HEINEKEN

MEDIA RELEASE

Heineken N.V. delivers solid revenue growth in the first half of 2012

Amsterdam, 22 August 2012 - Heineken N.V. ("HEINEKEN") today announced:

- **Revenue** rose 4.5% organically, driven by higher total consolidated volumes of 1.6% and revenue per hectolitre growth of 2.9%. Group beer volume rose 3.3% with increases in four out of five regions;
- **Heineken®** volume grew by 6%, once again outperforming the international premium segment and the overall beer market;
- **EBIT (beia)** increased 0.5% reflecting a positive contribution from acquisitions and a favourable currency impact. On an organic basis, EBIT (beia) decreased 5.5%, primarily due to planned capability building investments and higher input costs;
- **Net profit (beia)** increased 1.6% and declined 4% on an organic basis. Reported net profit increased 30% to €783 million, including a post-tax book gain of €131 million for the sale of a minority stake in a brewery in the Dominican Republic;
- **Diluted EPS (beia)** grew 4.3% reflecting higher net profit (beia) and a lower weighted average diluted number of shares following completion of the ASDI share repurchase programme in October 2011;
- **Total Cost Management (TCM2)** programme delivered pre-tax savings of €85 million in the first half of 2012;
- Targeted FEMSA **cost synergies** of €150 million achieved earlier than planned;
- **Free operating cash flow** of €345 million was below the prior year period, primarily reflecting higher planned capital investments and investment in working capital due to business growth;
- **Interim dividend** of €0.33 per share, an increase of 10% versus last year; and
- On 17 August 2012, HEINEKEN announced that it agreed a final offer and signed definitive agreements with Fraser & Neave (F&N) to acquire its entire effective interest in **Asia Pacific Breweries Limited** (APB) and the non-APB assets held by Asia Pacific Investment Pte Ltd (APIPL) for a total consideration of S$5.6 billion.

Key figures[1] *(in mhl or € million unless stated otherwise)*	Half Year 2012	Half Year 2011	Change %	Organic growth %
Group beer volume	108.0	104.1	3.8	3.3
Total consolidated volume	96.9	94.3	2.8	1.6
Of which: Consolidated beer volume	82.6	79.8	3.5	2.8
Heineken® volume in premium segment	14.2	13.4	6.0	6.0
Revenue	8,778	8,358	5.0	4.5
EBIT	1,160	1,113	4.2	
EBIT (beia)	1,265	1,259	0.5	-5.5
Net profit	783	605	30	
Net profit (beia)	705	694	1.6	-4.0
Free operating cash flow	345	779	-56	
Net debt/EBITDA (beia)[2]	2.2x	2.1x		
Diluted EPS (beia) (in €)	1.22	1.17	4.3	

P.O. Box 28 - 1000 AA Amsterdam - The Netherlands
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[1] For an explanation of the terms used please refer to the Glossary in the Appendix. Unless otherwise stated, any reference to growth rates used throughout the report is calculated on an organic basis and volume relates to group beer volume.
[2] Includes acquisitions on a 12 month pro-forma basis.

CEO STATEMENT

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

"Our focus on delivering top-line growth continues to be successful with revenue increases across all regions and market share gains in several of our key markets.
The Heineken® brand again performed strongly in the international premium segment with organic volume growth of 6%.

Our Africa & the Middle East, Asia Pacific and Americas regions all delivered an excellent top- and bottom-line performance. The solid growth of the Americas region is particularly noteworthy as it reflects the success of our strategic initiatives in the important USA and Mexican beer markets. Although faced with a challenging economic environment and unfavourable weather, revenue in Western Europe increased slightly in the first half of the year, whereas the Central & Eastern Europe region reported solid organic top-line growth.

Our Global Business Services (GBS) organisation and other efficiency initiatives have enabled us to generate €85 million in savings under our Total Cost Management (TCM2) programme. Despite this benefit, our profitability in the first half of the year was impacted by difficult trading conditions across Europe as well as higher input costs and planned capability investments.

In the second half, we expect continued top-line momentum to benefit from ongoing high-impact brand marketing as well as capital investments in higher growth markets. Full year net profit (beia) is expected to be broadly in line with last year, on an organic basis."

