

HEINEKEN launches Offer for remaining APB Shares

Amsterdam, 4 December 2012 – Heineken N.V. ('HEINEKEN') today announced that Heineken International B.V. ('HIBV') has launched a mandatory unconditional cash offer (the 'Offer') for all the 12,127,715 issued and paid-up ordinary shares in the capital of Asia Pacific Breweries Limited ('APB'), representing approximately 4.7% of APB's issued share capital, which are not already owned or controlled by HIBV as at the date of the Offer. The offer document dated 4 December 2012 (the 'Offer Document'), which contains inter alia details of the Offer, has been despatched to the shareholders of APB.

The Offer will remain open for acceptance until 8 January 2013 at 5:30 p.m. (Singapore time), or such later date(s) as may be announced by or on behalf of HIBV. Following the completion of the Offer, HEINEKEN will seek to delist APB.

The Offer Document and the announcement made in respect of the despatch of the Offer Document are attached to this media release. An electronic copy of the Offer Document will be made available on the HEINEKEN website at www.heinekeninternational.com.

Directors' Responsibility Statement

The directors of each of HIBV and HEINEKEN (including those who may have delegated supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement are fair and accurate and that there are no other material facts not contained in this Announcement the omission of which would make any statement in this Announcement misleading.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from F&N or APB, the sole responsibility of the directors of each of HIBV and HEINEKEN has been to ensure through reasonable enquiries that such information has been accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Announcement. The directors of each of HIBV and HEINEKEN jointly and severally accept responsibility accordingly.

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Editorial information:

HEINEKEN is a proud, independent global brewer committed to surprise and excite consumers with its brands and products everywhere. The brand that bears the founder's family name – Heineken® – is available in almost every country on the globe and is the world's most valuable international premium beer brand. The Company's aim is to be a leading brewer in each of the markets in which it operates and to have the world's most valuable brand portfolio. HEINEKEN wants to win in all markets with Heineken® and with a full brand portfolio in markets of choice. The Company is present in over 70 countries and operates more than 160 breweries with volume of 214 million hectolitres of group beer sold. HEINEKEN is Europe's largest brewer and the world's third largest by volume. HEINEKEN is committed to the responsible marketing and consumption of its more than 250 international premium, regional, local and specialty beers and ciders. These include Amstel, Anchor, Bintang, Birra Moretti, Cruzcampo, Desperados, Dos Equis, Foster's, Heineken, Biere Larue, Newcastle Brown Ale, Ochota, Primus, Sagres, Sol, Star, Strongbow, Tecate, Tiger and Zywiec. Our leading joint venture brands include Cristal and Kingfisher. On a pro-forma 2011 basis including APB, revenue totaled €18.5 billion and EBIT (beia) €3.0 billion. The number of people employed is around 78,000. Heineken N.V. and Heineken Holding N.V. shares are listed on the Amsterdam stock exchange. Prices for the ordinary shares may be accessed on Bloomberg under the symbols HEIA NA and HEIO NA and on the Reuter Equities 2000 Service under HEIN.AS and HEIO.AS. Most recent information is available on HEINEKEN's website: www.theHEINEKENcompany.com.

OFFER DOCUMENT DATED 04 DECEMBER 2012

THIS OFFER DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

If you are in any doubt about this Offer (as defined herein), or the action you should take, you should consult your stockbroker, bank manager, solicitor, or other professional adviser immediately.

Credit Suisse (Singapore) Limited and Citigroup Global Markets Singapore Pte. Ltd. (collectively, the “Financial Advisers”) are acting for and on behalf of Heineken International B.V. (the “Offeror”) and do not purport to advise the shareholders (the “Shareholders”) of Asia Pacific Breweries Limited (the “Company”) or any other person. The views of the Independent Directors (as defined herein) and the independent financial adviser to the Independent Directors on the Offer will be made available to you in due course. You may wish to consider their views before taking any action in respect of the Offer.

If you have sold or transferred all your issued and paid-up ordinary shares in the capital of the Company held through The Central Depository (Pte) Limited (“CDP”), you need not forward this Offer Document and the accompanying Form of Acceptance and Authorisation (“FAA”) to the purchaser or the transferee, as CDP will arrange for a separate Offer Document and FAA to be issued to the purchaser or the transferee. If you have sold or transferred all your APB Shares (as defined herein) which are not held through CDP, you should immediately hand this Offer Document and the accompanying Form of Acceptance and Transfer (“FAT”) to the purchaser or the transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer, for onward transmission to the purchaser or the transferee.

The Singapore Exchange Securities Trading Limited (the “SGX-ST”) assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Offer Document.

MANDATORY UNCONDITIONAL CASH OFFER

by



Credit Suisse (Singapore) Limited
(Company Registration Number 197702363D)
(Incorporated in the Republic of Singapore)



Citigroup Global Markets Singapore Pte. Ltd.
(Company Registration Number 199002673E)
(Incorporated in the Republic of Singapore)

for and on behalf of



Heineken International B.V.

(Company Registration Number 33103545)
(Incorporated in the Netherlands)

to acquire all the issued ordinary shares in the capital of

Asia Pacific Breweries Limited

(Company Registration Number 19310007K)
(Incorporated in the Republic of Singapore)

other than those already owned, controlled or agreed to be acquired by the Offeror and its related corporations

IMPORTANT DATES AND TIMES:

ACCEPTANCES SHOULD BE RECEIVED BY 5:30 P.M. (SINGAPORE TIME) ON 08 JANUARY 2013 OR ON SUCH OTHER LATER DATE(S) AS MAY BE ANNOUNCED FROM TIME TO TIME BY OR ON BEHALF OF THE OFFEROR.

The procedures for acceptance are set out in **Appendix 2** to this Offer Document and in the accompanying FAA and/or FAT.

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DEFINITIONS

Except where the context otherwise requires, the following definitions apply throughout this Offer Document:

“Acquisition”	:	The acquisition of the Sale Shares by the Offeror from F&N, on the terms and subject to the conditions set out in the Share Purchase Agreements
“Announcement Date”	:	15 November 2012, being the date of the release of the Offer Announcement
“APB Distribution”	:	Has the meaning ascribed to it in Section 2.5 of this Offer Document
“APB Group”	:	Has the meaning ascribed to it in Section 8.2 of this Offer Document
“APB Shares”	:	Issued and paid-up ordinary shares in the capital of the Company
“APIPL”	:	Asia Pacific Investment Pte Ltd
“APIPL Shares”	:	Issued and paid-up shares (whether ordinary or preference) in the capital of APIPL
“beia”	:	Before exceptional items and amortization of brands and customer relations
“Bloomberg”	:	Bloomberg L.P.
“Books Closure Date”	:	Has the meaning ascribed to it in Section 2.5.1 of this Offer Document
“Business Day”	:	A day which is not a Saturday, a Sunday or a public holiday in Singapore
“CDP”	:	The Central Depository (Pte) Limited
“Closing Date”	:	5:30 p.m. (Singapore time) on 08 January 2013, or such later date(s) as may be announced from time to time by or on behalf of the Offeror, being the last day for the lodgement of acceptances of the Offer
“Code”	:	The Singapore Code on Take-overs and Mergers
“Companies Act”	:	The Companies Act, Chapter 50 of Singapore
“Company”	:	Asia Pacific Breweries Limited
“Concert Party”	:	Any party acting in concert with the Offeror in connection with the Offer
“CPF”	:	Central Provident Fund
“CPF Agent Banks”	:	Agent banks included under the CPFIS
“CPFIS”	:	Central Provident Fund Investment Scheme

“CPFIS Investors”	:	Investors who have purchased APB Shares using their CPF contributions pursuant to the CPFIS
“Date of Receipt”	:	Has the meaning ascribed to it in Paragraph 1.1.1 of Appendix 2 to this Offer Document
“Despatch Date”	:	04 December 2012, being the date of despatch of this Offer Document
“EBIT”	:	Earnings before interest and tax
“Encumbrances”	:	Has the meaning ascribed to it in Section 2.4.2 of this Offer Document
“F&N”	:	Fraser and Neave, Limited
“FAA”	:	Form of Acceptance and Authorisation, which is applicable to Shareholders whose Offer Shares are deposited with CDP and which forms part of this Offer Document
“FAT”	:	Form of Acceptance and Transfer, which is applicable to Shareholders whose Offer Shares are registered in their own names in the Register and which forms part of this Offer Document
“Financial Advisers”	:	Credit Suisse (Singapore) Limited and Citigroup Global Markets Singapore Pte. Ltd.
“FY”	:	Financial year ended or ending 31 December unless otherwise stated. Where “FY” is stated immediately before reference to a calendar year, it shall mean the financial year ended or ending 31 December of that calendar year
“HEINEKEN”	:	Heineken N.V., the holding company of the Offeror
“HEINEKEN Group”	:	HEINEKEN and its subsidiaries
“Independent Directors”	:	The directors of the Company who are considered independent for the purpose of the Offer
“Latest Practicable Date”	:	26 November 2012, being the latest practicable date prior to the printing of this Offer Document
“Listing Manual”	:	The listing manual of the SGX-ST as amended up to the Latest Practicable Date
“Market Day”	:	A day on which the SGX-ST is open for trading in securities
“Media Release”	:	Has the meaning ascribed to it in Section 14 of this Offer Document
“Merger Benefit Statements”	:	Has the meaning ascribed to it in Section 14 of this Offer Document
“Offer”	:	The mandatory unconditional cash offer made by the Financial Advisers, for and on behalf of the Offeror, to acquire the Offer Shares on the terms and subject to the conditions set out in this Offer Document, the FAA and the FAT

“Offer Announcement”	:	The announcement issued by the Financial Advisers, for and on behalf of the Offeror, on the Announcement Date, in relation to the Offer
“Offer Document”	:	This document dated 04 December 2012 and any other document(s) which may be issued by or on behalf of the Offeror to amend, revise, supplement or update this document from time to time
“Offer Price”	:	The price for each Offer Share, as particularly defined and described in Section 2.1 of this Offer Document
“Offer Shares”	:	All the APB Shares to which the Offer relates, being all the APB Shares other than those already owned, controlled or agreed to be acquired by the Offeror and its related corporations as at the date of the Offer
“Offeror”	:	Heineken International B.V.
“Options”	:	Options to subscribe for or purchase new shares in the Company granted pursuant to the Scheme
“Overseas Shareholder”	:	Has the meaning ascribed to it in Section 12.1 of this Offer Document
“Pre-Conditional Offer Announcement”	:	The pre-conditional offer announcement released by the Financial Advisers, for and on behalf of the Offeror, on the Pre-Conditional Offer Announcement Date, in relation to the Offer
“Pre-Conditional Offer Announcement Date”	:	17 August 2012, being the date of the release of the Pre-Conditional Offer Announcement
“Press Release”	:	The press release issued by HEINEKEN on the Press Release Date in relation to HEINEKEN’s offer to F&N for the Sale Shares at an offer price of S\$50.00 for each APB Share
“Press Release Date”	:	20 July 2012
“Purchase Consideration”	:	Has the meaning ascribed to it in Section 9.1 of this Offer Document
“Reference Period”	:	The period commencing 6 months prior to the Press Release Date and ending on the Latest Practicable Date
“Register”	:	The register of holders of APB Shares, as maintained by the Registrar
“Registrar”	:	Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.)
“Relevant Day”	:	Has the meaning ascribed to it in Paragraph 3.1 of Appendix 1 to this Offer Document
“Sale Shares”	:	The aggregate of: (a) 41,175,000 ordinary APIPL Shares and 31,766,808 preference APIPL Shares representing 50% of the entire issued and paid-up share capital of APIPL as of the Pre-Conditional Offer Announcement Date; and (b) 18,753,887 APB Shares representing approximately 7.26% of the entire issued and paid-up share capital of the Company as of the Pre-Conditional Offer Announcement Date, forming the subject of the Share Purchase Agreements

“Scheme”	:	The APB Executives’ Share Option Scheme
“Securities Account”	:	The securities account maintained by a Depositor with CDP but does not include a securities sub-account
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“Share Purchase Agreements”	:	The two share purchase agreements dated 18 August 2012, entered into between the Offeror and F&N in relation to the Acquisition
“Shareholders”	:	Persons holding APB Shares, including persons whose APB Shares are deposited with CDP or who have purchased APB Shares on the SGX-ST
“SIC”	:	Securities Industry Council of Singapore
“S\$” and “cents”	:	Singapore dollars and cents, respectively, being the lawful currency of the Republic of Singapore
“Unaffected Date”	:	16 July 2012, being the date of the joint announcement by Oversea-Chinese Banking Corporation Limited and Great Eastern Holdings Limited of an offer to purchase their combined stakes in F&N and the Company
“VWAP”	:	Volume weighted average price per APB Share as transacted on the SGX-ST
“6M2012”	:	Has the meaning ascribed to it in Paragraph 3.2 of Appendix 3 to this Offer Document
“€”	:	Euros, being the lawful currency of the European Union

Acting in Concert. The term “acting in concert” shall have the meaning ascribed to it in the Code.

Depositors, etc. The terms “Depositor”, “Depository Register” and “Depository Agent” shall have the meanings ascribed to them, respectively, in Section 130A of the Companies Act.

Gender, etc. Words importing the singular shall, where applicable, include the plural and *vice versa*, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations.

Headings. The headings in this Offer Document are inserted for convenience only and shall be ignored in construing this Offer Document.

Offer Document. References to “Offer Document” shall include the FAA and FAT, unless the context otherwise requires.

Offer Period. The term “offer period” shall have the meaning ascribed to it in the Code.

Rounding. Any discrepancies in figures included in this Offer Document between amounts shown and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Offer Document may not be an arithmetic aggregation of the figures that precede them.

Shareholders. Any reference to “you”, “your” and “yours” in this Offer Document are, as the context so determines, to Shareholders.

Statutes. Any reference in this Offer Document to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the Listing Manual or the Code or any statutory modification thereof and used in this Offer Document shall, where applicable, have the meaning assigned to it under the Companies Act, the Listing Manual or the Code or such modification thereof, as the case may be, unless the context otherwise requires.

Subsidiaries. The expressions “subsidiary” and “related corporation” shall have the meanings ascribed to them respectively in Sections 5 and 6 of the Companies Act.

Time and Date. Any reference in this Offer Document to a time of the day and date shall be a reference to Singapore time and date respectively, unless otherwise stated.

Total Number of APB Shares. Any reference in this Offer Document to the total number of APB Shares is a reference to a total of 258,233,024 APB Shares as at the Latest Practicable Date, based on information provided by the Company to the Offeror.

Cautionary Note on Forward Looking Statements. *All statements other than statements of historical facts included in this Offer Document are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as “seek”, “expect”, “anticipate”, “estimate”, “believe”, “intend”, “project”, “plan”, “strategy”, “forecast” and similar expressions or future or conditional verbs such as “will”, “would”, “should”, “could”, “may” and “might”. These statements reflect the Offeror’s current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information.*

Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders should not place undue reliance on such forward-looking statements, and neither the Offeror nor the Financial Advisers guarantee the performance of such forward-looking statements or undertake any obligation to update publicly or revise any forward-looking statements.



Credit Suisse (Singapore) Limited
(Company Registration Number 197702363D)
(Incorporated in the Republic of Singapore)



Citigroup Global Markets Singapore Pte. Ltd.
(Company Registration Number 199002673E)
(Incorporated in the Republic of Singapore)

04 December 2012

To: The Shareholders of Asia Pacific Breweries Limited

Dear Sir/Madam

MANDATORY UNCONDITIONAL CASH OFFER BY THE FINANCIAL ADVISORS, FOR AND ON BEHALF OF THE OFFEROR, FOR THE OFFER SHARES

1. INTRODUCTION

1.1 Background

1.1.1 Pre-Conditional Offer Announcement. Pursuant to the Pre-Conditional Offer Announcement, the Financial Advisers had announced, for and on behalf of the Offeror, that:

- (i) the Offeror entered into the Share Purchase Agreements whereby F&N agreed to sell to the Offeror and the Offeror agreed to purchase from F&N the Sale Shares, on the terms and subject to the conditions set out in the Share Purchase Agreements; and
- (ii) pursuant to the requirements of Rule 14 of the Code, the Offeror intended to make a mandatory unconditional cash offer for all Offer Shares, subject to the satisfaction of the Conditions Precedent (as defined in the Pre-Conditional Offer Announcement).

A copy of the Pre-Conditional Offer Announcement is available on the SGX-ST website at www.sgx.com.

1.1.2 Conditions Precedent. In the Pre-Conditional Offer Announcement, it was stated that the Offeror would make the Offer on completion of the Acquisition, subject to the fulfillment and/or waiver of the Conditions Precedent.

1.1.3 Satisfaction of the Conditions Precedent. The Conditions Precedent were satisfied and the Acquisition was completed in accordance with the terms and conditions of the Share Purchase Agreements on 15 November 2012.

1.2 Offer. On 15 November 2012, the Financial Advisers released the Offer Announcement, for and on behalf of the Offeror, stating the firm intention of the Offeror to make the Offer. A copy of the Offer Announcement is available on the SGX-ST website at www.sgx.com.

