i>		
Revenue	20,511	19,257
Other income	411	93
Raw materials, consumables and services	(12,931)	(12,053)
Personnel expenses	(3,322)	(3,080)
Amortisation, depreciation and impairments	(1,594)	(1,437)
Total expenses	(17,847)	(16,570)
Results from operating activities	3,075	2,780
Interest income	60	48
Interest expenses	(412)	(457)
Other net finance income/(expenses)	(57)	(79)
Net finance expenses	(409)	(488)
Share of profit of associates and joint ventures and impairments thereof (net of income tax)	172	148
Profit before income tax	2,838	2,440
Income tax expense	(697)	(732)
Profit	2,141	1,708
Attributable to:		
Equity holders of the Company (net profit)	1,892	1,516
Non-controlling interests	249	192
Profit	2,141	1,708
Weighted average number of shares – basic	572,292,454	574,945,645
Weighted average number of shares – diluted	572,944,188	576,002,613
Basic earnings per share (EUR)	3.31	2.64
Diluted earnings per share (EUR)	3.30	2.63

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	2015	2014
For the year ended 31 December		
<i>In millions of EUR</i>		
Profit	2,141	1,708
Other comprehensive income:		
Items that will not be reclassified to profit or loss:		
Actuarial gains and losses	95	(344)
Items that may be subsequently reclassified to profit or loss:		
Currency translation differences	(43)	697
Recycling of currency translation differences to profit or loss	129	—
Effective portion of net investment hedges	15	(5)
Effective portion of changes in fair value of cash flow hedges	23	(99)
Effective portion of cash flow hedges transferred to profit or loss	24	(3)
Net change in fair value available-for-sale investments	43	(1)
Recycling of fair value of available-for-sale investments to profit or loss	(16)	—
Share of other comprehensive income of associates/joint ventures	7	(7)
Other comprehensive income, net of tax	277	238
Total comprehensive income	2,418	1,946
Attributable to:		
Equity holders of the Company	2,150	1,686
Non-controlling interests	268	260
Total comprehensive income	2,418	1,946

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	2015	2014
As at 31 December		
<i>In millions of EUR</i>		
Assets		
Property, plant and equipment	9,552	8,718
Intangible assets	18,183	16,341
Investments in associates and joint ventures	1,985	2,033
Other investments and receivables	856	737
Advances to customers	266	254
Deferred tax assets	958	661
Total non-current assets	31,800	28,744
Inventories	1,702	1,634
Other investments	16	13
Trade and other receivables	2,873	2,743
Prepayments	343	317
Income tax receivables	33	23
Cash and cash equivalents	824	668
Assets classified as held for sale	123	688
Total current assets	5,914	6,086
Total assets	37,714	34,830
Equity		
Share capital	922	922
Share premium	2,701	2,701
Reserves	(655)	(427)
Retained earnings	10,567	9,213
Equity attributable to equity holders of the Company	13,535	12,409
Non-controlling interests	1,535	1,043
Total equity	15,070	13,452
Liabilities		
Loans and borrowings	10,658	9,499
Tax liabilities	3	3
Employee benefits	1,289	1,443
Provisions	320	398
Deferred tax liabilities	1,858	1,503
Total non-current liabilities	14,128	12,846
Bank overdrafts and commercial papers	542	595
Loans and borrowings	1,397	1,671
Trade and other payables	6,013	5,533
Tax liabilities	379	390
Provisions	154	165
Liabilities classified as held for sale	31	178
Total current liabilities	8,516	8,532
Total liabilities	22,644	21,378
Total equity and liabilities	37,714	34,830

CONSOLIDATED STATEMENT OF CASH FLOWS

	2015	2014
For the year ended 31 December		
<i>In millions of EUR</i>		
Operating activities		
Profit	2,141	1,708
Adjustments for:		
Amortisation, depreciation and impairments	1,594	1,437
Net interest expenses	352	409
Gain on sale of property, plant and equipment, intangible assets and subsidiaries, joint ventures and associates	(411)	(93)
Share of profit and impairments of associates and joint ventures and dividend investments	(182)	(158)
Income tax expenses	697	732
Other non-cash items	89	244
Cash flow from operations before changes in working capital and provisions	4,280	4,279
Change in inventories	27	(104)
Change in trade and other receivables	(59)	(325)
Change in trade and other payables	403	456
Total change in working capital	371	27
Change in provisions and employee benefits	(165)	(166)
Cash flow from operations	4,486	4,140
Interest paid	(446)	(522)
Interest received	87	60
Dividends received	159	125
Income taxes paid	(797)	(745)
Cash flow related to interest, dividend and income tax	(997)	(1,082)
Cash flow from operating activities	3,489	3,058
Investing activities		
Proceeds from sale of property, plant and equipment and intangible assets	83	144
Purchase of property, plant and equipment	(1,638)	(1,494)
Purchase of intangible assets	(92)	(57)
Loans issued to customers and other investments	(195)	(117)
Repayment on loans to customers	45	40
Cash flow (used in)/from operational investing activities	(1,797)	(1,484)
Free operating cash flow	1,692	1,574
Acquisition of subsidiaries, net of cash acquired	(757)	(159)
Acquisition of/additions to associates, joint ventures and other investments	(543)	(7)
Disposal of subsidiaries, net of cash disposed of	979	(27)
Disposal of associates, joint ventures and other investments	54	4
Cash flow (used in)/from acquisitions and disposals	(267)	(189)
Cash flow (used in)/from investing activities	(2,064)	(1,673)