Commenting on the proposed acquisition of Asia Pacific Breweries, van Boxmeer said:

"The decision by Fraser and Neave on 17 August 2012 to agree to our increased and final offer for its entire shareholding in APB and recommend the proposed transaction to its shareholders marks an important and exciting milestone in our acquisition of APB. The business of APB provides direct access to two of the world's most exciting growth regions for beer – Southeast Asia & the Pacific Islands, and China. We are working towards a swift completion of the transaction and are looking forward to ongoing growth and success in the region, led by the Heineken® and Tiger brands."

2012 FULL YEAR OUTLOOK[3]

Top-line: HEINEKEN continues to expect overall group revenues to benefit from continued positive momentum in higher growth economies across the Asia Pacific, Africa & the Middle East and the Americas regions. Volume in Western Europe is expected to remain subdued in the second half of 2012 owing to the challenging economic conditions.

Global Brands: Heineken® is expected to maintain its strong performance in the international premium segment. HEINEKEN will also continue to invest in the expansion of its other global brands - Desperados, Strongbow Gold, Amstel and Sol.

Input costs: In the first half of 2012, input costs increased by 6.9% on a per hectolitre basis, with this slight increase over earlier full year expectations reflecting the faster growth of countries with higher input cost inflation and a shift towards higher priced one-way packaging. HEINEKEN expects this mix effect to continue into the second half of the year. As a consequence, input costs per hectolitre are now expected to increase by approximately 8% for the full year 2012. HEINEKEN expects to largely offset this increase through a higher rate of revenue per hectolitre growth in the second half of the year.

Marketing and selling expenses: HEINEKEN expects marketing and selling (beia) expense as a percentage of revenue to be approximately 12.5%.

Total Cost Management (TCM2): The current TCM2 programme is targeting cost savings of €500 million over the period 2012-14 and is focused on driving operational cost efficiencies and on further leveraging HEINEKEN's global scale.

Effective tax rate: Similar to 2011, HEINEKEN´s effective tax rate (beia) in the second half of 2012 is expected to be below the rate in the first half, primarily reflecting the impact of varying country profit mix. HEINEKEN continues to expect a slight increase in the effective tax rate (beia) for the full year 2012 (2011: 26.8%).

Interest rate: HEINEKEN continues to expect a slightly higher average interest rate of around 5.5% in 2012 (2011: 5.2%).

Capital Expenditure: Gross capital expenditure on property, plant and equipment is expected to be approximately €1.2 billion (2011: €800 million). The higher capital expenditure level in 2012 reflects investments in additional brewing capacity and the renewal and expansion of the returnable bottle fleet in higher growth markets. Consequently, HEINEKEN expects a cash conversion ratio below 100% for 2012.

Net profit (beia): HEINEKEN expects full year operating profit performance to be weighted to the second half of the year. For the full year 2012, HEINEKEN expects net profit (beia) to be broadly in line with last year, on an organic basis. The combined impact of consolidation and foreign currency movements are expected to increase full year 2012 net profit (beia) by approximately €50 million.

[3] Excludes any impact from HEINEKEN's offer for Fraser & Neave, Limited's (F&N) direct and indirect interests in Asia Pacific Breweries Limited (APB) and F&N's 50% share of the non-APB assets in Asia Pacific Investment Pte Ltd, as announced on 17 August, 2012.

INTERIM DIVIDEND

In accordance with the existing dividend policy, HEINEKEN fixes its interim dividend at 40% of the total dividend of the previous year. As a result, an interim dividend of €0.33 per share of €1.60 nominal value will be paid on 4 September 2012. The shares will trade ex-dividend on 24 August 2012.

Investor Calendar Heineken N.V.