1.3 Offer Document. This Offer Document contains the formal offer by the Financial Advisers, for and on behalf of the Offeror, to acquire all the Offer Shares. This Offer Document shall be despatched to Shareholders on 04 December 2012, being the Despatch Date. We urge you to read this document carefully and properly consider the Offer.

2. THE OFFER

2.1 Consideration. Subject to the terms and conditions set out in this Offer Document, the Offer is made by the Financial Advisers, for and on behalf of the Offeror, on the following basis:

2.1.1 the Offer is made for all the Offer Shares; and

2.1.2 the price for each Offer Share (the “**Offer Price**”) will be as follows:

For each Offer Share: S\$53.00 in cash.

The Offer Price is final. The Offeror will not revise the Offer Price.

2.2 APB Shares Arising from Valid Exercise of Options. The Offer is extended, on the same terms and conditions, to all new APB Shares unconditionally issued or to be issued prior to the close of the Offer pursuant to the valid exercise of any outstanding Options. For the purposes of the Offer, the expression “Offer Shares” shall include such new APB Shares.

As at the Latest Practicable Date, based on the information available to the Offeror, there are no outstanding Options to subscribe for new APB Shares under the Scheme.

2.3 Offer Unconditional. The Offer is unconditional in all respects.

2.4 No Encumbrances. The Offer Shares are to be acquired:

2.4.1 fully paid;

2.4.2 free from any claims, securities, options, powers of sale, hypothecation, liens, equities, mortgages, charges, encumbrances, rights of pre-emption and any other third party rights, retention of title and interests of any nature whatsoever (“**Encumbrances**”); and

2.4.3 together with all rights, benefits and entitlements attached thereto as at the Pre-Conditional Offer Announcement Date and thereafter attaching thereto, including all voting rights and the right to receive and retain all dividends and other distributions and return of capital (if any) which may be announced, declared, paid or made thereon by the Company on or after the Pre-Conditional Offer Announcement Date (together with all interest accrued thereon).

2.5 Adjustment for APB Distribution. Without prejudice to the foregoing, the Offer Price has been determined on the basis that the Offer Shares will be acquired with the right to receive any dividend, other distribution or return of capital that may be declared, made or paid by the Company on the Offer Shares on or after the Pre-Conditional Offer Announcement Date (the “**APB Distribution**”). In the event that any APB Distribution has been paid by the Company to a Shareholder who accepts the Offer, the Offer Price payable to such accepting Shareholder shall be reduced by an amount which is equal to the amount of such APB Distribution declared, made or paid by the Company to such accepting Shareholder on or after the Pre-Conditional Offer Announcement Date:

2.5.1 if the settlement date in respect of the Offer Shares accepted pursuant to the Offer falls on or before the books closure date for the determination of entitlements to the APB Distribution (the “**Books Closure Date**”), the Offeror will pay the relevant accepting Shareholder the Offer Price in cash for each Offer Share, as the Offeror will receive the APB Distribution in respect of those Offer Shares from the Company; and

2.5.2 if the settlement date in respect of the Offer Shares accepted pursuant to the Offer falls after the Books Closure Date, the net amount of the APB Distribution in respect of such Offer Shares will be deducted from the Offer Price payable for such Offer Shares, as the Offeror will not receive the APB Distribution in respect of those Offer Shares from the Company.

3. WARRANTY

A Shareholder who tenders his Offer Shares in acceptance of the Offer will be deemed to warrant that he sells such Offer Shares as or on behalf of the beneficial owner(s) thereof: (i) fully paid; (ii) free from all Encumbrances; and (iii) together with all rights, benefits and entitlements attached thereto as at the Pre-Conditional Offer Announcement Date and thereafter attaching thereto, including all voting rights and the right to receive and retain all dividends and other distributions and return of capital (if any) which may be announced, declared, paid or made thereon by the Company on or after the Pre-Conditional Offer Announcement Date (together with all interest accrued thereon).

4. DETAILS OF THE OFFER

Appendix 1 to this Offer Document sets out further details on: (i) the duration of the Offer; (ii) the settlement of the consideration for the Offer; and (iii) the requirements relating to the announcement of the level of acceptances of the Offer.

5. PROCEDURES FOR ACCEPTANCE

Appendix 2 to this Offer Document sets out the procedures for acceptance of the Offer.

6. INFORMATION ON HEINEKEN AND THE OFFEROR

6.1 HEINEKEN. HEINEKEN is a public company incorporated under the laws of the Netherlands in 1873 and is listed on Euronext Amsterdam. As at the Latest Practicable Date, the directors of HEINEKEN were: (i) Mr. Jean-François van Boxmeer; and (ii) Mr. René Hooft Graafland.

6.2 The Offeror. The Offeror is the international investment arm and a wholly owned subsidiary of HEINEKEN and was incorporated in the Netherlands on 19 November 1959. As at the Latest Practicable Date, the sole director of the Offeror was HEINEKEN.

6.3 Additional Information. Appendices 3 and 4 to this Offer Document set out certain additional information on HEINEKEN and the Offeror, respectively.

7. INFORMATION ON THE COMPANY

7.1 The Company. The Company is a public company incorporated under the laws of the Republic of Singapore on 14 April 1931 and is listed on the Main Board of the SGX-ST. As at the Latest Practicable Date, the directors of the Company were: (i) Mr. Simon Israel; (ii) Mr. Philip Eng Heng Nee; (iii) Mr. Bob Tan Beng Hai; (iv) Mr. Pascal De Petrini; (v) Mr. Theo de Rond; (vi) Mr. David Hazelwood; and (vii) Mr. Roland Pirmez. As at the Latest Practicable Date, Mr. Kenneth Choo Tay Sian, was alternate director to Mr. Theo de Rond.

7.2 Additional Information. Appendix 5 to this Offer Document sets out certain additional information on the Company. Information on the Company is also available from its website at www.apb.com.sg.

8. RATIONALE FOR THE OFFER AND THE OFFEROR'S INTENTIONS FOR THE COMPANY

8.1 Rationale for the Offer. As set out in Section 1 of this Offer Document, the Offeror is making the Offer in compliance with Rule 14 of the Code. The Offer provides the Shareholders with an opportunity to exit from the Company and realise their investment in APB Shares for cash at an attractive premium.

8.2 Intentions for the Company. As noted in Section 8.3 of this Offer Document below, the Offeror is making the Offer with a view to delisting the Company from the SGX-ST and exercising its rights of compulsory acquisition under Section 215(1) of the Companies Act, in the event that the Offeror becomes entitled to do so.

It is envisaged that the Company and its subsidiaries (the “**APB Group**”) will continue operating in its present form after the Offer. The Offeror currently has no intention to: (i) introduce any major changes to the business of the APB Group; (ii) re-deploy fixed assets of the APB Group; or (iii) discontinue the employment of any of the existing employees of the APB Group, other than in the ordinary course of business or pursuant to the integration process.

Nonetheless, the Offeror retains the flexibility at any time to consider any options or opportunities which may present themselves and which it regards to be in the interests of the Offeror and/or the Company.

8.3 Listing Status. Pursuant to Rule 1105 of the Listing Manual, upon an announcement by the Offeror that acceptances have been received pursuant to the Offer that bring the holdings owned by the Offeror, and parties acting in concert with it, to above 90% of the total number of issued APB Shares (excluding any APB Shares held in treasury), the SGX-ST may suspend the trading of the APB Shares in the Ready and Unit Share markets until it is satisfied that at least 10% of the total number of issued APB Shares (excluding any APB Shares held in treasury) are held by at least 500 shareholders of the Company who are members of the public. Rule 1303(1) of the Listing Manual provides that if the Offeror succeeds in garnering acceptances exceeding 90% of the total number of issued APB Shares (excluding any APB Shares held in treasury), thus causing the percentage of the total number of APB Shares (excluding any APB Shares held in treasury) held in public hands to fall below 10%, the SGX-ST will suspend trading of the APB Shares only at the close of the Offer.

In addition, Rule 724 of the Listing Manual states that if the percentage of APB Shares held in public hands falls below 10%, the Company must, as soon as possible, announce that fact and the SGX-ST may suspend trading of all the APB Shares. Rule 725 of the Listing Manual states that the SGX-ST may allow the Company a period of 3 months, or such longer period as the SGX-ST may agree, to raise the percentage of APB Shares held in public hands to at least 10%, failing which the Company may be delisted.

The percentage of APB Shares held in public hands had fallen below 10% on 14 August 2012. The Company had announced on 14 August 2012 that in view of the Company being in the offer period for the purposes of the Code, the Company had requested the SGX-ST, and the SGX-ST had allowed, for the APB Shares to continue trading on the SGX-ST, until further notice.

As at the Latest Practicable Date, only 4.7% of APB Shares are held in public hands.

The intention of the Offeror is not to maintain the listing status of the Company. The Offer is made by the Offeror with a view to delisting the Company and acquiring full control of it. The Offeror does not intend to undertake or to support any action to restore the public float of the Company to the required 10% level under Rule 723 of the Listing Manual.

8.4 Compulsory Acquisition. Pursuant to Section 215(1) of the Companies Act, in the event the Offeror receives approval of the Offer within 4 months of the making of the Offer, in respect of not less than 90% of the Offer Shares (excluding any APB Shares held in treasury and other than those already held by the Offeror, its related corporations or their respective nominees as at the date of the Offer), the Offeror would be entitled to exercise the right to compulsorily acquire all the APB Shares of the Shareholders who have not accepted the Offer, at a price equal to the Offer Price. **In such event, if the Offeror is entitled to do so, it shall exercise any rights of compulsory acquisition at a price equal to the Offer Price that it may have in connection with the Offer.**

In addition, pursuant to Section 215(3) of the Companies Act, if the Offeror acquires such number of APB Shares which, together with APB Shares held by it and its related corporations comprise 90% or more of the APB Shares, Shareholders who have not accepted the Offer would have a right to require the Offeror to acquire their APB Shares at the Offer Price. Shareholders who wish to exercise such a right are advised to seek their own independent legal advice. Unlike Section 215(1) of the Companies Act, the 90% threshold under Section 215(3) of the Companies Act does not exclude APB Shares held by the Offeror, its related corporations or their respective nominees as at the date of the Offer.

9. FINANCIAL ASPECTS OF THE OFFER

9.1 Determination of the Offer Price. The Offer Price is based on and is equivalent to the consideration of S\$53.00 for each APB Share (the “**Purchase Consideration**”) paid by the Offeror to F&N pursuant to the Share Purchase Agreements (taking into account F&N’s effective direct and indirect interest in the Company). The Purchase Consideration was arrived at after an arm’s length negotiation between the Offeror and F&N.

9.2 Financial Evaluation of the Offer Price. The Offer Price represents the following premia over the relevant market prices of the APB Shares:

	Benchmark price⁽¹⁾	Premium over the benchmark price
(a) Last transacted price as quoted on the SGX-ST on the Unaffected Date	S\$34.69	52.8%
(b) VWAP for the 1-month period up to the Unaffected Date	S\$34.51	53.6%
(c) VWAP for the 3-month period up to the Unaffected Date	S\$34.01	55.8%
(d) VWAP for the 6-month period up to the Unaffected Date	S\$32.02	65.5%
(e) VWAP for the 12-month period up to the Unaffected Date	S\$28.36	86.9%

Note:

(1) The figures set out in this Section are based on data extracted from Bloomberg.

10. DISCLOSURE OF SHAREHOLDINGS AND DEALINGS

10.1 Holdings and Dealings in APB Shares. Appendix 8 to this Offer Document sets out:

10.1.1 the number of APB Shares owned, controlled or agreed to be acquired by the Offeror, its directors and parties acting or deemed to be acting in concert with the Offeror as at the Latest Practicable Date; and

10.1.2 the dealings in APB Shares by the Offeror, its directors and parties deemed to be acting in concert with the Offeror during the Reference Period.

10.2 No Other Holdings and Dealings. Save as disclosed in this Offer Document, none of the Offeror, its directors and parties acting or deemed to be acting in concert with the Offeror: (i) owns, controls or has agreed to acquire or has dealt for value in; (ii) granted a security interest to another person (whether through a pledge, charge or otherwise) in; (iii) borrowed from another person (excluding borrowed shares which have been on-lent or sold); or (iv) lent to another person during the Reference Period, any: (a) APB Shares; (b) securities which carry voting rights in the Company; (c) securities which are convertible into APB Shares; or (d) rights to subscribe for, or options or derivatives in respect of, APB Shares or such securities.

10.3 No Irrevocable Undertakings. None of the Offeror, its directors and parties acting or deemed to be acting in concert with the Offeror has received any irrevocable undertaking from any party to accept or reject the Offer.

11. CONFIRMATION OF FINANCIAL RESOURCES

The Financial Advisers, as joint financial advisers to the Offeror, confirm that sufficient financial resources are available to the Offeror to satisfy full acceptance of the Offer on the basis of the Offer Price.

12. OVERSEAS SHAREHOLDERS

12.1 Overseas Shareholders. The availability of the Offer to Shareholders whose addresses are outside Singapore, as shown on the Register, or, as the case may be, in the records of CDP (“**Overseas Shareholders**”, each an “**Overseas Shareholder**”), may be affected by the laws of the relevant overseas jurisdictions. Accordingly, all Overseas Shareholders should inform themselves about, and observe, any applicable requirements in their own jurisdictions. For the avoidance of doubt, the Offer is made to all Shareholders, including those to whom this Offer Document and the relevant acceptance forms have not been or may not be sent, provided that this Offer Document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful and the Offer is not being made into any jurisdiction in which the making or acceptance of the Offer would not be in compliance with the laws of such jurisdiction. However, the Offeror may, in its sole discretion, take such action as it may deem necessary to extend the Offer to Shareholders in any such jurisdiction.

12.2 Copies of Offer Document. Shareholders (including Overseas Shareholders) may obtain copies of this Offer Document, the FAAs, the FATs and any related documents during normal business hours and up to the Closing Date from Tricor Barbinder Share Registration Services at 80 Robinson Road, #02-00, Singapore 068898 or The Central Depository (Pte) Limited at 4 Shenton Way, #02-01 SGX Centre 2, Singapore 068807. Alternatively, Shareholders (including Overseas Shareholders) may write to Heineken International B.V. c/o Tricor Barbinder Share Registration Services at 80 Robinson Road, #02-00, Singapore 068898, to request for this Offer Document, the FAAs, the FATs and any related documents to be sent to an address in Singapore by ordinary post at their own risk up to 5 Market Days prior to the Closing Date.

12.3 Notice. The Offeror and the Financial Advisers reserve the right to notify any matter, including the fact that the Offer has been made, to any or all Shareholders with a registered address outside Singapore by announcement or paid advertisement in a daily newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder to receive or see such announcement or advertisement.

12.4 Overseas Jurisdiction. It is the responsibility of any Overseas Shareholder who wishes to accept the Offer to satisfy himself as to the full observance of the laws of the relevant jurisdictions in that connection, including the obtaining of any governmental or other consent which may be required, or compliance with other necessary formalities or legal requirements, and the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. Such Overseas Shareholder shall be liable for any such taxes, imposts, duties or other requisite payments payable, and the Offeror and/or any person acting on its behalf (including the Financial Advisers) shall be fully indemnified and held harmless by such Overseas Shareholder for any such taxes, imposts, duties or other requisite payments as the Offeror and/or any person acting on its behalf (including the Financial Advisers) may be required to pay. In accepting the Offer, each Overseas Shareholder represents and warrants to the Offeror and each of the Financial Advisers that he is in full observance of the laws of the relevant jurisdiction in that connection and that he is in full compliance with all necessary formalities or legal requirements. **If any Overseas Shareholder is in any doubt about his position, he should consult his professional adviser in the relevant jurisdiction.**

13. GENERAL INFORMATION

- 13.1 Valid Acceptances.** The Offeror and the Financial Advisers reserve the right to treat acceptances of the Offer as valid if received by or on behalf of either of them at any place or places determined by them otherwise than as stated herein or in the FAA or the FAT, as the case may be, or if made otherwise than in accordance with the provisions herein and instructions printed on the FAA and FAT, as the case may be.
- 13.2 Information Pertaining to CPFIS Investors.** CPFIS Investors will receive further information on how to accept the Offer from their respective CPF Agent Banks directly. CPFIS Investors are advised to consult their respective CPF Agent Banks should they require further information, and if they are in any doubt as to the action they should take, CPFIS Investors should seek independent professional advice. CPFIS Investors who wish to accept the Offer are to reply to their respective CPF Agent Banks by the deadline stated in the letter from their respective CPF Agent Banks. CPFIS Investors who accept the Offer will receive the Offer Price payable in respect of their Offer Shares in their CPF investment accounts.
- 13.3 Governing Law and Jurisdiction.** The Offer, this Offer Document, the FAA and the FAT and all acceptances of the Offer and all contracts made pursuant thereto and actions taken or made or deemed to be taken or made thereunder shall be governed by, and construed in accordance with, the laws of the Republic of Singapore. The Offeror and each accepting Shareholder shall submit to the non-exclusive jurisdiction of the Singapore courts.
- 13.4 No Third Party Rights.** Unless expressly provided to the contrary in this Offer Document, the FAA or the FAT, a person who is not a party to any contracts made pursuant to the Offer, this Offer Document, the FAA and the FAT has no rights under the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore, to enforce any term of such contracts. Notwithstanding any term herein, the consent of any third party is not required for any subsequent agreement by the parties hereto to amend or vary (including release or compromise any liability) or terminate such contracts. Where third parties are conferred rights under such contracts, those rights are not assignable or transferable.
- 13.5 Accidental Omission.** Accidental omission to despatch this Offer Document, the FAA or the FAT or any notice or announcement required to be given under the terms of the Offer or any failure to receive the same by any person to whom the Offer is made, or should be made, shall not invalidate the Offer in any way.
- 13.6 Independent Advice.** **The views of the Independent Directors and the independent financial adviser to the Independent Directors on the Offer will be made available to Shareholders in due course and in any event, the Independent Directors are required under the Code to despatch their views within 14 days after the despatch of this Offer Document. Shareholders may wish to consider their advice before taking any action in relation to the Offer.**
- 13.7 General Information.** Appendix 9 to this Offer Document sets out additional general information relating to the Offer.