	2015	2014
For the year ended 31 December		
<i>In millions of EUR</i>		
Financing activities		
Proceeds from loans and borrowings	1,888	858
Repayment of loans and borrowings	(1,753)	(2,443)
Dividends paid	(909)	(723)
Purchase own shares and shares issued	(377)	(9)
Acquisition of non-controlling interests	(21)	(137)
Other	(1)	1
Cash flow (used in)/from financing activities	(1,173)	(2,453)
Net cash flow	252	(1,068)
Cash and cash equivalents as at 1 January	73	1,112
Effect of movements in exchange rates	(43)	29
Cash and cash equivalents as at 31 December	282	73

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

<i>In millions of EUR</i>	Share capital	Share premium	Translation reserve	Hedging reserve	Fair value reserve	Other legal reserves	Reserve for own shares	Retained earnings	Equity attributable to equity holders of the Company	Non-controlling interests	Total equity
Balance as at 1 January 2014	922	2,701	(1,721)	2	97	805	(41)	8,637	11,402	954	12,356
Profit	—	—	—	—	—	174	—	1,342	1,516	192	1,708
Other comprehensive income	—	—	624	(101)	(1)	—	—	(352)	170	68	238
Total comprehensive income	—	—	624	(101)	(1)	174	—	990	1,686	260	1,946
Transfer to retained earnings	—	—	—	—	—	(236)	—	236	—	—	—
Dividends to shareholders	—	—	—	—	—	—	—	(512)	(512)	(224)	(736)
Purchase/reissuance own/non-controlling shares	—	—	—	—	—	—	(33)	—	(33)	32	(1)
Own shares delivered	—	—	—	—	—	—	4	(4)	—	—	—
Share-based payments	—	—	—	—	—	—	—	47	47	1	48
Acquisition of non-controlling interests without a change in control	—	—	—	—	—	—	—	(181)	(181)	20	(161)
Balance as at 31 December 2014	922	2,701	(1,097)	(99)	96	743	(70)	9,213	12,409	1,043	13,452

<i>In millions of EUR</i>	Share capital	Share premium	Translation reserve	Hedging reserve	Fair value reserve	Other legal reserves	Reserve for own shares	Retained earnings	Equity attributable to equity holders of the Company	Non-controlling interests	Total equity
Balance as at 1 January 2015	922	2,701	(1,097)	(99)	96	743	(70)	9,213	12,409	1,043	13,452
Profit	—	—	—	—	—	186	—	1,706	1,892	249	2,141
Other comprehensive income	—	—	80	52	26	—	—	100	258	19	277
Total comprehensive income	—	—	80	52	26	186	—	1,806	2,150	268	2,418
Transfer to retained earnings	—	—	—	—	—	(210)	—	210	—	—	—
Dividends to shareholders	—	—	—	—	—	—	—	(676)	(676)	(248)	(924)
Purchase/reissuance own/non-controlling shares	—	—	—	—	—	—	(384)	—	(384)	10	(374)
Own shares delivered	—	—	—	—	—	—	22	(22)	—	—	—
Share-based payments	—	—	—	—	—	—	—	32	32	—	32
Acquisition of non-controlling interests without a change in control	—	—	—	—	—	—	—	4	4	(2)	2
Changes in consolidation	—	—	—	—	—	—	—	—	—	464	464
Balance as at 31 December 2015	922	2,701	(1,017)	(47)	122	719	(432)	10,567	13,535	1,535	15,070

NON-GAAP MEASURES

In the internal management reports, HEINEKEN measures its performance primarily based on EBIT and EBIT beia (before exceptional items and amortisation of acquisition-related intangible assets). Both are non-GAAP measures not calculated in accordance with IFRS. Exceptional items are defined as items of income and expense of such size, nature or incidence, that in the view of management their disclosure is relevant to explain the performance of HEINEKEN for the period. Beia adjustments are also applied on operating profit and net profit metrics.

The table below presents the relationship between IFRS measures, being results from operating activities and net profit, and HEINEKEN non-GAAP measures, being EBIT, EBIT (beia), operating profit (beia) and net profit (beia).