Trading update for Q3 2012	24 October 2012
Financial Markets Conference - Lagos, Nigeria	13-14 November 2012
Financial Results for the 2012 Full Year	13 February 2013
Trading update for Q1 2013	24 April 2013
Annual General Meeting of Shareholders (AGM)	25 April 2013

Press enquiries
John Clarke
Head of External Communication
E-mail: john.g.clarke@heineken.com
John-Paul Schuirink
Financial Communications Manager
E-mail: john-paul.schuirink@heineken.com
Tel: +31-20-5239355

Investor and analyst enquiries
George Toulantas
Director of Investor Relations
Lucia Bergamini
Senior Investor Relations Manager

E-mail: investors@heineken.com
Tel: +31-20-5239590

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 200 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 €17.1 billion and EBIT (beia) was €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.

INTRODUCTION

This report contains the interim financial report of Heineken N.V., headquartered in Amsterdam, the Netherlands.

The interim financial report for the six months ending 30 June 2012 consists of the statement of the Executive Board, the management report and the condensed consolidated interim financial statements. The condensed consolidated interim financial statements have been reviewed. The independent auditor's report of KPMG Accountants N.V. on the review of the interim financial statements is included on page 47.

STATEMENT OF THE EXECUTIVE BOARD

Statement ex Article 5:25d Paragraph 2 sub c Financial Markets Supervision Act ("Wet op het financieel toezicht").

To our knowledge:

1. The condensed consolidated interim financial statements for the six month period ended 30 June 2012, which have been prepared in accordance with IAS 34 interim financial reporting, give a true and fair view of the assets, liabilities, financial position, and profit of Heineken N.V. and the undertakings included in the consolidation as a whole;
2. The management report of the Executive Board for the six month period ended 30 June 2012 includes a fair review of the information required pursuant to article 5:25d paragraphs 8 and 9 of the Dutch Financial Markets Supervision Act ("Wet op het financieel toezicht").

Executive Board

Jean-François van Boxmeer (Chairman/CEO)
René Hooft Graafland (CFO)
Amsterdam, 21 August 2012

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OPERATIONAL REVIEW

Volume, global brands and innovation

Group beer volume grew 3.8% to 108 million hectolitres, including a 0.5% net consolidation impact. On an organic basis, group beer volume increased 3.3%, with volume higher in four out of the five regions. HEINEKEN's focus on delivering sustainable top-line growth led to further volume share gains across a number of key markets, including France, Mexico, Malaysia, the Netherlands, Nigeria, Russia, the UK and the USA.

Total consolidated volume increased 1.6% organically led by growth in consolidated beer volume of 2.8%. This was only partly offset by lower volume of soft drinks, cider and third party products.

Heineken® volume by region *(in mhl)*	Half Year 2012	Growth %
Heineken® volume in premium segment	**14.2**	**6.0**
Western Europe	3.9	-0.8
Central & Eastern Europe	1.1	3.4
The Americas	4.2	7.4
Africa & the Middle East	1.6	20
Asia Pacific	3.4	7.6

HEINEKEN continues to make strong top-line progress driven by global programmes, including global brands and innovation. Volume growth of the **Heineken®** premium brand accelerated further to 6% in the first half of 2012, significantly outperforming both the international premium segment and the overall beer market. Heineken® growth was widespread across both developed and emerging markets. In particular, the brand posted a strong performance in some key markets including Brazil, China, Mexico, Nigeria, Poland, Russia and the USA. Adjusting for the difference between higher shipments versus depletions in the USA, Heineken® brand growth in the Americas region would have been approximately 3%.

As part of the award-winning Heineken® 'Open Your World' global communication campaign, 'The Switch' went on-air in July 2012. Progress in social media continued with the number of Facebook fans following the Heineken® brand now close to 8 million, compared with 5 million at the end of 2011.

Desperados, the super-premium tequila-flavoured speciality beer, grew 12.5% with gains achieved in all markets. This was led by strong gains in Poland and Germany and continued growth in Russia, Spain, Belgium, the Netherlands and Austria. Since January 2012, HEINEKEN has obtained exclusive rights for the distribution of Desperados in the UK which is expected to support future development of the brand in this country.

P.O. Box 28 - 1000 AA Amsterdam - The Netherlands
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Sol, the Mexican beer, was successfully launched in Finland in March 2012 in the newly designed global bottle.