14. MERGER BENEFIT STATEMENTS

In its media release dated 28 September 2012 (the “**Media Release**”) announcing the F&N shareholders’ approval of the Acquisition, HEINEKEN made certain statements in respect of the Acquisition which are regarded as merger benefit statements under the Code (the “**Merger Benefit Statements**”). Please refer to **Appendix 10** to this Offer Document for further information on the Merger Benefit Statements, including the bases supporting the statements and appropriate explanation.

The directors of HEINEKEN and the Offeror confirm that the Merger Benefit Statements remain valid for the purpose of the Offer.

A copy of the Media Release is available on the SGX-ST website at www.sgx.com.

15. RESPONSIBILITY STATEMENT

The directors of each of the Offeror and HEINEKEN (including those who may have delegated supervision of this Offer Document) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Offer Document are fair and accurate and that there are no other material facts not contained in this Offer Document the omission of which would make any statement in this Offer Document misleading.

Where any information has been extracted or reproduced from published or otherwise publicly available sources (including, without limitation, in relation to the Company), or obtained from the Company or F&N, the sole responsibility of the directors of each of the Offeror and HEINEKEN has been to ensure through reasonable enquiries that such information has been accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Offer Document.

The directors of each of the Offeror and HEINEKEN jointly and severally accept responsibility accordingly.

Yours faithfully,

Credit Suisse (Singapore) Limited and Citigroup Global Markets Singapore Pte. Ltd.

For and on behalf of
Heineken International B.V.

04 December 2012
Singapore

Any enquiries relating to the Offer should be directed to:

Credit Suisse (Singapore) Limited	Citigroup Global Markets Singapore Pte. Ltd.
Pankaj Goel Managing Director Tel. No.: 6212 2000	Matthew Nimtz Director, Mergers & Acquisitions Tel. No.: 6657 5305

APPENDIX 1

DETAILS OF THE OFFER

1. DURATION OF THE OFFER

1.1 Closing Date. The Offer is required to be open for acceptance by the Shareholders for at least 28 days from the Despatch Date, unless the Offer is withdrawn with the consent of the SIC and every person released from any obligation incurred thereunder. Although the 28 day period from the Despatch Date ends on 01 January 2013, **the Offeror has decided that the Offer will close at 5:30 p.m. (Singapore time) on 08 January 2013 or such later date(s) as may be announced from time to time by or on behalf of the Offeror.**

1.2 Subsequent Closing Date. If the Offer is extended, the announcement of the extension need not state the next Closing Date but may state that the Offer will remain open until further notice. In such a case, the Offeror must give Shareholders at least 14 days' prior notice in writing before it may close the Offer.

2. SETTLEMENT

Subject to the receipt by the Offeror of acceptances by Shareholders, complete and valid in all respects and in accordance with the instructions given in this Offer Document and the relevant FAA and/or FAT (as the case may be), and in the case of a Depositor, the receipt by the Offeror of confirmation satisfactory to it that the relevant number of Offer Shares are standing to the credit of the "Free Balance" of the Depositors' Securities Accounts at the relevant times, remittances in the form of cheques in S\$ for the appropriate amounts will be despatched, pursuant to Rule 30 of the Code, to the accepting Shareholders or in other manner as the accepting Shareholders may have agreed with CDP for the payment of any cash distributions (or, in the case of Shareholders holding share certificates which are not deposited with CDP, their designated agents (if any)) by ordinary post at the risk of the accepting Shareholder and as soon as practicable and, in any case, within 10 days after receipt of such acceptances.

3. ANNOUNCEMENTS

3.1 Timing and Contents. By 8:00 a.m. on the Market Day immediately after the day on which the Offer is due to expire, or is extended, as the case may be (the "**Relevant Day**"), the Offeror will announce and simultaneously inform the SGX-ST of the total number of APB Shares (as nearly as practicable):

3.1.1 for which valid acceptances of the Offer have been received;

3.1.2 held by the Offeror and any Concert Party prior to the commencement of the offer period;
and

3.1.3 acquired or agreed to be acquired by the Offeror and any Concert Party during the offer period,

and will specify the percentages of APB Shares represented by such numbers.

3.2 Suspension. If the Offeror is unable, within the time limit, to comply with Paragraph 3.1 above, the SIC will consider requesting the SGX-ST to suspend dealings in APB Shares until the relevant information is given.

3.3 Valid Acceptances. Subject to Section 13.1 of this Offer Document, in computing the number of Offer Shares represented by acceptances, the Offeror will, at the time of making an announcement, take into account acceptances which are valid in all respects.

4. ACCEPTANCES IRREVOCABLE

Acceptances of the Offer shall be irrevocable.

APPENDIX 2

PROCEDURES FOR ACCEPTANCE OF THE OFFER

1. OFFER

1.1 Depositors

1.1.1 **Depositors whose Securities Accounts are credited with Offer Shares.** If you have Offer Shares standing to the credit of the “Free Balance” of your Securities Account, you should receive this Offer Document together with the FAA. If you do not receive the FAA, you may obtain such FAA upon production of satisfactory evidence that you are a Shareholder from The Central Depository (Pte) Limited at 4 Shenton Way, #02-01 SGX Centre 2, Singapore 068807.

Acceptance. If you wish to accept the Offer, you should:

- (1) complete the accompanying FAA in accordance with this Offer Document and the instructions printed on the FAA. In particular, you must state in Part A of the FAA the number of Offer Shares in respect of which you wish to accept the Offer. If you:
 - (a) do not specify such number; or
 - (b) specify a number which exceeds the number of Offer Shares standing to the credit of the “Free Balance” of your Securities Account as of 5:00 p.m. (Singapore time) on the date of receipt of the FAA by CDP (the “**Date of Receipt**”), and in the case where the Date of Receipt is on the Closing Date, as at 5:30 p.m. (Singapore time) on the Closing Date,you shall be deemed to have accepted the Offer in respect of all the Offer Shares standing to the credit of the “Free Balance” of your Securities Account as at 5:00 p.m. (Singapore time) on the Date of Receipt or, in the case where the Date of Receipt is on the Closing Date, as at 5:30 p.m. (Singapore time) on the Closing Date;
- (2) sign the FAA in accordance with this Offer Document and the instructions printed on the FAA; and
- (3) deliver the completed and signed FAA:
 - (a) **by hand to Heineken International B.V. c/o The Central Depository (Pte) Limited at 4 Shenton Way, #02-01 SGX Centre 2, Singapore 068807; or**
 - (b) **by post** in the enclosed pre-addressed envelope at your own risk, **to Heineken International B.V. c/o The Central Depository (Pte) Limited at Robinson Road Post Office, P.O. Box 1984, Singapore 903934.**

so as in either case to arrive NOT LATER THAN 5:30 P.M. (SINGAPORE TIME) ON THE CLOSING DATE. If the original completed and signed FAA is delivered by post to the Offeror, please use the enclosed pre-addressed envelope which is pre-paid for posting in Singapore only. It is your responsibility to affix adequate postage on the said envelope if you are posting from outside of Singapore.

If you have sold or transferred all your Offer Shares, you need not forward this Offer Document and the FAA to the purchaser or the transferee, as arrangements will be made by CDP for a separate Offer Document and FAA to be sent to the purchaser or the transferee. The purchasers or the transferees should note that CDP will, on behalf of the Offeror, send a copy of this Offer Document and the FAA by ordinary post at the purchasers’ or the transferees’ own risk to their respective addresses as they appear in the records of CDP.

1.1.2 **Depositors whose Securities Accounts will be credited with Offer Shares.** If you have purchased Offer Shares on the SGX-ST after the Despatch Date, you should also receive this Offer Document together with the FAA.

Acceptance. If you wish to accept the Offer, you should, after the “Free Balance” of your Securities Account has been credited with such number of Offer Shares:

- (1) complete and sign the FAA in accordance with this Offer Document and the instructions printed on the FAA; and
- (2) deliver the completed and signed FAA:
 - (a) **by hand to Heineken International B.V. c/o The Central Depository (Pte) Limited at 4 Shenton Way, #02-01 SGX Centre 2, Singapore 068807; or**
 - (b) **by post** in the enclosed pre-addressed envelope at your own risk, to **Heineken International B.V. c/o The Central Depository (Pte) Limited at Robinson Road Post Office, P.O. Box 1984, Singapore 903934.**

so as in either case to arrive NOT LATER THAN 5:30 P.M. (SINGAPORE TIME) ON THE CLOSING DATE. If the original completed and signed FAA is delivered by post to the Offeror, please use the enclosed pre-addressed envelope which is pre-paid for posting in Singapore only. It is your responsibility to affix adequate postage on the said envelope if you are posting from outside of Singapore.

Rejection. If upon receipt by CDP, on behalf of the Offeror, of the FAA, it is established that such Offer Shares have not been, or will not be, credited to the “Free Balance” of your Securities Account (as, for example, where you sell or have sold such Offer Shares), your acceptance is liable to be rejected and none of CDP, the Financial Advisers or the Offeror (nor, for the avoidance of doubt, HEINEKEN) accepts any responsibility or liability for the consequences of such a rejection.

If you purchase Offer Shares on the SGX-ST on a date close to the Closing Date, your acceptance in respect of such Offer Shares is liable to be rejected if the “Free Balance” of your Securities Account is not credited with such Offer Shares by 5:30 p.m. (Singapore time) on the Closing Date. None of CDP, the Financial Advisers and the Offeror (nor, for the avoidance of doubt, HEINEKEN) accepts any responsibility or liability for the consequences of such a rejection.

1.1.3 **Depositors whose Securities Accounts are and will be credited with Offer Shares.** If you have Offer Shares credited to your Securities Account, and have purchased additional Offer Shares on the SGX-ST which are in the process of being credited to your Securities Account, you may accept the Offer in respect of the Offer Shares standing to the credit of the “Free Balance” of your Securities Account and may accept the Offer in respect of the additional Offer Shares purchased which are in the process of being credited to your Securities Account only after the “Free Balance” of your Securities Account has been credited with such additional number of Offer Shares.

1.1.4 **General.** No acknowledgement will be given for any submission made by post, deposited into boxes located at CDP’s premises or by hand at CDP’s counter. All communications, notices, documents and remittances to be delivered or sent to you will be sent by ordinary post at your risk to your address as it appears in the records of CDP. For reasons of confidentiality, CDP will not entertain telephone enquiries relating to the number of Offer Shares credited to your Securities Account. You can verify the number of Offer Shares credited to your Securities Account: (i) through CDP Online if you have registered for the CDP Internet Access Service; or (ii) through CDP Phone Service if you have a T-Pin. Alternatively, you may call personally at CDP with your identity card or passport to verify the number of Offer Shares credited to your Securities Account.

- 1.1.5 **Suspense Account.** Upon receipt of the FAA which is complete and valid in all respects, CDP will transfer the Offer Shares in respect of which you have accepted the Offer from the “Free Balance” of your Securities Account to a “Suspense Account” until the consideration for such Offer Shares has been despatched to you.
- 1.1.6 **Offer Notification.** CDP will send you a notification letter stating the number of Offer Shares debited from your Securities Account together with payment of the Offer Price by way of a cheque in S\$ for the appropriate payment or in such other manner as you may have agreed with CDP for the payment of any cash distribution.
- 1.1.7 **No Securities Account.** If you do not have any existing Securities Account in your own name at the time of acceptance of the Offer, your acceptance contained in the FAA will be rejected.

1.2 Scrip Holders

1.2.1 **Shareholders whose Offer Shares are not deposited with CDP.** If you have Offer Shares which are not deposited with CDP (“**in scrip form**”), you should receive this Offer Document together with the FAT.

1.2.2 **Acceptance.** If you wish to accept the Offer, you should:

(1) complete the FAT in accordance with this Offer Document and the instructions printed on the FAT. If you:

(a) do not specify a number in Part (A) of the FAT; or

(b) specify a number in Part (A) of the FAT which exceeds the number of Offer Shares represented by the attached share certificate(s),

you shall be deemed to have accepted the Offer in respect of all the Offer Shares represented by the share certificate(s) accompanying the FAT;

(2) sign the FAT in accordance with this Offer Document and the instructions printed on the FAT; and

(3) deliver:

(a) the original completed and signed FAT in its entirety (no part may be detached or otherwise mutilated);

(b) the share certificate(s), other document(s) of title and/or other relevant document(s) required by the Offeror relating to the Offer Shares in respect of which you wish to accept the Offer. If you are recorded in the Register as holding Offer Shares but do not have the relevant share certificate(s) relating to such Offer Shares, you, at your own risk, are required to procure the Company to issue such share certificate(s) in accordance with the Memorandum and Articles of Association of the Company and then deliver such share certificate(s) in accordance with the procedures set out in this Offer Document and FAT; and

(c) where such Offer Shares are not registered in your name, a transfer form, duly executed by the person in whose name such share certificate(s) is/are registered and stamped, with the particulars of the transferee left blank (to be completed by the Offeror or a person authorised by it),

by hand to Heineken International B.V. c/o Tricor Barbinder Share Registration Services at 80 Robinson Road, #02-00, Singapore 068898, or by post, in the enclosed pre-addressed envelope at your own risk, **to Heineken International B.V. c/o Tricor Barbinder Share Registration Services at 80 Robinson Road, #02-00, Singapore 068898, so as in either case to arrive NOT LATER THAN 5:30 P.M. (SINGAPORE TIME) ON THE CLOSING DATE.** If the original completed and signed FAT is delivered by post to the Offeror, please use the enclosed pre-addressed envelope which is pre-paid for posting in Singapore only. It is your responsibility to affix adequate postage on the said envelope if you are posting from outside of Singapore.

1.2.3 **Receipt.** No acknowledgement of receipt of any FAT, share certificate(s) or any other document(s) will be given.

2. GENERAL

2.1 **Disclaimer.** The Offeror, the Financial Advisers, CDP and the Registrar (as the case may be) will be authorized and entitled, at their sole and absolute discretion, to reject or treat as valid any acceptance which does not comply with the terms of this Offer Document and the relevant acceptance forms, or which is otherwise incomplete, incorrect or invalid in any respect. If you wish to accept the Offer, it is your responsibility to ensure that the FAA and/or the FAT, as the case may be, is properly completed in all respects and all required documents are provided. Any decision to reject any acceptance will be final and binding and none of the Offeror, the Financial Advisers, the Registrar or CDP (nor, for the avoidance of doubt, HEINEKEN) accepts any responsibility or liability for the consequences of such a rejection.

2.2 **Discretion.** The Offeror and the Financial Advisers reserve the right to treat any acceptances of the Offer as valid if received by or on behalf of either of them at any place or places determined by them otherwise than as stated in this Offer Document or in the FAA or FAT, as the case may be, or if made otherwise than in accordance with the provisions of this Offer Document and in the FAA or the FAT, as the case may be.

2.3 **Scrip and Scripless Offer Shares.** If you hold some Offer Shares in scrip form and others with CDP, you should complete the FAT for the former and the FAA for the latter in accordance with the respective procedures set out in this **Appendix 2** if you wish to accept the Offer in respect of all such Offer Shares.

2.4 **Deposit Time.** If you hold Offer Shares in scrip form, the Offer Shares may not be credited into your Securities Account with CDP in time for you to accept the Offer if you were to deposit your share certificate(s) with CDP after the Despatch Date. If you wish to accept the Offer in respect of such Offer Shares, you should complete the FAT and follow the procedures set out in Paragraph 1.2 of this **Appendix 2**.

2.5 **Correspondences.** All communications, notices, documents and remittances to be delivered or sent to you (or your designated agent or, in the case of joint Shareholders who have not designated any agent, to the one first named in the Register) will be sent by ordinary post to your address as it appears in the records of CDP or the Register, as the case may be, at the risk of the person entitled thereto.

2.6 **Acceptances received on Saturday, Sunday or Public Holiday.** Acceptances in the form of the FAA and/or FAT received by the Offeror, CDP and/or the Registrar, on a Saturday, Sunday or a public holiday, will only be processed and validated on the next Business Day.

2.7 **Evidence of Title.** Delivery of the duly completed FAA and/or FAT to CDP, the Registrar and/or the Offeror, as the case may be, shall be conclusive evidence in favour of CDP, the Registrar and/or the Offeror of the right and title of the person signing it to deal with the same and with the Offer Shares to which it relates.