<i>In millions of EUR</i>	2015 ¹	2014 ¹
Results from operating activities	3,075	2,780
Share of profit of associates and joint ventures and impairments thereof (net of income tax)	172	148
EBIT	3,247	2,928
Exceptional items and amortisation of acquisition-related intangible assets included in EBIT	311	340
EBIT (beia)	3,558	3,268
Share of profit of associates and joint ventures and impairments thereof (beia) (net of income tax)	(177)	(139)
Operating profit (beia)	3,381	3,129
Profit attributable to equity holders of the Company (net profit)	1,892	1,516
Exceptional items and amortisation of acquisition-related intangible assets included in EBIT	311	340
Exceptional items included in finance costs	(18)	(1)
Exceptional items included in income tax expense	(124)	(52)
Exceptional items included in non-controlling interest	(13)	(45)
Net profit (beia)	2,048	1,758

¹Unaudited

The 2015 exceptional items included in EBIT contain the amortisation of acquisition-related intangibles for €321 million (2014: €291 million), the disposal gain for EMPAQUE of €379 million, restructuring expenses of €106 million (2014: €111 million) and the impairment of intangible assets and P, P & E of €78 million (2014: €21 million). Additional exceptional items included in EBIT are the write down of assets and recording of provisions in DRC and Rwanda for an amount of €79 million and the combined loss on the Previously Held Equity Interests of GAB, DHN and Sedibeng of €19 million.

The revaluation of the existing stake in D&G of €18 million resulted in an exceptional item in finance costs. The exceptional items in income tax expense include the tax impact on amortisation of acquisition-related intangible assets of €75 million (2014: €72 million) and the tax impact on other exceptional items included in EBIT and finance costs of €58 million (2014: €6 million). These items are partly offset by exceptional income tax items with a negative impact amounting to €9 million (2014: €26 million negative impact).

EBIT and EBIT (beia) are not financial measures calculated in accordance with IFRS. The presentation of these financial measures may not be comparable to similarly titled measures reported by other companies due to differences in the ways the measures are calculated.

GLOSSARY

Acquisition-related intangible assets

Acquisition-related intangible assets are assets that HEINEKEN only recognises as part of a purchase price allocation following an acquisition. This includes, among others, brands, customer-related and certain contract-based intangibles.

Beia

Before exceptional items and amortisation of acquisition-related intangible assets.

Cash conversion ratio

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

Cash flow (used in)/from operational investing activities

This represents the total of cash flow from sale and purchase of property, plant and equipment and intangible assets, proceeds and receipts of loans to customers and other investments.

Dividend payout

Proposed dividend as percentage of net profit (beia).

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, taxes and net finance expenses. EBIT includes HEINEKEN's share in net profit of joint ventures and associates.

EBITDA

Earnings before interest, taxes, net finance expenses, depreciation and amortisation. EBITDA includes HEINEKEN's share in net profit of joint ventures and associates.

Effective tax rate

Income tax expense expressed as a percentage of the profit before income tax, adjusted for share of profit of associates and joint ventures and impairments thereof (net of income tax).

Eia

Exceptional items and amortisation of acquisition-related intangible assets.

Free operating cash flow

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

Innovation rate

Revenues generated from innovations (introduced in the past 40 quarters for a new category, 20 quarters for a new brand and 12 quarters for all other innovations, excluding packaging renovations) divided by total revenue.

Net debt

Non-current and current interest bearing loans and borrowings, bank overdrafts and commercial papers and market value of cross-currency interest rate swaps less investments held for trading and cash.

Net profit

Profit after deduction of non-controlling interests (profit attributable to equity holders of the Company).

Operating profit

Results from operating activities.

Organic growth

Growth excluding the effect of foreign currency translational effects, consolidation changes, exceptional items and amortisation of acquisition-related intangible assets.

Organic volume growth

Growth in volume, excluding the effect of consolidation changes.

Profit

Total profit of HEINEKEN before deduction of non-controlling interests.

®

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.

Volume**(Consolidated) beer volume**

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

Group beer volume

Consolidated beer volume plus attributable share of beer volume from joint ventures and associates.

Heineken® volume in premium segment

Heineken® volume excluding Heineken® volume in the Netherlands.

Licensed & non-beer volume

HEINEKEN's brands produced and sold under licence by third parties as well as cider, soft drinks and other non-beer volume sold in consolidated companies.

Third party products volume

Volume of third party products sold through consolidated companies.

Total volume

100 per cent of volume produced and sold by consolidated companies (including beer, cider, soft drinks and other beverages), volume of third party products and volume of HEINEKEN's brands produced and sold under licence by third parties.

Weighted average number of shares**Basic**

Weighted average number of outstanding shares.

Diluted

Weighted average number of outstanding shares and the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares as a result of HEINEKEN's share based payment plans.