Volume of the **Strongbow** cider brand declined in the low-single digits reflecting lower volume in the UK, partly offset by strong brand growth in South Africa, Canada and the Caribbean. Strongbow Gold was successfully launched in Hungary earlier in the year. In June 2012, HEINEKEN acquired Stassen S.A. (subject to customary closing conditions), a leading international cider innovator based in Belgium. From 1 January 2013, HEINEKEN will regain the rights to distribute Strongbow in the USA.

Volume of the **Amstel** brand grew 4.5% led by strong performances in Nigeria, Russia and Burundi. The earlier successful launch of Amstel Premium Pilsener in certain key markets continued to support brand growth.

HEINEKEN continues to make significant progress against its target of reaching an **innovation rate** of 6% by 2020. In the first half of 2012, the further roll out of margin enhancing global brands such as Desperados, Amstel Premium Pilsener, Strongbow Gold and Sol, as well as the launch of 'radler' flavour varieties across various markets in Central & Eastern Europe, contributed to a higher innovation rate. HEINEKEN additionally introduced unpasteurised beer in Italy and non-alcoholic propositions in Nigeria and the Czech Republic. The 4 litre PET keg was successfully introduced under the Kaiser brand in Brazil and the Birra Moretti brand in Italy.

Total Cost Management (TCM2) programme

Cost savings by region *(in € million)*	Half Year **2012**	% of total savings
HEINEKEN	**85**	
Western Europe	27	31
Central & Eastern Europe	26	31
The Americas	20	23
Africa & the Middle East	9	11
Other	3	4

TCM2 is targeting €500 million of cost savings over the period 2012 to 2014. In the first six months of 2012, €85 million of pre-tax savings were achieved with over 60% of the savings realised in Europe. The Supply Chain and Commerce functions have contributed 46% and 26% of the realised savings, respectively. Pre-tax exceptional costs related to TCM2 in the period were €17million.

Global Business Services (GBS), a key enabler of cost savings under the TCM2 programme, is focused on leveraging HEINEKEN's global scale in purchasing as well as improving the quality and efficiency of financial transactional services in Europe. HEINEKEN expects to incur an investment (including IT infrastructure costs) of approximately €200 million through to the end of 2014 (€32 million of which was incurred by the end of 2011). In the first half of 2012, a further

€29 million of upfront GBS costs were expensed. These costs are being reported as organic and expensed at both operating company and head office level.
The UK and Romanian operations successfully transitioned to the HEINEKEN Global Shared Services Centre (HGSS) in Kraków, Poland in April 2012. The 'second wave' countries, comprising France, Ireland and Hungary, are planned for the fourth quarter of 2012. As at the end of June, HEINEKEN employed over 110 people in its HGSS offices in Kraków, representing 5 different nationalities and covering 15 languages. In May 2012, HEINEKEN announced that it had entered into a new global agreement with Starcom MediaVest Group, resulting in consolidation of entire media buying into one agency. This agreement was successfully concluded by HEINEKEN Global Procurement (HGP) and is expected to improve both the effectiveness and efficiency of HEINEKEN's global marketing communications. The considerable cost savings realised under this new global agreement will be reported as part of the TCM2 cost saving programme.

Acquisition of Asia Pacific Breweries

On 17 August 2012, HEINEKEN announced that it has agreed a final offer of S$53.00 per APB share for F&N's entire (direct and indirect) 39.7% effective stake in APB for a consideration of S$5.4 billion and a consideration of S$163 million for F&N's interest in the non-APB assets held by Asia Pacific Investment Pte Ltd (APIPL).

The proposed transaction is subject to approval (simple majority) from F&N's shareholders being obtained at an extraordinary general meeting (EGM) of F&N. HEINEKEN and F&N are both working towards a swift completion of the proposed transaction which is expected to complete in the fourth quarter of 2012, but no later than 15 December 2012.

On 21 August 2012, HEINEKEN acquired 6.9 million APB shares in the open market. When the proposed transaction is completed, the HEINEKEN group will hold an 84.2% stake in APB. HEINEKEN will then make a mandatory general offer (MGO) for all the shares of APB that the HEINEKEN group does not already own.