APPENDIX 3

INFORMATION ON HEINEKEN

1. DIRECTORS

The names, addresses and descriptions of the directors of HEINEKEN as at the Latest Practicable Date are as follows:

Name	Address	Description
Mr. Jean-François van Boxmeer	Tweede Weteringplantsoen 21 1017 ZD Amsterdam, the Netherlands	Chairman of the Executive Board/Chief Executive Officer
Mr. René Hooft Graafland	Tweede Weteringplantsoen 21 1017 ZD Amsterdam, the Netherlands	Member of the Executive Board/Chief Financial Officer

2. PRINCIPAL ACTIVITIES

Both the Offeror and HEINEKEN are part of the HEINEKEN Group, a global brewer. The brand that bears the founder's family name - Heineken® - is available in almost every country on the globe and is one of the world's most valuable international premium beer brands.

The Offeror is a wholly-owned subsidiary of HEINEKEN.

The HEINEKEN Group's aim is to be a leading brewer in each of the markets in which it operates and to have the world's most valuable brand portfolio. The HEINEKEN Group wants to win in all markets with Heineken® and with a full brand portfolio in markets of choice. The HEINEKEN Group is present in over 70 countries and operates more than 140 breweries with volume of 214 million hectolitres of group beer sold. The HEINEKEN Group is Europe's largest brewer and the world's third largest by volume. The HEINEKEN Group is committed to the responsible marketing and consumption of its more than 200 international premium, regional, local and specialty beers and ciders. These include Amstel, Bintang, Birra Moretti, Cruzcampo, Desperados, Dos Equis, Foster's, Heineken®, Newcastle Brown Ale, Ochota, Primus, Sagres, Sol, Star, Strongbow, Tecate, Tiger and Zywiec. The HEINEKEN Group's leading joint venture brands include Cristal and Kingfisher. In 2011, the HEINEKEN Group's revenue totaled €17.1 billion and EBIT (beia) was €2.7 billion. The number of people employed by the HEINEKEN Group is around 70,000.

Shares in HEINEKEN and its parent, Heineken Holding N.V., are listed on Euronext Amsterdam. Prices for the ordinary shares may be accessed on Bloomberg under the symbols HEIA NA and HEIO NA and on the Reuter Equities 2000 Service under HEIN.AS and HEIO.AS. Most recent information is available on HEINEKEN's website at www.theheinekencompany.com.

3. FINANCIAL SUMMARY

- 3.1 Audited Results.** Set out below is certain financial information extracted from HEINEKEN's annual reports for FY2009, FY2010 and FY2011. The financial information for FY2009, FY2010 and FY2011 should be read in conjunction with the audited consolidated financial statements of HEINEKEN and the accompanying notes as set out in the annual reports of HEINEKEN for FY2009, FY2010 and FY2011.

	FY2009 (€ million)	FY2010 (€ million)	FY2011 (€ million)
Revenues	14,701	16,133	17,123
Income before income tax and attribution	1,428	1,982*	2,025
Income before attribution	1,142	1,579*	1,560
Minority / non-controlling interests	-124	-132	-130
Profit attributable to equity holders of the company	1,018	1,447	1,430
Exceptional items and amortisation included in EBIT	338	132	242
Exceptional items included in finance costs	-236	-5	-14
Exceptional items included in tax expense	-65	-118	-74
HEINEKEN net profit beia	1,055	1,456	1,584

Note:

* Comparatives have been adjusted due to accounting policy change in employee benefits.

Set out below is a summary of the earnings per share and dividend per share declared in FY2009, FY2010 and FY2011 by HEINEKEN. This information was also extracted from HEINEKEN's annual reports for FY2009, FY2010 and FY2011.

	FY2009 (€)	FY2010 (€)	FY2011 (€)
Earnings per share	2.08	2.57*	2.44
Dividend per share	0.65	0.76*	0.83

Note:

* Comparatives have been adjusted due to accounting policy change in employee benefits.

A copy of the audited consolidated balance sheet of HEINEKEN as at 31 December 2011 which is extracted from HEINEKEN's annual report for FY2011 is set out in **Appendix 6** to this Offer Document. The audited consolidated balance sheet of HEINEKEN as at 31 December 2011 should be read in conjunction with the audited consolidated financial statements of HEINEKEN and the accompanying notes as set out in the annual report of HEINEKEN for FY2011.

Copies of the annual reports of HEINEKEN for FY2009, FY2010 and FY2011 are available for inspection at Tricor Barbinder Share Registration Services at 80 Robinson Road, #02-00, Singapore 068898 during normal business hours for the period for which the Offer remains open for acceptances.

3.2 Unaudited Results for the 6 months ended 30 June 2012. Set out below is certain financial information extracted from HEINEKEN's unaudited consolidated financial statements for the six months ended 30 June 2012 ("**6M2012**"). The financial information for 6M2012 should be read in conjunction with the unaudited consolidated financial statements of HEINEKEN and the accompanying notes thereto for 6M2012.

	6M2012 (€ million)
Revenues	8,778
Income before income tax and attribution	1,131
Income before attribution	846
Minority / non-controlling interests	-63
Profit attributable to equity holders of the company	<u>783</u>
Exceptional items and amortisation included in EBIT	105
Exceptional items included in finance costs	-201
Exceptional items included in tax expense	<u>18</u>
HEINEKEN net profit beia	705

Set out below is a summary of the earnings per share and dividend per share declared in 6M2012 by HEINEKEN. This information was also extracted from HEINEKEN's unaudited consolidated financial statements for 6M2012.

	6M2012 (€)
Earnings per share	1.36
Dividend per share	0.33*

Note:

* Interim dividend

A copy of the unaudited consolidated balance sheet of HEINEKEN for 6M2012 is set out in **Appendix 6** to this Offer Document. The unaudited consolidated balance sheet of HEINEKEN for 6M2012 should be read in conjunction with the unaudited consolidated financial statements of HEINEKEN and the accompanying notes thereto for 6M2012.

A copy of the unaudited consolidated financial statements of HEINEKEN for 6M2012 is available for inspection at Tricor Barbinder Share Registration Services at 80 Robinson Road, #02-00, Singapore 068898 during normal business hours for the period for which the Offer remains open for acceptances.

3.3 Third Quarter Trading Update. A copy of HEINEKEN's trading update for the third quarter ended 30 September 2012 is set out in **Appendix 11** to this Offer Document.

4. MATERIAL CHANGES TO FINANCIAL POSITION AND PROSPECTS

To the best of the knowledge of HEINEKEN, as at the Latest Practicable Date, there have been no material changes to the financial position or prospects of HEINEKEN Group since 31 December 2011, being the date of the last audited consolidated financial statements of HEINEKEN approved by the board of directors of HEINEKEN for issue, save for the changes in its financial position arising from the completion of the Acquisition on 15 November 2012.

5. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies of HEINEKEN as extracted from HEINEKEN's annual report for FY2011 are set out in **Appendix 7** to this Offer Document.

6. CHANGES IN ACCOUNTING POLICIES

There have been no changes to the significant accounting policies of HEINEKEN as set out in **Appendix 7** to this Offer Document.

7. REGISTERED OFFICE

The registered office of HEINEKEN is Tweede Weteringplantsoen 21, 1017 ZD Amsterdam, the Netherlands. HEINEKEN does not have a registered office in Singapore.

APPENDIX 4

INFORMATION ON THE OFFEROR

1. DIRECTORS

The name, address and description of the director of the Offeror as at the Latest Practicable Date are as follows:

Name	Address	Description
HEINEKEN	Tweede Weteringplantsoen 21 1017 ZD Amsterdam, the Netherlands	Director

2. PRINCIPAL ACTIVITIES

The Offeror is a wholly owned subsidiary of HEINEKEN and was incorporated in the Netherlands on 19 November 1959.

Both the Offeror and HEINEKEN are part of the HEINEKEN Group. The Offeror is the investment holding vehicle of the HEINEKEN Group. Please refer to Paragraph 2 of **Appendix 3** to this Offer Document for further information.

3. FINANCIAL SUMMARY

The accounts of the Offeror are consolidated with HEINEKEN. The accounts of HEINEKEN are audited and published in accordance with applicable laws and regulations. The Offeror is not required to, and does not, audit or publish its accounts separately.

Pursuant to the Note on Rule 23.4 of the Code, this Offer Document contains the prescribed financial information (as required under Rule 23.4 of the Code) in respect of HEINEKEN, on a consolidated basis. Please refer to **Appendices 3, 6, 7 and 11** to this Offer Documents for further information in this regard.

4. REGISTERED OFFICE

The registered office of Offeror is Tweede Weteringplantsoen 21, 1017 ZD Amsterdam, the Netherlands. The Offeror does not have a registered office in Singapore.

APPENDIX 5

ADDITIONAL INFORMATION ON THE COMPANY

1. DIRECTORS

The names, addresses and description of the directors of the Company as at the Latest Practicable Date are as follows:

Name	Address	Description
Mr. Simon Israel	68 Andrew Road Caldecott Hill Estate Singapore 299974	Chairman / Non-Executive and Non-Independent Director
Mr. Philip Eng Heng Nee	53C Jalan Lim Tai See Singapore 268383	Non-Executive and Independent Director
Mr. Bob Tan Beng Hai	1 Belmont Road #09-00 Singapore 269852	Non-Executive and Independent Director
Mr. Pascal De Petrini	29 Swiss Club Road Singapore 288127	Non-Executive and Non-Independent Director
Mr. Theo de Rond	23 Swiss Club Road Singapore 288118	Non-Executive and Non-Independent Director
Mr. David Hazelwood	7 Les Bois Dores 204 Chemin Du Clos Brasset 06560 Valbonne, France	Non-Executive and Non-Independent Director
Mr. Roland Pirmez	32 Namly Crescent Shamrock Park Singapore 267547	Chief Executive Officer / Executive and Non-Independent Director
Mr. Kenneth Choo Tay Sian	258A Dunearn Road Singapore 299560	Alternate Director to Mr. Theo de Rond

2. PRINCIPAL ACTIVITIES

Listed on the SGX-ST, the Company is one of the key players in the Asia Pacific beer industry. A joint venture between F&N and the HEINEKEN Group, the Company was established as Malayan Breweries Limited in 1931. The Company opened its first brewery in Singapore and launched the award-winning Tiger beer a year later. Over time, the Company took its business beyond Singapore and added new beer brands to its portfolio of brews.

To more accurately reflect the growing regionalisation of its business interests, the Company was renamed Asia Pacific Breweries Limited in 1990. Today, the Company operates an extensive global marketing network, which is spread across 60 countries and is supported by 25 breweries in 14 countries including Singapore, Cambodia, China, Indonesia, Laos, Malaysia, Mongolia, New Caledonia, New Zealand, Papua New Guinea, Solomon Islands, Sri Lanka, Thailand, and Vietnam.

The Company's diversified footprint in the Asia Pacific region has enabled the Company and its subsidiaries to benefit from the region's economic development, and capitalise on the opportunities for long term growth. In fact, its continual growth and profitable track record have earned the Company a spot in the 2011 Forbes Asia's Fab 50 list of the 50 most profitable listed companies with large market capitalization in the region.

The Company presents consumers with a range of global, regional and local brands that suit the varied needs of beer drinkers. The Company's portfolio includes over 40 beer brands and brand variants comprising Tiger beer, Heineken®, Anchor beer, Baron's Strong Brew, ABC Extra Stout, Archipelago beer and Bintang beer.

The Company is synonymous with Tiger beer which is brewed in 10 countries and offered in 65 markets worldwide. The Company and its subsidiaries also represent HEINEKEN in 9 markets namely Singapore, China, Indonesia, Laos, Malaysia, New Caledonia, New Zealand, Thailand and Vietnam. Together with its regional brand offerings, Anchor beer and ABC Extra Stout, the Company also serves local beer brands such as Gold Crown in Cambodia, SP Lager in Papua New Guinea, Tui in New Zealand and Larue in Vietnam amongst others.

3. SHARE CAPITAL

As at the Latest Practicable Date, the Company has 258,233,024 APB Shares in issue (including treasury shares). As at the Latest Practicable Date, the Company had an issued and paid-up share capital of S\$277,896,870.89, comprising 258,233,024 APB Shares.

4. MATERIAL CHANGES TO FINANCIAL POSITION

To the best knowledge of the Offeror, as at the Latest Practicable Date, save as disclosed in any information on the Company which is publicly available (including without limitation, the announcements released by the Company on the SGX-ST), there are no material changes in the financial position or prospects of the Company since the date of the last balance sheet laid before the Company in general meeting.

5. REGISTERED OFFICE

The registered office of the Company is at 438 Alexandra Road, #16-01 Alexandra Point, Singapore 119958.

For more information on the Company, please refer to information available on its website at www.apb.com.sg.

APPENDIX 6

**AUDITED CONSOLIDATED BALANCE SHEET OF HEINEKEN AS AT
31 DECEMBER 2011 AND UNAUDITED CONSOLIDATED BALANCE SHEET OF
HEINEKEN FOR THE SIX MONTHS ENDED 30 JUNE 2012**

The financial data tabulated below is extracted from and should be read in conjunction with the audited consolidated financial statements of HEINEKEN and the accompanying notes as set out in the annual report of HEINEKEN for FY2011 and the unaudited consolidated financial statements of HEINEKEN for 6M2012 and the accompanying notes thereto, respectively (copies of the annual report of HEINEKEN for FY2011 and the unaudited consolidated financial statements of HEINEKEN for 6M2012 are available for inspection as mentioned in Paragraph 4 of **Appendix 9** to this Offer Document).

	As at 30 June 2012 (€ million)	As at 31 December 2011 (€ million)
Assets		
Property, plant & equipment	8,021	7,860
Intangible assets	11,127	10,835
Investments in associates and joint ventures	1,825	1,764
Other investments and receivables	1,069	1,129
Advances to customers	353	357
Deferred tax assets	480	474
Total non-current assets	22,875	22,419
Inventories	1,702	1,352
Other investments	12	14
Trade and other receivables	3,004	2,260
Prepayments and accrued income	255	170
Cash and cash equivalents	722	813
Assets classified as held for sale	45	99
Total current assets	5,740	4,708
Total assets	28,615	27,127

	As at 30 June 2012 (€ million)	As at 31 December 2011 (€ million)
Equity		
Share capital	922	922
Share premium	2,701	2,701
Reserves	974	498
Retained earnings	6,025	5,653
Equity attributable to equity holders of HEINEKEN	10,622	9,774
Non-controlling interests	316	318
Total equity	10,938	10,092
Liabilities		
Loans and borrowings	7,585	8,199
Tax liabilities	149	160
Employee benefits	1,153	1,174
Provisions	440	449
Deferred tax liabilities	886	894
Total non-current liabilities	10,213	10,876
Bank overdrafts	358	207
Loans and borrowings	1,378	981
Trade and other payables	5,302	4,624
Tax liabilities	324	207
Provisions	102	140
Total current liabilities	7,464	6,159
Total liabilities	17,677	17,035
Total equity and liabilities	28,615	27,127

APPENDIX 7

SIGNIFICANT ACCOUNTING POLICIES OF HEINEKEN

The significant accounting policies of HEINEKEN have been reproduced from the annual report of HEINEKEN for FY2011 and, save for references to page numbers which have been altered to conform with the pagination of this Offer Document, are set out below. Capitalised terms used in the paragraphs below shall have the same meaning ascribed to them in the annual report of HEINEKEN for FY2011:

“General

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements and have been applied consistently by HEINEKEN entities.

(a) Basis of consolidation

(i) *Business combinations*

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable.

The Group measures goodwill at the acquisition date as the fair value of the consideration transferred plus the fair value of any previously-held equity interest in the acquire and the recognised amount of any non-controlling interests in the acquire, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is recognised at fair value at the acquisition date. If the contingent consideration is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, subsequent changes to the fair value of the contingent considerations are recognised in profit or loss.

(ii) *Acquisitions of non-controlling interests*

Acquisitions of non-controlling interests are accounted for as transactions with owners in their capacity as owners and therefore no goodwill is recognised as a result. Adjustments to non-controlling interests arising from transactions that do not involve the loss of control are based on a proportionate amount of the net assets of the subsidiary.

(iii) *Subsidiaries*

Subsidiaries are entities controlled by HEINEKEN. Control exists when HEINEKEN has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that currently are exercisable or convertible are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by HEINEKEN. Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

(iv) *Special Purpose Entities (SPEs)*

An SPE is consolidated if, based on an evaluation of the substance of its relationship with HEINEKEN and the SPE's risks and rewards, HEINEKEN concludes that it controls the SPE. SPEs controlled by HEINEKEN were established under terms that impose strict limitations on the decision-making powers of the SPE's management and that result in HEINEKEN receiving the majority of the benefits related to the SPE's operations and net assets, being exposed to the majority of risks incident to the SPE's activities, and retaining the majority of the residual or ownership risks related to the SPE's or their assets.

(v) *Loss of control*

Upon the loss of control, HEINEKEN derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If HEINEKEN retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

(vi) *Investments in associates and joint ventures*

Investments in associates are those entities in which HEINEKEN has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20 and 50 per cent of the voting power of another entity. Joint ventures are those entities over whose activities HEINEKEN has joint control, established by contractual agreement and requiring unanimous consent for strategic financial and operating decisions.

