

Heineken N.V. reports 2016 first quarter results

Amsterdam, 20 April 2016 – Heineken N.V. (EURONEXT: HEIA; OTCQX: HEINY) today announces its trading update for the first quarter of 2016.

KEY HIGHLIGHTS

- Consolidated beer volume grew 7.0% organically, positive across all regions
- Heineken® volume in the premium segment grew 4.8%

The first quarter is seasonally less significant in terms of both volume and profit to full year HEINEKEN group results.

CEO STATEMENT

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

“This has been a good first quarter supported by a strong Vietnamese and Chinese New Year period and the earlier timing of Easter. There was good volume growth in Americas and Europe. In Africa Middle East & Eastern Europe, volume growth reflected easier comparatives in Nigeria, and the region remains challenging. Our full year expectations remain unchanged. Adverse currency development continues to weigh on results and foreign exchange markets remain volatile.”

FIRST QUARTER VOLUME BREAKDOWN

Key figures¹ <i>(in mhl or %)</i>	1Q16	Total growth %	Organic growth %	1Q15
Consolidated beer volume				
Heineken N.V.	43.5	11	7.0	39.3
Africa Middle East & Eastern Europe	9.0	12	4.6	8.1
Americas	13.5	9.4	8.2	12.4
Asia Pacific	5.8	31	23	4.4
Europe	15.2	5.2	2.3	14.4

Heineken® <i>(in mhl or %)</i>	1Q16	Organic growth %
Heineken® in premium segment		
Africa Middle East & Eastern Europe	1.0	-0.8
Americas	2.3	6.5
Asia Pacific	1.6	5.2
Europe	2.1	5.8

Heineken® volume in the premium segment grew by 4.8%. Key markets contributing to this growth included Brazil, France, Spain, Compañía Cervecerías Unidas S.A. (CCU) markets, Vietnam, Mexico, and the UK.

¹ Refer to the Definitions section for an explanation of organic growth.

REGIONAL REVIEW

Africa Middle East & Eastern Europe

- Organic consolidated beer volume growth of 4.6% was driven by growth in **Nigeria** and **Ethiopia**. Elsewhere in the region, volume was challenging and remains weak, with both affordability and lower tourism continuing to impact performance. Excluding Nigeria, volume would have been down organically for the region.
- In **Nigeria** volume was flattered by an easy comparative given the election in the same period last year; cycling the forthcoming quarters will be more difficult. Underlying trading conditions remain tough and the weaker consumer environment, due to the low global oil price, continues to drive negative brand mix. It is becoming increasingly challenging to obtain hard currency in the market, and the uncertainty regarding a possible devaluation of the Naira continues to impact the business adversely.
- In **Russia** the market remains under pressure, with our volume down mid-single digit.

Americas

- Organic consolidated beer volume growth of 8.2% was led by continued growth in **Mexico**, **Brazil**, the **US** and the **Caribbean**.
- In **Mexico** volume was up double digit and benefited from the earlier timing of Easter, as well as the positive economic backdrop. Tecate Light and Dos Equis continue to perform strongly.
- In **Brazil** volume grew mid-single digit, with strong double digit Heineken® volume growth.
- In the **US** both sales and depletions were positive, outperforming the overall market.

Asia Pacific

- Organic consolidated beer volume was up 23%, with double digit volume growth in **Vietnam**, **Indonesia** and **Cambodia**.
- In **Vietnam** strong volume growth reflected the successful Vietnamese New Year campaign and the continued momentum of the Tiger brand.
- In **China** higher sales around the Chinese New Year resulted in volume growth.
- In **Indonesia** volume was up double digit, flattered by the low comparable last year when the market destocked heavily ahead of the minimart regulation change.

Europe

- Organic consolidated beer volume growth of 2.3% was helped by mild weather in some countries as well as the earlier timing of Easter.
- In **Spain**, **France**, the **UK**, **Austria**, **Poland** and **Italy** volume development was positive.
- In the **Netherlands** volume was down slightly due to less participation in Off Trade pricing promotions.

REPORTED NET PROFIT

Reported net profit in the quarter was €265 million (2015:€579 million). Note that last year the comparative included the exceptional post tax book gain of €379 million from the EMPAQUE sale.

TRANSLATIONAL CURRENCY UPDATE

Assuming spot rates as of 15 April 2016 the calculated negative translational currency impact for 2016 would be approximately €80 million at consolidated operating profit (beia), and €50 million at net profit (beia). Foreign exchange markets remain very volatile.

DEFINITIONS

Organic growth excludes the effect of foreign currency translational effects, consolidation changes, accounting policy changes, exceptional items and amortisation of acquisition-related intangibles.

ENQUIRIES

Media

John Clarke

Director of External Communication

Michael Fuchs

Financial Communications Manager

E-mail: pressoffice@heineken.com

Tel: +31-20-5239355

Investors

Sonya Ghobrial

Director of Investor Relations

Marc Kanter / Gabriela Malczynska

Investor Relations Manager / Analyst

E-mail: investors@heineken.com

Tel: +31-20-5239590

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 more than 73,000 people and operate more than 160 breweries in over 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.

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FIRST QUARTER CONSOLIDATED VOLUME DETAIL

In mhl unless otherwise stated & consolidated figures unless otherwise stated	1Q15	Consolidation Impact	Organic Growth	1Q16	Organic Growth %
Africa, Middle East and Eastern Europe					
Total volume	9.6	0.6	0.5	10.6	5.0
Beer volume	8.1	0.6	0.4	9.0	4.6
Licensed & non-beer volume	1.5	-	0.1	1.6	6.7
Third party products volume	-	-	-	-	-
<i>Group beer volume</i>	<i>9.0</i>			<i>9.4</i>	
Americas					
Total volume	12.7	0.1	1.0	13.9	8.2
Beer volume	12.4	0.1	1.0	13.5	8.2
Licensed & non-beer volume	0.3	-	-	0.3	11
Third party products volume	-	-	-	-	-
<i>Group beer volume</i>	<i>13.5</i>			<i>14.9</i>	
Asia Pacific					
Total volume	4.5	0.3	1.0	5.9	23
Beer volume	4.4	0.3	1.0	5.8	23
Licensed & non-beer volume	-	-	-	0.1	29
Third party products volume	0.1	-	-	-	-
<i>Group beer volume</i>	<i>5.6</i>			<i>7.1</i>	
Europe					
Total volume	18.1	0.5	0.4	19.0	2.3
Beer volume	14.4	0.4	0.3	15.2	2.3
Licensed & non-beer volume	2.0	0.1	-	2.1	1.8
Third party products volume	1.7	-	-	1.7	2.6
<i>Group beer volume</i>	<i>15.0</i>			<i>15.8</i>	
Heineken N.V.					
Total volume	45.0	1.5	3.0	49.4	6.6
Beer volume	39.3	1.5	2.7	43.5	7.0
Licensed & non-beer volume	3.9	0.1	0.2	4.1	5.0
Third party products volume	1.8	-	-	1.8	2.4
<i>Group beer volume</i>	<i>43.1</i>			<i>47.2</i>	

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