

Heineken N.V. announces restructuring of South African and Namibian operations

Amsterdam, 28 July 2015 – Heineken N.V. (EURONEXT: HEIA; OTCQX: HEINY) today announces that HEINEKEN, Diageo plc and The Ohlthaver & List ('O&L') Group of Companies, the majority shareholder of Namibia Breweries Limited ('NBL'), have agreed to restructure their respective joint venture operations in South Africa and Namibia.

South Africa

brandhouse Beverages (Pty) Ltd ('brandhouse') is a 50/50 distribution and cost sharing joint venture between Diageo and DHN Drinks (Pty) Limited ('DHN'). DHN is the entity which holds the licences for the combined beer, RTD and cider portfolio of HEINEKEN, Diageo and NBL. HEINEKEN and Diageo each own a 42.25% stake in DHN with NBL owning the remaining 15.5%.

Diageo will sell its 42.25% stake in DHN, which will result in HEINEKEN increasing its stake from 42.25% to 75% and NBL increasing its stake from 15.5% to 25%. NBL will acquire the 25% stake that Diageo owns in Sedibeng (Pty) Limited ('Sedibeng') the entity which owns the Sedibeng brewery in Gauteng, Johannesburg. HEINEKEN will retain its existing 75% stake in Sedibeng, which was built in 2009 and has a capacity of 4.5mln hl.

NBL and HEINEKEN have agreed a new joint venture in South Africa. The new arrangement will be fully focused on developing the beer portfolio and provides HEINEKEN with increased commercial control of its key brands in South Africa. South Africa is the biggest beer market in the region, with a growing middle-class population and strong GDP growth. The beer market is expected to grow approximately 1.5% per annum to 35 million hectolitres by 2024.

As a result of the agreement, and subject to regulatory approvals, the existing brandhouse, DHN and Sedibeng joint ventures will be dissolved ahead of the previously agreed April 2018 termination date. During the transition period, brandhouse will continue to operate as normal, and a transition agreement is in place between the three parties to ensure business continuity until HEINEKEN and NBL complete the establishment of a new marketing, sales and distribution business in South Africa.

Namibia

As part of the restructuring, the three parties have agreed a new ownership structure for NBL. HEINEKEN will acquire the 15% indirect stake that Diageo owns in NBL, increasing its indirect ownership to 29.9%. O&L will retain its 30.1% indirect stake with the balance being held by local shareholders.

HEINEKEN will pay a total net cash consideration of c. ZAR 1.9bn (c. EUR 136mln) to Diageo for the equity and debt positions it acquires in Sedibeng, DHN and NBL. Completion of the transaction is expected in Q4 2015 and is subject to customary regulatory approvals.

Commenting on the transaction, **Jean-François van Boxmeer**, HEINEKEN CEO and Chairman of the Executive Board, said:

“For the past 11 years we have benefitted enormously from our close collaboration with Diageo and I would like to thank them for their valued partnership and wish them well for their future in the region. Our new structure allows us to focus fully on the beer category and strengthens our platform for continued growth in the premium segment of the market. We look forward to working with our longstanding partner Namibian Breweries and developing our business further in this important part of the global beer market.”

Commenting on the transaction **Ivan Menezes**, CEO Diageo plc said:

“We have worked very successfully with HEINEKEN and NBL throughout our partnership, growing the beer business and establishing market leadership in spirits. From this leadership position we now believe that Diageo has the necessary scale to move to the next stage of growth for spirits, RTD’s and our beer and cider portfolio in a focused, simplified ownership structure.”

Commenting on the transaction, **Sven Thieme**, Executive Chairman of O&L, said:

“We are delighted to have entered into a new partnership with HEINEKEN, having worked so closely with them for many years now. The region has strong demographics and compelling prospects for future growth. We look forward to this next stage of our journey.”

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About HEINEKEN

HEINEKEN is the world’s most international brewer. It is the leading developer and marketer of premium beer and cider brands. Led by the Heineken® brand, the Group has a powerful portfolio of more than 250 international, regional, local and specialty beers and ciders. We are committed to innovation, long-term brand investment, disciplined sales execution and focused cost management. Through “Brewing a Better World”, sustainability is embedded in the business and delivers value for all stakeholders. HEINEKEN has a well-balanced geographic footprint with leadership positions in both developed and developing markets. We employ 81,000 people and operate more than 160 breweries in 70 countries. Heineken N.V. and Heineken Holding N.V. shares trade on the Euronext in Amsterdam. Prices for the ordinary shares may be accessed on Bloomberg under the symbols HEIA NA and HEIO NA and on Reuters under HEIN.AS and

HEIO.AS. HEINEKEN has two sponsored level 1 American Depositary Receipt (ADR) programmes: Heineken N.V. (OTCQX: HEINY) and Heineken Holding N.V. (OTCQX: HKHHY). Most recent information is available on HEINEKEN's website: www.theHEINEKENcompany.com and follow us via @HEINEKENCorp.

About Brandhouse:

Brandhouse is South Africa's leading total beverage alcohol company with an unrivalled portfolio of premium brands across the spirit, beer and RTD categories. Brandhouse' portfolio of brands includes beer brands Amstel, Heineken, Windhoek, Guinness; Strongbow cider; and spirit brands Johnnie Walker, Smirnoff, J&B, Bell's, Bushmills, Tanqueray, Ciroc, and Captain Morgan, amongst others. Brandhouse is a passionate campaigner for responsible drinking and an active, responsible corporate citizen that cares about the communities and the environment in which it trades.

Disclaimer:

This press release contains forward-looking statements with regard to the financial position and results of HEINEKEN's activities. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond HEINEKEN's ability to control or estimate precisely, such as future market and economic conditions, the behaviour of other market participants, changes in consumer preferences, the ability to successfully integrate acquired businesses and achieve anticipated synergies, costs of raw materials, interest-rate and exchange-rate fluctuations, changes in tax rates, changes in law, change in pension costs, the actions of government regulators and weather conditions. These and other risk factors are detailed in HEINEKEN's publicly filed annual reports. You are cautioned not to place undue reliance on these forward-looking statements, which speak only of the date of this press release. HEINEKEN does not undertake any obligation to update these forward-looking statements contained in this press release. Market share estimates contained in this press release are based on outside sources, such as specialised research institutes, in combination with management estimates.