Investments in associates and joint ventures are accounted for using the equity method (equity-accounted investees) and are recognised initially at cost. The cost of the investment includes transaction costs.

The consolidated financial statements include HEINEKEN's share of the profit or loss and other comprehensive income, after adjustments to align the accounting policies with those of HEINEKEN, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases.

When HEINEKEN's share of losses exceeds the carrying amount of the associate, including any long-term investments, 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 associate or joint venture.

(vii) *Transactions eliminated on consolidation*

Intra-HEINEKEN balances and transactions, and any unrealised gains and losses or income and expenses arising from intra-HEINEKEN transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity-accounted associates and JVs are eliminated against the investment to the extent of the HEINEKEN's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currency

(i) *Foreign currency transactions*

Transactions in foreign currencies are translated to the respective functional currencies of HEINEKEN entities at the exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss arising on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting period.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined.

Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising on the retranslation of available-for-sale (equity) investments and foreign currency differences arising on the retranslation of a financial liability designated as a hedge of a net investment, which are recognised in other comprehensive income.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at cost remain translated into the functional currency at historical exchange rates.

(ii) *Foreign operations*

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to euro at exchange rates at the reporting date. The income and expenses of foreign operations, excluding foreign operations in hyperinflationary economies, are translated to euro at exchange rates approximating the exchange rates ruling at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and are presented within equity in the translation reserve. However, if the operation is a non-wholly-owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. When HEINEKEN disposes of only part of its interest in a subsidiary that includes a foreign operation while retaining control, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When HEINEKEN disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

Foreign exchange gains and losses arising from a monetary item receivable from or payable to a foreign operation, the settlement of which is neither planned nor likely in the foreseeable future, are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and are presented within equity in the translation reserve.

The following exchange rates, for the most important countries in which HEINEKEN has operations, were used while preparing these consolidated financial statements:

In EUR	2011	Year-end 2010	2011	Average 2010
GBP	1.1972	1.1618	1.1522	1.1657
EGP	0.1279	0.1287	0.1208	0.1339
NGN	0.0049	0.0050	0.0047	0.0051
PLN	0.2243	0.2516	0.2427	0.2503
BRL	0.4139	0,4509	0.4298	0,4289
MXN	0.0554	0.0604	0.0578	0.0598
RUB	0.0239	0.0245	0.0245	0.0248
USD	0.7727	0.7484	0.7184	0.7543

(iii) *Hedge of net investments in foreign operations*

Foreign currency differences arising on the retranslation of a financial liability designated as a hedge of a net investment in a foreign operation are recognised in other comprehensive income to the extent that the hedge is effective and regardless of whether the net investment is held directly or through an intermediate parent. These differences are presented within equity in the translation reserve. To the extent that the hedge is ineffective, such differences are recognised in profit or loss. When the hedged part of a net investment is disposed of, the relevant amount in the translation reserve is transferred to profit or loss as part of the profit or loss on disposal.

(c) Non-derivative financial instruments

(i) *General*

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, any directly attributable transaction costs. Subsequent to initial recognition non-derivative financial instruments are measured as described hereafter.

If HEINEKEN has a legal right to offset financial assets with financial liabilities and if HEINEKEN intends either to settle on a net basis or to realise the asset and settle the liability simultaneously then financial assets and liabilities are presented in the statement of financial position as a net amount.

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of HEINEKEN's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Accounting policies for interest income, interest expenses and other net finance income and expenses are discussed in note 3r.

(ii) *Held-to-maturity investments*

If HEINEKEN has the positive intent and ability to hold debt securities to maturity, they are classified as held-to-maturity. Debt securities are loans and long-term receivables and are measured at amortised cost using the effective interest method, less any impairment losses. Investments held-to-maturity are recognised or derecognised on the day they are transferred to or by HEINEKEN.

(iii) *Available-for-sale investments*

HEINEKEN's investments in equity securities and certain debt securities are classified as available-for-sale. Subsequent to initial recognition, they are measured at fair value and changes therein – other than impairment losses (see note 3i(i)), and foreign currency differences on available-for-sale monetary items (see note 3b(i)) – are recognised in other comprehensive income and presented within equity in the fair value reserve. When these investments are derecognised, the relevant cumulative gain or loss in the fair value reserve is transferred to profit or loss.

Where these investments are interest-bearing, interest calculated using the effective interest method is recognised in the profit or loss. Available-for-sale investments are recognised or derecognised by HEINEKEN on the date it commits to purchase or sell the investments.

(iv) *Investments at fair value through profit or loss*

An investment is classified at fair value through profit or loss if it is classified as held for trading or is designated as such upon initial recognition. Investments are designated at fair value through profit or loss if HEINEKEN manages such investments and makes purchase and sale decisions based on their fair value in accordance with HEINEKEN's documented risk management or investment strategy. Upon initial recognition, attributable transaction costs are recognised in profit or loss as incurred.

Investments at fair value through profit or loss are measured at fair value, with changes therein recognised in profit or loss as part of the other net finance income/(expenses). Investments at fair value through profit and loss are recognised or derecognised by HEINEKEN on the date it commits to purchase or sell the investments.

(v) *Other*

Other non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment losses. Included in non-derivative financial instruments are advances to customers. Subsequently, the advances are amortised over the term of the contract as a reduction of revenue.

(d) Derivative financial instruments (including hedge accounting)

(i) *General*

HEINEKEN uses derivatives in the ordinary course of business in order to manage market risks. Generally HEINEKEN seeks to apply hedge accounting in order to minimise the effects of foreign currency, interest rate or commodity price fluctuations in profit or loss.

Derivatives that can be used are interest rate swaps, forward rate agreements, caps and floors, commodity swaps, spot and forward exchange contracts and options. Transactions are entered into with a limited number of counterparties with strong credit ratings. Foreign currency, interest rate and commodity hedging operations are governed by internal policies and rules approved and monitored by the Executive Board.

Derivative financial instruments are recognised initially at fair value, with attributable transaction costs recognised in profit or loss as incurred. Derivatives for which hedge accounting is not applied are accounted for as instruments at fair value through profit or loss. When derivatives qualify for hedge accounting, subsequent measurement is at fair value, and changes therein accounted for as described in 3b(iii), 3d(ii) and 3d(iii).

(ii) *Cash flow hedges*

Changes in the fair value of the derivative hedging instrument designated as a cash flow hedge are recognised in other comprehensive income and presented in the hedging reserve within equity to the extent that the hedge is effective. To the extent that the hedge is ineffective, changes in fair value are recognised in profit or loss.

If the hedging instrument no longer meets the criteria for hedge accounting, expires or is sold, terminated or exercised, then hedge accounting is discontinued and the cumulative unrealised gain or loss previously recognised in other comprehensive income and presented in the hedging reserve in equity, is recognised in profit or loss immediately, or when a hedging instrument is terminated, but the hedged transaction still is expected to occur, the cumulative gain or loss at that point remains in other comprehensive income and is recognised in accordance with the above-mentioned policy when the transaction occurs. When the hedged item is a non-financial asset, the amount recognised in other comprehensive income is transferred to the carrying amount of the asset when it is recognised. In other cases the amount recognised in other comprehensive income is transferred to the same line of profit or loss in the same period that the hedged item affects profit or loss.

(iii) *Fair value hedges*

Changes in the fair value of a derivative hedging instrument designated as a fair value hedge are recognised in profit or loss. The hedged item also is stated at fair value in respect of the risk being hedged; the gain or loss attributable to the hedged risk is recognised in profit or loss and adjusts the carrying amount of the hedged item.

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to profit or loss over the period to maturity.

(iv) *Separable embedded derivatives*

Embedded derivatives are separated from the host contract and accounted for separately if the economic characteristics and risks of the host contract and the embedded derivative are not closely related, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative, and the combined instrument is not measured at fair value through profit or loss. Changes in the fair value of separable embedded derivatives are recognised immediately in profit or loss.

(e) Share capital

(i) *Ordinary shares*

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

(ii) *Repurchase of share capital (treasury shares)*

When share capital recognised as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, is net of any tax effects recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the reserve for own shares.

When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to or from retained earnings.

(iii) *Dividends*

Dividends are recognised as a liability in the period in which they are declared.

(f) Property, Plant and Equipment (P, P & E)

(i) *Owned assets*

Items of property, plant and equipment are measured at cost less government grants received (refer (q)), accumulated depreciation (refer (iv)) and accumulated impairment losses (3i(ii)).

Cost comprises the initial purchase price increased with expenditures that are directly attributable to the acquisition of the asset (like transports and non-recoverable taxes). The cost of self-constructed assets includes the cost of materials and direct labour and any other costs directly attributable to bringing the asset to a working condition for its intended use (like an appropriate proportion of production overheads), and the costs of dismantling and removing the items and restoring the site on which they are located. Borrowing costs related to the acquisition or construction of qualifying assets are capitalised as part of the cost of that asset. Cost also may include transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Spare parts that are acquired as part of an equipment purchase and only to be used in connection with this specific equipment are capitalised and amortised as part of the equipment. For example, purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. In all other cases spare parts are carried as inventory and recognised in profit and loss as consumed. Where an item of property, plant and equipment comprises major components having different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

(ii) *Leased assets*

Leases in terms of which HEINEKEN assumes substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition P, P & E acquired by way of finance lease is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments at inception of the lease. Lease payments are apportioned between the outstanding liability and finance charges so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Other leases are operating leases and are not recognised in HEINEKEN's statement of financial position. Payments made under operating leases are charged to profit or loss on a straight-line basis over the term of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

(iii) *Subsequent expenditure*

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item or recognised as a separate asset, as appropriate, if it is probable that the future economic benefits embodied within the part will flow to HEINEKEN and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss when incurred.

(iv) *Depreciation*

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Land is not depreciated as it is deemed to have an infinite life. Depreciation on other P, P & E is charged to profit or loss on a straight-line basis over the estimated useful lives of items of property, plant and equipment, and major components that are accounted for separately, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Assets under construction are not depreciated. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonable certain that HEINEKEN will obtain ownership by the end of the lease term. The estimated useful lives for the current and comparative years are as follows:

Buildings	30 – 40 years
Plant and equipment	10 – 30 years
Other fixed assets	3 – 10 years

Where parts of an item of P, P & E have different useful lives, they are accounted for as separate items of P, P & E. The depreciation methods, residual value as well as the useful lives are reassessed, and adjusted if appropriate, at each financial year-end.

(v) *Gains and losses on sale*

Net gains on sale of items of P, P & E are presented in profit or loss as other income. Net losses on sale are included in depreciation. Net gains and losses are recognised in profit or loss when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs can be estimated reliably, and there is no continuing management involvement with the P, P & E.

(vi) *Returnable Packaging Materials and Deposit Obligation*

Returnable bottles and kegs in circulation are recorded within property, plant and equipment and a corresponding liability is recorded in respect of the obligation to repay the customers' deposits. Deposits paid by customers for returnable items are reflected in the balance sheet within current liabilities.

(g) Intangible assets

(i) *Goodwill*

Goodwill arises on the acquisition of subsidiaries, associates and joint ventures and represents the excess of the cost of the acquisition over HEINEKEN's interest in net fair value of the net identifiable assets, liabilities and contingent liabilities of the acquiree.

Goodwill on acquisitions of subsidiaries is included in 'intangible assets'. Goodwill arising on the acquisition of associates and joint ventures is included in the carrying amount of the associate, respectively the joint ventures. In respect of acquisitions prior to 1 October 2003, goodwill is included on the basis of deemed cost, being the amount recorded under previous GAAP. Goodwill on acquisitions purchased before 1 January 2003 has been deducted from equity.

Goodwill arising on the acquisition of a non-controlling interest in a subsidiary represents the excess of the cost of the additional investment over the carrying amount of the interest in the net assets acquired at the date of exchange.

Goodwill is measured at cost less accumulated impairment losses (refer accounting policy 3i(ii)). Goodwill is allocated to individual or groups of cash-generating units (CGUs) for the purpose of impairment testing and is tested annually for impairment. Negative goodwill is recognised directly in profit or loss as other income.

(ii) *Brands*

Brands acquired, separately or as part of a business combination, are capitalised if they meet the definition of an intangible asset and the recognition criteria are satisfied.

Brands acquired as part of a business combination are valued at fair value based on the royalty relief method. Brands acquired separately are measured at cost.

Strategic brands are well-known international/local brands with a strong market position and an established brand name. Strategic brands are amortised on an individual basis over the estimated useful life of the brand. Other brands are amortised on a portfolio basis per country.

(iii) *Customer-related and contract-based intangibles*

Customer-related and contract-based intangibles are capitalised if they meet the definition of an intangible asset and the recognition criteria are satisfied. If the amounts are not material these are included in the brand valuation. The relationship between brands and customer-related intangibles is carefully considered so that brands and customer-related intangibles are not both recognised on the basis of the same cash flows.

Customer-related and contract-based intangibles acquired as part of a business combination are valued at fair value. Customer-related and contract-based intangibles acquired separately are measured at cost.

Customer-related and contract-based intangibles are amortised over the remaining useful life of the customer relationships or the period of the contractual arrangements.

(iv) *Software, research and development and other intangible assets*

Purchased software is measured at cost less accumulated amortisation (refer (vi)) and impairment losses (refer accounting policy 3i(ii)). Expenditure on internally developed software is capitalised when the expenditure qualifies as development activities, otherwise it is recognised in profit or loss when incurred.

Expenditure on research activities, undertaken with the prospect of gaining new technical knowledge and understanding, is recognised in profit or loss when incurred.

Development activities involve a plan or design for the production of new or substantially improved products, software and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and HEINEKEN intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use, and capitalised borrowing costs. Other development expenditure is recognised in profit or loss when incurred.

Capitalised development expenditure is measured at cost less accumulated amortisation (refer (vi)) and accumulated impairment losses (refer accounting policy 3i(ii)).

Other intangible assets that are acquired by HEINEKEN and have finite useful lives, are measured at cost less accumulated amortisation (refer (vi)) and impairment losses (refer accounting policy 3i(ii)). Expenditure on internally generated goodwill and brands is recognised in profit or loss when incurred.

(v) *Subsequent expenditure*

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed when incurred.

(vi) *Amortisation*

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Intangible assets with a finite life are amortised on a straight-line basis over their estimated useful lives, other than goodwill, from the date they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives are as follows:

● Strategic brands	40 – 50 years
● Other brands	15 – 25 years
● Customer-related and contract-based intangibles	5 – 20 years
● Software	3 – 7 years
● Capitalised development costs	3 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(vii) *Gains and losses on sale*

Net gains on sale of intangible assets are presented in profit or loss as other income. Net losses on sale are included in amortisation. Net gains and losses are recognised in profit or loss when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs can be estimated reliably, and there is no continuing management involvement with the intangible assets.

(h) Inventories

(i) *General*

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average cost formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(ii) *Finished products and work in progress*

Finished products and work in progress are measured at manufacturing cost based on weighted averages and takes into account the production stage reached. Costs include an appropriate share of direct production overheads based on normal operating capacity.

(iii) *Other inventories and spare parts*

The cost of other inventories is based on weighted averages. Spare parts are valued at the lower of cost and net realisable value. Value reductions and usage of parts are charged to profit or loss. Spare parts that are acquired as part of an equipment purchase and only to be used in connection with this specific equipment are initially capitalised and amortised as part of the equipment.

(i) Impairment

(i) *Financial assets*

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its current fair value.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in profit or loss. Any cumulative loss in respect of an available-for-sale financial asset recognised previously in other comprehensive income and presented in the fair value reserve in equity is transferred to profit or loss.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.

(ii) *Non-financial assets*

The carrying amounts of HEINEKEN's non-financial assets, other than inventories (refer accounting policy (h) and deferred tax assets (refer accounting policy (s))), are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For goodwill and intangible assets that are not yet available for use, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset or CGU is the higher of an asset's fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the 'CGU').

For the purpose of impairment testing, goodwill acquired in a business combination, is allocated to each of the acquirer's CGUs, or groups of CGUs, that is expected to benefit from the synergies of the combination. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored on regional, sub regional or country level depending on the characteristics of the acquisition, the synergies to be achieved and the level of integration.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its recoverable amount. A CGU is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGU are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis. An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Goodwill that forms part of the carrying amount of an investment in an associate and joint venture is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate and joint venture is tested for impairment as a single asset when there is objective evidence that the investment in an associate may be impaired.

(j) *Non-current assets held for sale*

Non-current assets, or disposal groups comprising assets and liabilities, that are expected to be recovered primarily through sale rather than through continuing use, are classified as held for sale. Immediately before classification as held for sale, the assets, or components of a disposal group, are measured at the lower of their carrying amount and fair value less cost to sell. Any impairment loss on a disposal group is first allocated to goodwill, and then to remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets and employee benefit assets, which continue to be measured in accordance with HEINEKEN's accounting policies. Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are recognised in profit or loss. Gains are not recognised in excess of any cumulative impairment loss.

Intangible assets and property, plant and equipment once classified as held for sale are not amortised or depreciated. In addition, equity accounting of equity-accounted investees ceases once classified as held for sale or distribution.

(k) Employee benefits

(i) *Defined contribution plans*

A defined contribution plan is a post-employment benefit plan (pension plan) under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that is due more than 12 months after the end of the period in which the employee renders the service are discounted to their present value.

(ii) *Defined benefit plans*

A defined benefit plan is a post-employment benefit plan (pension plan) that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

HEINEKEN's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted. The discount rate is the yield at balance sheet date on AA-rated bonds that have maturity dates approximating the terms of HEINEKEN's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The calculations are performed annually by qualified actuaries using the projected unit credit method. When the calculation results in a benefit to HEINEKEN, the recognised asset is limited to the net total of any unrecognised past service costs and the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements that apply to any plan in the Group. An economic benefit is available to the Group if it is realisable during the life of the plan, or on settlement of the plan liabilities.

When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognised as an expense in profit or loss on a straight-line basis over the average period until the benefits become vested. To the extent that the benefits vest immediately, the expense is recognised immediately in profit or loss.

HEINEKEN recognises all actuarial gains and losses arising from defined benefit plans immediately in other comprehensive income and all expenses related to defined benefit plans in personnel expenses in profit or loss.

(iii) *Other long-term employee benefits*

HEINEKEN's net obligation in respect of long-term employee benefits, other than pension plans, is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The discount rate is the yield at balance sheet date on high-quality credit-rated bonds that have maturity dates approximating the terms of HEINEKEN's obligations. The obligation is calculated using the projected unit credit method. Any actuarial gains and losses are recognised in profit or loss in the period in which they arise.

(iv) *Termination benefits*

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits.

Termination benefits are recognised as an expense when HEINEKEN is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal, or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Termination benefits for voluntary redundancies are recognised if HEINEKEN has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

Benefits falling due more than 12 months after the balance sheet date are discounted to their present value.

(v) *Share-based payment plan (long-term incentive plan)*

As from 1 January 2005 HEINEKEN established a share plan for the Executive Board and as from 1 January 2006 HEINEKEN also established a share plan for senior management (see note 29).

The grant date fair value of the share rights granted is recognised as personnel expenses with a corresponding increase in equity (equity-settled), over the period that the employees become unconditionally entitled to the share rights. The costs of the share plan for both the Executive Board and senior management members are spread evenly over the performance period.

At each balance sheet date, HEINEKEN revises its estimates of the number of share rights that are expected to vest, for the 100 per cent internal performance conditions of the share plan 2010 – 2012 of the senior management members and the Executive Board and for the 75 per cent internal performance conditions of the share plan 2009 – 2011 of the senior management members. It recognises the impact of the revision of original estimates – only applicable for internal performance conditions, if any, in profit or loss, with a corresponding adjustment to equity. The fair value for the share plan 2009 – 2011 is measured at grant date using the Monte Carlo model taking into account the terms and conditions of the plan.

(vi) *Short-term employee benefits*

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term benefits if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(l) Provisions

(i) *General*

A provision is recognised if, as a result of a past event, HEINEKEN has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured at the present value of the expenditures to be expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as part of the net finance expenses.

(ii) *Restructuring*

A provision for restructuring is recognised when HEINEKEN has approved a detailed and formal restructuring plan, and the restructuring has either commenced or has been announced publicly. Future operating losses are not provided for. The provision includes the benefit commitments in connection with early retirement and redundancy schemes.

(iii) *Onerous contracts*

A provision for onerous contracts is recognised when the expected benefits to be derived by HEINEKEN from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, Heineken recognises any impairment loss on the assets associated with that contract.

(m) Loans and borrowings

Loans and borrowings are recognised initially at fair value, net of transaction costs incurred. Loans and borrowings are subsequently stated at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method. Loans and borrowings included in a fair value hedge are stated at fair value in respect of the risk being hedged.

Loans and borrowings, for which the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date, are classified as non-current liabilities.

(n) Revenue

(i) *Products sold*

Revenue from the sale of products in the ordinary course of business is measured at the fair value of the consideration received or receivable, net of sales tax, excise duties, returns, customer discounts and other sales-related discounts. Revenue from the sale of products is recognised in profit or loss when the amount of revenue can be measured reliably, the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of products can be estimated reliably, and there is no continuing management involvement with the products.

If it is probable that discounts will be granted and the amount can be measured reliably, then the discount is recognised as a reduction of revenue as the sales are recognised.

(ii) *Other revenue*

Other revenues are proceeds from royalties, rental income, pub management services and technical services to third parties, net of sales tax. Royalties are recognised in profit or loss on an accrual basis in accordance with the substance of the relevant agreement. Rental income, pub management services and technical services are recognised in profit or loss when the services have been delivered.

(o) Other income

Other income are gains from sale of P, P & E, intangible assets and (interests in) subsidiaries, joint ventures and associates, net of sales tax. They are recognised in profit or loss when ownership has been transferred to the buyer.

(p) Expenses

(i) *Operating lease payments*

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, over the term of the lease.

(ii) *Finance lease payments*

Minimum lease payments under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

(q) Government grants

Government grants are recognised at their fair value when it is reasonably assured that HEINEKEN will comply with the conditions attaching to them and the grants will be received.

Government grants relating to P, P & E are deducted from the carrying amount of the asset.

Government grants relating to costs are deferred and recognised in profit or loss over the period necessary to match them with the costs that they are intended to compensate.

(r) Interest income, interest expenses and other net finance income and expenses

Interest income and expenses are recognised as they accrue in profit or loss, using the effective interest method unless collectability is in doubt.

Other net finance income comprises dividend income, gains on the disposal of available-for-sale investments, changes in the fair value of investments designated at fair value through profit or loss and held for trading investments and gains and losses on hedging instruments that are recognised in profit or loss. Dividend income is recognised in profit or loss on the date that HEINEKEN's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Other net finance expenses comprise unwinding of the discount on provisions, changes in the fair value of investments designated at fair value through profit or loss and held for trading investments, impairment losses recognised on investments, and gains or losses on hedging instruments that are recognised in profit or loss.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis in the other net finance expenses.

(s) Income tax

Income tax comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected income tax payable or receivable in respect of taxable profit or loss for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to income tax payable in respect of profits of previous years. Current tax payable also includes any tax liability arising from the declaration of dividends.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases.

Deferred tax assets and liabilities are not recognised for the following temporary differences: (i) the initial recognition of goodwill, (ii) the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, (iii) differences relating to investments in subsidiaries, joint ventures and associates resulting from translation of foreign operations and (iv) differences relating to investments in subsidiaries and joint ventures to the extent that the Company is able to control the timing of the reversal of the temporary difference and they will probably not reverse in the foreseeable future.

Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

In determining the amount of current and deferred tax the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Company to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each balance sheet date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(t) Discontinued operations

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations that has been disposed of or is held for sale or distribution, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative statement of comprehensive income is re-presented as if the operation had been discontinued from the start of the comparative year.

(u) Earnings per share

HEINEKEN presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period including the weighted average of outstanding ASDI, adjusted for the weighted average of own shares purchased in the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding including weighted average of outstanding ASDI, adjusted for the weighted average of own shares purchased in the year, for the effects of all dilutive potential ordinary shares, which comprise share rights granted to employees.

(v) Cash flow statement

The cash flow statement is prepared using the indirect method. Changes in balance sheet items that have not resulted in cash flows such as translation differences, fair value changes, equity-settled share-based payments and other non-cash items, have been eliminated for the purpose of preparing this statement. Assets and liabilities acquired as part of a business combination are included in investing activities (net of cash acquired). Dividends paid to ordinary shareholders are included in financing activities. Dividends received are classified as operating activities. Interest paid is also included in operating activities.

(w) Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the Executive Board, who is considered to be the Group's chief operating decision maker. An operating segment is a component of HEINEKEN that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of HEINEKEN's other components. All operating segments' operating results are reviewed regularly by the Executive Board to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Inter-segment transfers or transactions are entered into under the normal commercial terms and conditions that would also be available to unrelated third parties.

Segment results, assets and liabilities that are reported to the Executive Board include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated result items comprise net finance expenses and income tax expenses. Unallocated assets comprise current other investments and cash call deposits.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets other than goodwill.

(x) Emission rights

Emission rights are related to the emission of CO₂, which relates to the production of energy. These rights are freely tradable. Bought emission rights and liabilities due to production of CO₂ are measured at cost, including any directly attributable expenditure. Emission rights received for free are also recorded at cost, i.e. with a zero value.

(y) Recently issued IFRS

(i) *Standards effective in 2011 and reflected in these consolidated financial statements*

- IAS 19 Employee Benefits (amended 2010). The IASB issued an amended version of the employee benefits standard. For the main changes we refer to paragraph 2(e) Changes in accounting policies.
- IAS 19 Pensions and IFRIC 14 (amendments effective 1 January 2011) – The limit on a Defined Benefit Assets, Minimum Funding Requirements and their Interaction. These amendments remove unintended consequences arising from the treatment of prepayments where there is a minimum funding requirement. These amendments result in prepayments of contributions in certain circumstances being recognised as an asset rather than an expense.
- IFRS 7 Financial Instruments: Disclosure (amendments effective 1 January 2011). The amendments add an explicit statement that qualitative disclosure should be made to better enable users to evaluate an entity's exposure to risk arising from financial instruments. These amendments are reflected in disclosure note 32 Financial Instruments.

(ii) *New relevant standards and interpretations not yet adopted*

The following new standards and interpretations to existing standards relevant to HEINEKEN are not yet effective for the year ended 31 December 2011, and have not been applied in preparing these consolidated financial statements. None of these is expected to have a significant effect on the consolidated financial statements of HEINEKEN, except for IAS 19 Employee benefits and IFRS 9 Financial Instruments, which becomes mandatory for the Group's 2013 consolidated financial statements. HEINEKEN is in the process of evaluating the impact of the applicability of the new standards. HEINEKEN does not plan to early adopt these standards and the extent of the impact has not been determined

- IFRS 10 Consolidated Financial Statements establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities. This IFRS supersedes IAS 27 Consolidated and separate financial statements and SIC-12 Consolidation – Special purpose entities and is effective for annual periods beginning on or after 1 January 2013.
- IFRS 11 Joint arrangements establish principles for financial reporting by parties to a joint arrangement. This IFRS supersedes IAS 31 Interest in Joint Ventures and SIC-13 Jointly Controlled Entities – Non-monetary contributions by ventures and is effective for annual periods beginning on or after 1 January 2013. Under IFRS 11 the structure of the arrangement is no longer the only determinant for the accounting treatment and entities do not longer have a choice in accounting treatment. HEINEKEN is in the process of evaluating the impact of the applicability of the new standard.
- IFRS 12 Disclosure of interests in other entities applies to entities that have an interest in a subsidiary, a joint arrangement, an associate or an unconsolidated structured entity. The IFRS is effective for annual periods beginning on or after 1 January 2013. This IFRS integrates and make consistent the disclosure requirements for all entities mentioned above.
- IAS 28 Investments in Associates and Joint Ventures prescribes the accounting for investments in associates and sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures. The standard is effective for annual periods beginning on or after 1 January 2013. This amendment is in line with the new IFRS 11, which no longer gives entities the choice in accounting treatment for joint ventures, only the equity method is allowed. HEINEKEN already applied the equity method.
- IAS 27 Separate financial statements contains accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements. The standard requires an entity preparing separate financial statements to account for those investments at cost or in accordance with IFRS 9 Financial Instruments. The standard is effective for annual periods beginning on or after 1 January 2013.
- IFRS 9 Financial Instruments is part of the IASB's wider project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. IFRS 9 retains but simplifies the mixed measurement model and establishes two primary measurement categories for financial assets, amortised cost and fair value. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. The standard is effective for annual periods beginning on or after 1 January 2013, but has not yet been endorsed by the EU. HEINEKEN is in the process of evaluating the impact of the applicability of the new standard.

- IFRS 13 Fair value measurement defines fair value; sets out in a single IFRS a framework for measuring fair value; and requires disclosures about fair value measurements. The IFRS is to be applied for annual periods beginning on or after 1 January 2013. The IFRS explains how to measure fair value for financial reporting. It does not require fair value measurements in addition to those already required or permitted by other IFRSs and is not intended to establish valuation standards or affect valuation practices outside financial reporting.
- IAS 1 Presentation of Financial Statements was amended in June 2011 for Presentation of Items of Other Comprehensive Income with an effective date of 1 July 2012.
- IAS 19 Employee Benefits was amended. The standard is effective for annual periods beginning on or after 1 January 2013, but has not yet been endorsed by the EU. HEINEKEN is in the process of evaluating the impact of the applicability of the new standard.
- IAS 12 Deferred Tax: Recovery of Underlying Assets. The amendments introduce an exception to the general measurement requirements of IAS 12 Income Taxes in respect of investment properties measured at fair value. The measurement of deferred tax assets and liabilities, in this limited circumstance, is based on a rebuttable presumption that the carrying amount of the investment property will be recovered entirely through sale. The presumption can be rebutted only if the investment property is depreciable and held within a business model whose objective is to consume substantially all of the asset's economic benefits over the life of the asset.
- IFRS 7 Disclosures – Transfers of Financial Assets. The amendments introduce new disclosure requirements about transfers of financial assets, including disclosures for:
 - financial assets that are not derecognised in their entirety; and
 - financial assets that are derecognised in their entirety but for which the entity retains continuing involvement.”

APPENDIX 8

DISCLOSURE OF SHAREHOLDINGS AND DEALINGS IN SHARES

1. HOLDINGS OF APB SHARES

Save as disclosed below, as at the Latest Practicable Date, none of the Offeror and its Concert Parties owned, controlled or agreed to acquire any APB Shares or securities which carry voting rights in the Company or are convertible into APB Shares or securities which carry voting rights in the Company, or rights to subscribe for, or options or derivatives in respect of, such APB Shares or securities.

Name	No. of APB Shares	Percentage (%)
Heineken International B.V.	78,771,577	30.5
Asia Pacific Investment Pte Ltd	167,333,732	64.8

2. DEALINGS IN APB SHARES

Save for the acquisition of the Sale Shares and as disclosed below, none of the Offeror or its Concert Parties has dealt for value in any APB Shares or securities which carry voting rights in the Company or are convertible into APB Shares or securities which carry voting rights in the Company, or rights to subscribe for, or options or derivatives in respect of, such APB Shares or securities, during the Reference Period.

Date of acquisition	Number of APB Shares acquired	Price paid per APB Share (excluding brokerage commission, clearing fees, stamp duties and goods and services tax)
21 August 2012	6,924,000	S\$53.00
22 August 2012	945,000	S\$53.00
23 August 2012	765,000	S\$53.00
24 August 2012	845,000	S\$53.00
27 August 2012	357,000	S\$53.00
28 August 2012	270,000	S\$53.00
29 August 2012	175,000	S\$53.00
30 August 2012	462,000	S\$53.00
31 August 2012	126,000	S\$53.00
3 September 2012	21,000	S\$53.00
4 September 2012	160,000	S\$53.00
5 September 2012	125,000	S\$53.00
6 September 2012	21,000	S\$53.00
7 September 2012	183,000	S\$53.00
10 September 2012	41,000	S\$53.00
11 September 2012	55,000	S\$53.00
12 September 2012	61,000	S\$53.00
13 September 2012	642,000	S\$53.00
14 September 2012	16,000	S\$53.00
17 September 2012	351,000	S\$53.00
18 September 2012	98,000	S\$53.00
20 September 2012	57,000	S\$53.00
21 September 2012	183,000	S\$53.00
24 September 2012	22,246,130	S\$53.00
25 September 2012	362,000	S\$53.00
27 September 2012	13,000	S\$52.90

3. SECURITY

As at the Latest Practicable Date, none of the Offeror and its Concert Parties has: (i) granted any type of security over any APB Shares to another person, whether through a charge, pledge or otherwise; (ii) borrowed any APB Shares from another person; or (iii) lent any APB Shares to another person.

APPENDIX 9

ADDITIONAL GENERAL INFORMATION

1. DISCLOSURE OF INTERESTS

- 1.1 No Agreement having any Connection with or Dependence upon the Offer.** As at the Latest Practicable Date, save as disclosed in this Offer Document, there is no agreement, arrangement or understanding between: (i) the Offeror or any of its Concert Parties; and (ii) any of the current or recent directors of the Company or any of the current or recent shareholders of the Company, having any connection with or dependence upon the Offer.
- 1.2 Transfer of Offer Shares.** As at the Latest Practicable Date, save as disclosed in this Offer Document, there is no agreement, arrangement or understanding whereby any Offer Shares acquired pursuant to the Offer will be transferred to any other person.
- 1.3 No Payment or Benefit to the Directors of the Company.** As at the Latest Practicable Date, there is no agreement, arrangement or understanding for any payment or other benefit to be made or given to any director of the Company or any of its related corporations as compensation for loss of office or otherwise in connection with the Offer.
- 1.4 No Agreement Conditional upon Outcome of Offer.** As at the Latest Practicable Date, there is no agreement, arrangement or understanding between: (i) the Offeror; and (ii) any of the directors of the Company or any other person, in connection with or conditional upon the outcome of the Offer or is otherwise connected with the Offer.
- 1.5 Transfer Restrictions.** The Memorandum and Articles of Association of the Company do not contain any restrictions on the right to transfer the Offer Shares.
- 1.6 No Indemnity Arrangements.** As at the Latest Practicable Date, save as disclosed in this Offer Document, neither the Offeror nor any of its Concert Parties has entered into any arrangement with any person of the kind referred to in Note 7 on Rule 12 of the Code, including indemnity or option arrangements, or any agreement or understanding, formal or informal, of whatever nature, relating to APB Shares which may be an inducement to deal or refrain from dealing in APB Shares.

2. GENERAL

- 2.1 Costs and Expenses.** All costs and expenses of or incidental to the preparation and circulation of this Offer Document (other than professional fees and other costs incurred or to be incurred by the Company relating to the Offer) and stamp duty and transfer fees resulting from acceptances of the Offer will be paid by the Offeror.
- 2.2 Consents.** Each of Credit Suisse (Singapore) Limited and Citigroup Global Markets Singapore Pte. Ltd. (as joint financial advisers to the Offeror in connection with the Offer) has given and has not withdrawn its written consent to the issue of this Offer Document with the inclusion of its name and all references to its name in the form and context in which it appears in this Offer Document.

3. MARKET QUOTATIONS

3.1 Closing Prices of APB Shares. The following table sets out, *inter alia*, the closing prices of APB Shares on the SGX-ST (as reported by Bloomberg) on a monthly basis from January 2012 to June 2012 (being the six calendar months preceding the Press Release Date), on the last full Market Day prior to the Latest Practicable Date, on the last full Market Day prior to the Announcement Date, on the last full Market Day prior to the Pre-Conditional Offer Announcement Date and on the last full Market Day prior to the Press Release Date, and the corresponding premia based on the Offer Price of S\$53.00:

Date	Closing Price (S\$)	Premium on Offer Price of S\$53.00 (%)
21 November 2012 (the last full Market Day prior to the Latest Practicable Date*)	52.90	0.2
14 November 2012 (the last full Market Day prior to the Announcement Date)	52.60	0.8
16 August 2012 (the last full Market Day prior to the Pre-Conditional Offer Announcement Date)	50.57	4.8
19 July 2012 (the last full Market Day prior to the Press Release Date)	42.00	26.2
June 2012	34.50	53.6
May 2012	33.80	56.8
April 2012	33.99	55.9
March 2012	34.50	53.6
February 2012	33.50	58.2
January 2012	29.20	81.5

Note:

* There was no trading in the APB Shares on the SGX-ST on the Latest Practicable Date.

3.2 Highest and Lowest Prices

During the Reference Period, the highest and lowest closing prices of the SGX-ST, as reported by Bloomberg are as follows:

- (i) Highest closing price: S\$53.09 on 18 September 2012; and
- (ii) Lowest closing price: S\$28.50 on 25 January 2012.

4. DOCUMENTS FOR INSPECTION

Copies of the following documents may be inspected at the offices of Tricor Barbinder Share Registration Services at 80 Robinson Road, #02-00, Singapore 068898, during normal business hours for the period for which the Offer remains open for acceptances:

- (i) the annual reports of HEINEKEN for FY2009, FY2010 and FY2011;
- (ii) the unaudited financial statements of HEINEKEN for 6M2012;
- (iii) third quarter trading update of HEINEKEN for the third quarter ended 30 September 2012;
- (iv) the letter of consent from each of Credit Suisse (Singapore) Limited and Citigroup Global Markets Singapore Pte. Ltd. referred to in Paragraph 2.2 of this **Appendix 9**;
- (v) the Pre-Conditional Offer Announcement; and
- (vi) the Offer Announcement.

APPENDIX 10

MERGER BENEFIT STATEMENTS

1. Merger Benefit Statements

The Merger Benefit Statements made by HEINEKEN in the Media Release are reproduced below. Capitalised terms used in the paragraphs in italics below shall have the meaning ascribed to them in the Media Release:

“Following completion of the Transaction, HEINEKEN will fully consolidate APB in its accounts, providing an improved reflection of HEINEKEN’s economic exposure to APB and greater transparency of its operations in the Asia Pacific reporting region.

The key financial metrics for the Transaction are (assuming completion of the MGO and HEINEKEN achieving 100% ownership in APB):

- *Pro-forma 2011 consolidated volume will increase by 8% to 178.3 mhl, revenue by 8% to €18.5 billion⁵, pro-forma 2011 EBITDA (beia⁴) by 9% to €4.0 billion⁵ and pro-forma 2011 EBIT (beia⁴) by 10% to €3.0 billion⁵.*
- *The indicative EV/EBITDA (beia⁴) for the twelve months period ending 30 June 2012 is estimated to be 17.1 times⁶.*
- *Assuming 100% acquisition of APB on 1 July 2011 and taking into account the net profit of APB of S\$390 million for the last twelve months ending 30 June 2012 and interest cost of 3% per annum, the transaction would have been accretive to HEINEKEN’s earnings per share on a pro forma basis for the last twelve months ending 30 June 2012.*
- *Pro-forma net debt/EBITDA (beia⁴) for the twelve months period ending 30 June 2012 is 3.3x.*

In line with IFRS accounting standards, HEINEKEN will revalue its current stake in APB at closing of the Transaction. The non-cash amount arising from such revaluation will be treated as an exceptional item.

None of the above statements or any other statement in this news release should be interpreted to mean that earnings per share of HEINEKEN, HIBV or APB will necessarily be greater than those for their respective preceding financial periods.

Please review the appendix for further information.

⁴ *Before exceptional items and amortisation of brands.*

⁵ *Based on an average S\$/€ exchange rate for the year ending 31 December 2011 of 1.75.*

⁶ *Based on a price per APB share of S\$53.00 for 100% of the share capital of APB, APB’s balance sheet as at 30 June 2012 (valuing minority interests and associates at book value) and an EBITDA for the twelve months period to 30 June 2012 of S\$796 million.”*

“HEINEKEN has a clearly articulated financial policy and is committed to returning to a net debt/EBITDA (beia⁴) ratio of below 2.5 times within 24 months of completion of the MGO.”

2. Bases and Explanations

The bases and explanations provided by HEINEKEN in respect of the Merger Benefit Statements in the Media Release are reproduced below. Capitalised terms used in the paragraphs in italics below shall have the meaning ascribed to them in the Media Release:

“Basis of pro-forma combined financial metrics

The pro-forma combined financial metrics for the year ended December 31, 2011 are presented to show how these metrics might have looked if the Transaction had occurred on January 1, 2011. The unaudited pro forma combined financial metrics have been derived by applying pro forma adjustments to the historical financial information of APB for the statutory year ended September 30, 2011.

The unaudited pro-forma combined financial metrics have been presented for informational purposes only and are not necessarily indicative of what the combined company's financial position or results actually would have been had the Transaction been completed as of January 1, 2011. In addition the unaudited pro-forma combined financial metrics do not purport to project the future financial position or operating results of the combined company. There can be no assurance that the assumptions used in the preparation of the pro forma combined financial metrics prove to be correct.

The unaudited pro-forma combined financial metrics are based on:

- The consolidated financial statements of HEINEKEN for the year ended December 31, 2011, prepared in accordance with IFRS;
- Pro-forma consolidated information of APB derived from the consolidated financial statements of APB and APIPL for the year ended September 30, 2011 prepared in accordance with Singapore Financial Reporting Standards (“Singapore FRS”), and adjusted by adding the three months period ended December 31, 2011 and deducting the three months period ended December 31, 2010 and certain pro-forma adjustments for accounting policy alignment;
- Pro-forma adjustments to eliminate intercompany volume and revenue, and HEINEKEN's share of profit of APB and APIPL currently included in the HEINEKEN results for the year ended December 31, 2011;
- Certain pro-forma adjustments relating to the purchase price allocation;
- APB and APIPL financial metrics are converted to EUR:SGD for the year ended December, 31 2011 of 1.75.

In addition, the basis of calculation for other pro-forma financial metrics are set out below:

- **Pro-Forma EPS accretion for the LTM June 2012:** Based on the reported net income of APB for the last twelve months ending 30 June 2012, elimination of equity accounted net income of APB for the same period, depreciation and amortisation adjustment relating to purchase price allocation for the same period and deducting the interest cost to be incurred by HEINEKEN to fund the purchase consideration. Interest costs on acquisition debt assumed to be 3% per annum. Assumed 100% acquisition of APB by HEINEKEN as of 1 July 2011 for the pro-forma analysis.
- **Pro-Forma Net debt / EBITDA (beia) as of LTM June 2012:** Pro-forma net debt is based on HEINEKEN, APB and APIPL reported net debt as of 30 June 2012, and the total consideration required for the acquisition of 58.1% in APB, F&N's interest in non-APB assets held by APIPL and transaction costs (stamp duty, fees and cash cost of options). Pro-forma EBITDA is based on HEINEKEN and APB reported LTM EBITDA (30 June 2012), includes elimination of HEINEKEN's share of net income from APB currently equity accounted by HEINEKEN, APB's share of net income from H-APB China currently equity accounted by APB, addition of 100% of EBITDA from H-APB China which will be consolidated post-transaction and other consolidation adjustments. Adjustments are based on LTM June 2012.

Key financial metrics

FYE 31-Dec-11	HEINEKEN	APB	Eliminations ¹²	Adjustments	Pro-forma
Consolidated beer volume (mhl) ⁸	164.6	11.9	(0.5)	2.3 ¹³	178.3
Net revenue (€m)	17,123	1,242 ¹¹	(41)	170 ¹³	18,493
EBITDA (beia) (€m) ⁹	3,682	428	(97)	13 ¹³	4,026
EBIT (beia) (€m) ⁹	2,697	388	(97)	(26) ^{13,14}	2,962
EBIT (beia) / hl (€) ¹⁰	14.9	28.6 ¹⁴			15.7 ¹⁴
EBIT (beia) margin	15.8%	28.8 ¹⁴			16.0% ¹⁴

Source: HEINEKEN, APB

Note: Pro-forma APB for the year ending 31 December 2011, based on FYE 30 September 2011, 3 months to 31 December 2011 and 3 months to 31 December 2010 financials APB financials converted to EUR based on average EUR:SGD for 1 January 2011 to 31 December 2011 of 1.75, as per Bloomberg.

- 8 Includes 100% of beer volume produced and sold by consolidated companies (excluding the beer volume brewed and sold by joint venture companies).
- 9 EBITDA (beia) and EBIT (beia) include share of profit of associates and joint ventures.
- 10 Based on EBIT (beia) excluding share of profit of associates and joint ventures.
- 11 Includes pro-forma adjustment for excise duties included in APB Revenue.
- 12 Pro-forma elimination of intercompany volume and revenue, and HEINEKEN's share of profit from APB currently equity accounted by HEINEKEN.
- 13 Includes 100% of pro-forma adjustment for H-APB China which will be consolidated post-transaction, elimination of H-APB China equity income in APB, and other consolidation adjustments.
- 14 Includes pro-forma depreciation adjustment relating to purchase price allocation of €30 million."

APPENDIX 11

TRADING UPDATE OF HEINEKEN FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2012

The media release made by HEINEKEN in respect of its trading update for the third quarter of 2012 is reproduced below:

“Amsterdam, 24 October 2012 – HEINEKEN N.V. today announced its trading update for the third quarter of 2012. In the quarter:

- **Revenue** rose 4% organically, driven by higher total consolidated volumes of 1.5% and revenue per hectolitre growth of 2.5%. Group beer volume grew 2.6% with increases in four out of five regions;
- **Heineken®** volume in the international premium segment increased 3.5%, outperforming group beer volume, primarily driven by strong performance in Western Europe, the Americas and Africa & the Middle East;
- **EBIT (beia)**, on an organic basis, increased in the mid-single digits;
- **Net profit (beia)** grew organically by mid-single digit percentage points; and
- HEINEKEN reaffirms its outlook for full year 2012 net profit (beia) to be broadly in line with last year, on an organic basis.

Financial results

Revenue grew 7.1% to €4,974 million in the third quarter. Combined, the first time consolidation of new businesses and a positive currency translational effect increased revenues by €140 million (+3.0%). The favourable currency movement primarily reflects appreciation of the Nigerian naira, British pound and Mexican peso versus the euro reporting currency. On an organic basis, revenue grew 4% with growth across all regions. This reflects total consolidated volume growth of 1.5% and revenue per hectolitre growth of 2.5%, driven by pricing initiatives and improved sales mix.

On an organic basis, **EBIT (beia)** increased by mid-single digit percentage points in the quarter. The positive impact of higher revenue and realised cost savings were partly offset by higher business capability investments and increased input costs.

Reported **net profit** in the quarter was €577 million compared with €525 million in the third quarter of 2011.

Changes in consolidation

The main consolidation scope changes having an impact on financial results in the third quarter of 2012 include:

- The acquisition of the Harar and Bedele breweries in Ethiopia, consolidated from 4 August 2011;
- The acquisition of the Galaxy Pub Estate in the United Kingdom, consolidated from 2 December 2011; and
- The acquisition of a controlling stake (from 22.5% to 95%) in Brasserie Nationale d’Haiti S.A in Haiti, consolidated from 17 January 2012.

Full year outlook

HEINEKEN reaffirms its 2012 outlook, as stated in its half year 2012 earnings release dated 22 August 2012.

Total Consolidated Volume

Q3 2012 (mhl)	Change (%)	Organic Change (%)	Regions	9 months 2012 (mhl)	Change (%)	Organic Change (%)
17.8	-3.2	-3.1	Western Europe	48.6	-4.0	-3.9
15.0	2.8	2.8	Central & Eastern Europe	39.6	4.4	4.4
7.5	6.5	4.4	Africa & the Middle East	22.3	7.7	5.0
13.9	8.2	5.2	The Americas	39.9	7.1	4.3
0.4	-2.8	-2.8	Asia Pacific	1.1	2.1	2.1
54.6	2.5	1.5	Total	151.5	2.6	1.6

Total consolidated volume grew organically by 1.5% in the third quarter. Growth in consolidated beer and soft drinks volume was partly offset by lower third party and cider volume.

Consolidated Beer Volume

Q3 2012 (mhl)	Change (%)	Organic Change (%)	Regions	9 months 2012 (mhl)	Change (%)	Organic Change (%)
12.4	-2.6	-2.1	Western Europe	34.0	-3.1	-2.6
14.2	3.5	3.5	Central & Eastern Europe	37.5	5.3	5.3
5.5	5.4	2.5	Africa & the Middle East	17.1	7.8	4.3
13.6	6.2	5.2	The Americas	39.1	5.3	4.3
0.4	-2.8	-2.8	Asia Pacific	1.0	2.1	2.1
46.1	2.7	2.2	Total	128.7	3.2	2.6

Group Beer Volume

Q3 2012 (mhl)	Change (%)	Organic Change (%)	Regions	9 months 2012 (mhl)	Change (%)	Organic Change (%)
12.5	-2.6	-2.1	Western Europe	34.3	-3.1	-2.6
16.6	3.6	3.6	Central & Eastern Europe	43.4	4.9	4.9
7.2	5.6	3.5	Africa & the Middle East	21.9	7.1	4.4
15.5	5.3	4.4	The Americas	45.7	4.4	3.6
6.9	5.2	4.8	Asia Pacific	21.4	6.8	7.1
58.7	3.1	2.6	Total	166.7	3.5	3.1

Group beer volume development in the third quarter 2012

Group beer volume grew 2.6% on an organic basis, with growth in four out of five regions. There was one less selling day in the third quarter of 2012 compared with the comparable prior year period.

In **Western Europe**, group beer volume declined by 2.1% organically in the quarter. Lower group beer volume primarily reflects the planned withdrawal of a product in the high-promotion discounter channel in Finland and a double digit volume decline in Portugal due to the challenging economic environment. The effect of cautious consumer spending in the on-premise channel contributed to a low-single digit decline in the UK, Netherlands and Spain. Volume in France and Italy grew in the low-single digits. The acquisition of the Belgian cider innovation company Stassen, was completed in September 2012.

In **Central & Eastern Europe**, group beer volume grew 3.6%, on an organic basis, led by solid volume gains in Bulgaria, Czech Republic, Poland, Romania, Russia and Serbia. Volume in Greece declined in the high-single digits as the country continues to be impacted by the adverse economic conditions.

In **Africa & the Middle East**, group beer volume grew 3.5%, driven by solid volume growth in Egypt, Algeria, Rwanda and the joint venture in the Republic of Congo. Volume in Nigeria grew slightly, contributing to further share gains in a market where consumer spending has been constrained due to higher inflation. Volume in South Africa was broadly in line with the prior year quarter, outperforming the overall beer market and leading to continued market share gains.

In the **Americas**, group beer volume grew organically by 4.4%, driven by higher volume in Mexico, Brazil and the USA. Depletions in the USA increased in the low-single digits resulting in market share gains in the country. The Dos Equis brand continued its strong volume growth momentum, while depletions of the Heineken® lager brand were broadly in line with the prior year period.

In Mexico, solid volume growth was again led by strong brand performances of Dos Equis and Tecate. Volume growth in Brazil was driven by continued strong growth of the Heineken® brand and higher volume of the Kaiser brand. Volume of Compania Cerveceria Unidas (CCU), the joint venture operation in Chile and Argentina, was broadly in line with the prior year quarter.

In **Asia Pacific**, group beer volume increased 4.8% organically (+310 khl), net of a consolidated beer volume decline of 2.8% (-10 khl). Higher volume of the joint venture, APB, was driven by gains in Vietnam, Indonesia, Thailand and Singapore. Volume of United Breweries Limited, the joint venture operation in India, increased in the high-single digits, with strong performance in key states such as Maharastra, Rajasthan and Karnataka.

Volume in consolidated Asian export markets declined by low single digits, with strong growth in South Korea more than offset by lower volume in Taiwan.

Global brand volume development in the third quarter 2012

Heineken® volume in the international premium segment

Q3 2012 (mhl)	Organic Change (%)		9 months 2012 (mhl)	Organic Change (%)
2.2	3.9	Western Europe	6.0	0.9
0.7	1.8	Central & Eastern Europe	1.9	2.8
0.8	12.7	Africa & the Middle East	2.4	17.3
2.2	4.8	The Americas	6.4	6.5
1.5	-2.3	Asia Pacific	4.9	4.3
7.4	3.5	Total	21.6	5.1

Volume of the **Heineken®** brand in the international premium segment grew 3.5% in the third quarter and 5.1% in the first nine months of 2012. Key markets contributing to Heineken® brand growth in the third quarter were Brazil, Canada, China, France, Italy, Mexico, Nigeria, Russia and the UK. Lower volume of the Heineken® brand in the Asia Pacific region reflects the introduction of new competitor brands in Taiwan and lower brand volume in Vietnam, where the overall premium portfolio grew strongly led by the Tiger brand.

Volume of **Desperados**, the super-premium tequila-flavoured speciality beer, grew in the double digits, with growth in all markets.

Volume of **Sol** in the international premium segment grew in the mid-single digits with solid performances in the Western Europe and Central & Eastern Europe regions.

Amstel volumes grew by low single digits, mainly reflecting higher brand volumes in the Africa & the Middle East and Central & Eastern Europe regions. The launch of Amstel Premium Pilsner in Russia, Greece and Serbia earlier this year supported brand volumes.

Volume of **Strongbow**, our cider brand, declined by low-single digits in the quarter with lower volume in the UK only partially offset by strong growth in the USA and South Africa.

Financial structure

On 2 October 2012, HEINEKEN placed Senior Notes for a principal amount of US\$3.25 billion. This comprises US\$500 million of 3 year Notes at a coupon of 0.80%, US\$1.25 billion of 5 year Notes at a coupon of 1.40%, US\$1 billion of 10.5 year Notes at a coupon of 2.75% and US\$500 million of 30 year Notes at a coupon of 4.00%. The proceeds of the Notes will be used to finance the acquisition of APB.

Acquisition of Asia Pacific Breweries

On 28 September 2012, HEINEKEN announced that at the Extraordinary General Meeting (EGM) of Fraser and Neave, Limited (F&N) in Singapore, shareholders of F&N voted in favour of the proposed disposal by F&N of its direct and indirect interests in APB and F&N's interest in the non-APB assets held by Asia Pacific Investment Private Limited, for a total consideration of S\$5.6 billion (€3.5 billion) (Transaction).

HEINEKEN currently holds an effective stake of 55.6% in APB. Upon completion of the Transaction HEINEKEN will own a 95.3% stake in APB. Following approval from the Overseas Investment Office of New Zealand on 9 October 2012, the Transaction remains subject to regulatory approval from the Competition Commission of Singapore (CCS). The Transaction is expected to complete in November 2012.

HEINEKEN will then make a Mandatory General Offer (MGO) for all the shares of APB that the HEINEKEN group does not already own, in accordance with the Singapore Code on Take-overs and Mergers. Subsequently HEINEKEN will seek to delist APB.

The Transaction and the MGO will be funded through centrally available cash of approximately €3.5 billion. In addition, HEINEKEN has a committed revolving credit facility of €2 billion which currently remains undrawn. Further reference is made to HEINEKEN's announcement regarding the Transaction on 28 September 2012.

Directors' Responsibility Statement

The directors of HEINEKEN (including those who may have delegated supervision of this Media Release) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Media Release are fair and accurate and that there are no other material facts not contained in this Media Release the omission of which would make any statement in this Media Release misleading.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from F&N or APB, the sole responsibility of the directors of HEINEKEN has been to ensure through reasonable enquiries that such information has been accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Media Release. The directors of HEINEKEN jointly and severally accept responsibility accordingly.

Investor calendar Heineken N.V.

What's Brewing Seminar, London	2 November 2012
Financial Markets Conference, Lagos (Nigeria)	13–14 November 2012
Financial results for the full year 2012	13 February 2013
Trading update for Q1 2013	24 April 2013
Annual General Meeting of Shareholders (AGM)	25 April 2013

HEINEKEN will host an analyst and investor conference call in relation to this trading update today at 10:00 CET/ 09:00 BST. The call will be audio cast live via the Company's website: www.heinekeninternational.com/webcasts/investors. 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) 45-631-6902
Toll-Free: 0800-265-8611

United Kingdom
Local line: +44-207-153-2027
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Definitions:

Organic growth excludes the effect of foreign currency translational effects, consolidation changes, exceptional items, amortisation of brands and customer relations. Beia refers to financials before exceptional items and amortisation of brands and customer relations. Group beer volume includes 100 percent of beer volume produced and sold by fully consolidated companies and joint venture companies, as well as the volume of HEINEKEN's brands produced and sold under license by third parties. Consolidated beer volume includes 100 percent of beer volume produced and sold by fully consolidated companies (excluding the beer volume brewed and sold by joint venture companies). Total consolidated volume includes volume produced and sold by fully 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 license by third parties.

Editorial information:

HEINEKEN is a proud, independent global brewer committed to surprise and excite consumers with its brands and products everywhere. The brand that bears the founder's family name - Heineken® - is available in almost every country on the globe and is the world's most valuable international premium beer brand. The Company's aim is to be a leading brewer in each of the markets in which it operates and to have the world's most valuable brand portfolio. HEINEKEN wants to win in all markets with Heineken® and with a full brand portfolio in markets of choice. The Company is present in over 70 countries and operates more than 140 breweries with volume of 214 million hectolitres of group beer sold. HEINEKEN is Europe's largest brewer and the world's third largest by volume. HEINEKEN is committed to the responsible marketing and consumption of its more than 250 international premium, regional, local and specialty beers and ciders. These include Amstel, Birra Moretti, Cruzcampo, Desperados, Dos Equis, Foster's, Heineken®, Newcastle Brown Ale, Ochota, Primus, Sagres, Sol, Star, Strongbow, Tecate, and Zywiec. Our leading joint venture brands include Cristal, Kingfisher, Tiger and Anchor. In 2011, revenue totaled EUR 17.1 billion and EBIT (beia) was EUR 2.7 billion. The number of people employed is around 70,000. Heineken N.V. and Heineken Holding N.V. shares are listed on the Amsterdam stock exchange. Prices for the ordinary shares may be accessed on Bloomberg under the symbols HEIA NA and HEIO NA and on the Reuter Equities 2000 Service under HEIN.AS and HEIO.AS. Most recent information is available on HEINEKEN's website: www.theHEINEKENcompany.com.

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, 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 are only relevant as of the date of this press release. HEINEKEN does not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date of these statements. Market share estimates contained in this press release are based on outside sources, such as specialised research institutes, in combination with management estimates."

MANDATORY UNCONDITIONAL CASH OFFER

by



Credit Suisse (Singapore) Limited
(Company Registration Number 197702363D)
(Incorporated in the Republic of Singapore)

Citigroup Global Markets Singapore Pte. Ltd.
(Company Registration Number 199002673E)
(Incorporated in the Republic of Singapore)

for and on behalf of



Heineken International B.V.
(Company Registration Number 33103545)
(Incorporated in the Netherlands)

to acquire all the issued ordinary shares in the capital of

Asia Pacific Breweries Limited
(Company Registration Number 19310007K)
(Incorporated in the Republic of Singapore)

other than those already owned, controlled or agreed to be acquired by the Offeror (as defined below) and its related corporations

DESPATCH OF OFFER DOCUMENT ANNOUNCEMENT

1. INTRODUCTION

- 1.1 The Offer.** Credit Suisse (Singapore) Limited and Citigroup Global Markets Singapore Pte. Ltd. (collectively, the "**Financial Advisers**"), refer to the announcement dated 15 November 2012 (the "**Offer Announcement**") made by the Financial Advisers, for and on behalf of Heineken International B.V. (the "**Offeror**"), in relation to the mandatory unconditional cash offer (the "**Offer**") for all the issued and paid-up ordinary shares ("**APB Shares**") in the capital of Asia Pacific Breweries Limited (the "**Company**"), other than those APB Shares already owned, controlled or agreed to be acquired, directly or indirectly, by the Offeror and its related corporations as at the date of the Offer (the "**Offer Shares**").
- 1.2 Capitalised Terms.** Unless otherwise defined herein or the context otherwise requires, capitalised terms used in this Announcement shall have the same meanings ascribed to them in the Offer Announcement and the Offer Document (as defined herein).

2. DESPATCH OF OFFER DOCUMENT

- 2.1 **Despatch.** The Financial Advisers wish to announce, for and on behalf of the Offeror, that the offer document dated 04 December 2012 (the “**Offer Document**”) which contains, *inter alia*, details of the Offer has been despatched today together with the accompanying Form of Acceptance and Authorisation (“**FAA**”) or Form of Acceptance and Transfer (“**FAT**”) (as the case may be) to the shareholders of the Company (the “**Shareholders**”).
- 2.2 **Electronic Copy.** An electronic copy of the Offer Document will be made available on the website of the Singapore Exchange Securities Trading Limited at www.sgx.com.

3. REQUEST FOR OFFER DOCUMENT, FAA AND FAT

- 3.1 **Request for Documents.** Shareholders whose Securities Accounts with The Central Depository (Pte) Limited (“**CDP**”) are credited with APB Shares (“**Depositors**”) and shareholders whose names appear in the register of members of the Company (“**Scrip Shareholders**”) who do not receive the Offer Document and the relevant acceptance forms within a week from the date hereof should contact CDP (for Depositors) or Tricor Barbinder Share Registration Services (for Scrip Shareholders), as the case may be, immediately at the following respective addresses:

For Depositors:

The Central Depository (Pte) Limited
4 Shenton Way
#02-01 SGX Centre 2
Singapore 068807
Tel: +65 6535 7511

For Scrip Shareholders:

Tricor Barbinder Share Registration Services
80 Robinson Road
#02-00
Singapore 068898
Tel: +65 6236 3333

- 3.2 **Depositors.** Copies of the FAA may be obtained by Depositors from CDP during normal business hours and up to the Closing Date (as stated in paragraph 4.1 below), upon production of satisfactory evidence that their Securities Accounts with CDP are or will be credited with Offer Shares.
- 3.3 **Scrip Shareholders.** Copies of the FAT may be obtained by Scrip Shareholders from Tricor Barbinder Share Registration Services during normal business hours and up to the Closing Date (as stated in paragraph 4.1 below), upon production of satisfactory evidence of title to Offer Shares.

4. CLOSING DATE AND PROCEDURES FOR ACCEPTANCE

- 4.1 **Closing Date.** The Offer will remain open for acceptance until 5.30 p.m. (Singapore time) on 08 January 2013, or such later date(s) as may be announced from time to time by or on behalf of the Offeror (the “**Closing Date**”).
- 4.2 **Procedure for Acceptance.** Full details of the procedures for acceptance of the Offer are set out in Appendix 2 to the Offer Document, and in the accompanying FAA and/or FAT.

5. OVERSEAS SHAREHOLDERS

- 5.1 **Overseas Shareholders.** The availability of the Offer to Shareholders whose addresses are outside Singapore, as shown on the register of members of the Company, or, as the case may be, in the records of CDP (“**Overseas Shareholders**”, each an “**Overseas Shareholder**”), may be affected by the laws of the relevant overseas jurisdictions. Accordingly, all Overseas Shareholders should inform themselves about, and observe, any applicable requirements in their own jurisdictions. For the avoidance of doubt, the Offer is

made to all Shareholders, including those to whom the Offer Document, the FAA and/or the FAT have not been or may not be sent, provided that the Offer Document does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful and the Offer is not being made into any jurisdiction in which the making or acceptance of the Offer would not be in compliance with the laws of such jurisdiction. However, the Offeror may, in its sole discretion, take such action as it may deem necessary to extend the Offer to Shareholders in any such jurisdiction.

5.2 Copies of Offer Document. Overseas Shareholders may obtain copies of the Offer Document, the FAAs, the FATs and any related documents during normal business hours and up to the Closing Date from Tricor Barbinder Share Registration Services at 80 Robinson Road, #02-00, Singapore 068898 or The Central Depository (Pte) Limited at 4 Shenton Way, #02-01 SGX Centre 2, Singapore 068807. Alternatively, Shareholders (including Overseas Shareholders) may write to Heineken International B.V. c/o Tricor Barbinder Share Registration Services at 80 Robinson Road, #02-00, Singapore 068898, to request for the Offer Document, the FAAs, the FATs and any related documents to be sent to an address in Singapore by ordinary post at their own risk up to five (5) Market Days prior to the Closing Date

5.3 Notice. The Offeror and the Financial Advisers reserve the right to notify any matter, including the fact that the Offer has been made, to any or all Shareholders with a registered address outside Singapore by announcement or paid advertisement in a daily newspaper published and circulated in Singapore, in which case such notice shall be deemed to have been sufficiently given notwithstanding any failure by any Shareholder to receive or see such announcement or advertisement.

5.4 Overseas Jurisdiction. It is the responsibility of any Overseas Shareholder who wishes to accept the Offer to satisfy himself as to the full observance of the laws of the relevant jurisdictions in that connection, including the obtaining of any governmental or other consent which may be required, or compliance with other necessary formalities or legal requirements, and the payment of any taxes, imposts, duties or other requisite payments due in such jurisdiction. Such Overseas Shareholder shall be liable for any such taxes, imposts, duties or other requisite payments payable, and the Offeror and/or any person acting on its behalf (including the Financial Advisers) shall be fully indemnified and held harmless by such Overseas Shareholder for any such taxes, imposts, duties or other requisite payments as the Offeror and/or any person acting on its behalf (including the Financial Advisers) may be required to pay. In accepting the Offer, each Overseas Shareholder represents and warrants to the Offeror and each of the Financial Advisers that he is in full observance of the laws of the relevant jurisdiction in that connection and that he is in full compliance with all necessary formalities or legal requirements. **If any Overseas Shareholder is in any doubt about his position, he should consult his professional adviser in the relevant jurisdiction.**

6. CPFIS INVESTORS

CPFIS Investors will receive further information on how to accept the Offer from their respective CPF Agent Banks directly. CPFIS Investors are advised to consult their respective CPF Agent Banks should they require further information, and if they are in any doubt as to the action they should take, CPFIS Investors should seek independent professional advice. CPFIS Investors who wish to accept the Offer are to reply to their respective CPF Agent Banks by the deadline stated in the letter from their respective CPF Agent Banks. CPFIS Investors who accept the Offer will receive the Offer Price payable in respect of their Offer Shares in their CPF investment accounts.

7. INDEPENDENT ADVICE

The views of the directors of the Company who are considered independent for the purpose of the Offer and the independent financial adviser to such directors of the Company will be made available to Shareholders in due course. Shareholders may wish to consider their advice before taking any action in relation to the Offer.

8. RESPONSIBILITY STATEMENT

The directors of each of the Offeror and Heineken N.V. ("**HEINEKEN**") (including those who may have delegated supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement are fair and accurate and that there are no other material facts not contained in this Announcement the omission of which would make any statement in this Announcement misleading.

Where any information has been extracted or reproduced from published or otherwise publicly available sources or obtained from Fraser and Neave, Limited or the Company, the sole responsibility of the directors of each of the Offeror and HEINEKEN has been to ensure through reasonable enquiries that such information has been accurately and correctly extracted from such sources or, as the case may be, accurately reflected or reproduced in this Announcement.

The directors of each of the Offeror and HEINEKEN jointly and severally accept responsibility accordingly.

Issued by

Credit Suisse (Singapore) Limited and Citigroup Global Markets Singapore Pte. Ltd.

For and on behalf of

Heineken International B.V.

04 December 2012

Any inquiries relating to this Announcement or the Offer should be directed to the following:

Credit Suisse (Singapore) Limited	Citigroup Global Markets Singapore Pte. Ltd.
Pankaj Goel Managing Director Tel. No.: 6212 2000	Matthew Nimitz Director, Mergers & Acquisitions Tel. No.: 6657 5305

Forward-Looking Statements

All statements other than statements of historical facts included in this Announcement are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future or conditional verbs such as "will", "would", "should", "could", "may" and "might". These statements reflect the Offeror's current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information.

Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and the Offeror does not undertake any obligation to update publicly or revise any forward-looking statements.

THIS ANNOUNCEMENT IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN WHOLE OR IN PART IN, INTO OR FROM ANY JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF THE RELEVANT LAWS IN THAT JURISDICTION.