HEINEKEN will fund the proposed transaction and the MGO through available cash of approximately €2 billion, its committed undrawn revolving credit facility of €2 billion and a new bridge commitment.

The impact of the proposed transaction on HEINEKEN's results and financial position, as well as pro-forma figures, will be disclosed once approval has been obtained by F&N shareholders at the F&N EGM.

Further reference is made to HEINEKEN's announcement regarding the proposed transaction on 17 August 2012.

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REGIONAL REVIEW

Western Europe

(in mhl or € million unless stated otherwise)	Half Year 2012	Half Year 2011	Total change %	Organic change %
Group beer volume	21.8	22.6	-3.4	-2.9
Total consolidated volume	30.8	32.2	-4.4	-4.3
Of which: Consolidated beer volume	21.6	22.4	-3.4	-2.9
Revenue	3,814	3,804	0.3	0.1
EBIT (beia)	427	456	-6.2	-14
Operating profit (beia) margin	11.2%	12.0%	-80bps	

Group beer volume declined 2.9%, on an organic basis, following challenging economic conditions, particularly in Portugal and Spain, and unfavourable weather conditions compared to the prior year. This performance also reflects the planned reduction of a low-margin package in Finland, in line with our value growth strategy, which impacted regional volumes by 1%. The success of marketing programmes and long-term brand equity building initiatives contributed to market share gains in France, the Netherlands and the UK.

Revenue on an organic basis increased slightly as effective price management and improved brand mix offset lower consolidated volumes. Organically, **EBIT (beia)** was lower in the first half of 2012 driven by higher input costs and the impact of negative operating leverage on fixed costs from lower than planned volume. On a reported basis, EBIT (beia) includes a favourable currency effect and positive consolidation impact related to the Galaxy Pub Estate acquired in December 2011.

The **UK** business continued to perform well in the context of unseasonably poor weather and a challenging consumer environment, which contributed to a beer market decline of 4% in the first half of the year. Volume in the UK was in line with the prior year driving overall share gains. Total Foster's brand volume was stable, with solid growth momentum in the off-trade channel leading to mainstream beer leadership in this channel. Cider volumes declined in the mid-single digits, reflecting the impact of unfavourable weather during the period, and ongoing brand proliferation within this attractive category. The successful launch of new enhanced packaging for Strongbow and a pear flavour variant in both on and off-trade channels are expected to further broaden the brand's appeal to consumers.

Volume in the **Netherlands** declined in the low single digits, slightly outperforming the overall beer market. This volume performance reflects the effect of unfavourable weather versus the comparable prior year period, reduced consumer spending and an excise tax increase introduced on 1 January. Heineken® volume was lower, only partly offset by higher volume of the Amstel brand.

Volume in **France** declined in the low-single digits, outperforming the overall beer market. Beer volume declined in the low-single digits following a strong volume comparison last year from favourable weather conditions. In the period, HEINEKEN became the leading brewer in France by volume for the first time following consistent share gains over recent years.

Volume in **Spain** declined in the low single digits, a resilient performance in highly challenging economic conditions. New austerity measures were announced by the government in June, including a VAT increase, which contributed to further reduction in consumer spending in the on-premise channel. Lower volume of the Cruzcampo and Amstel brands was only partly offset by higher Heineken® volume.

Volume in **Italy** declined in the low-single digits following price increases ahead of competition, unfavourable weather and reduced consumer spending from declining consumer confidence and rising unemployment.

In **Portugal**, the implementation of strict austerity measures by government, including a VAT increase in the on-premise channel, has contributed to low levels of consumer confidence and reduced spending in the higher margin on-premise channel.

Central & Eastern Europe

(in mhl or € million unless stated otherwise)	Half Year **2012**	Half Year **2011**	Total change %	Organic change %
Group beer volume	26.8	25.4	5.7	5.7
Total consolidated volume	24.6	23.3	5.3	5.3
Of which: Consolidated beer volume	23.2	21.8	6.4	6.4
Revenue	1,587	1,577	0.7	5.6
EBIT (beia)	114	155	-27	-26
Operating profit (beia) margin	6.6%	9.5%	-290bps	

Group beer volume grew 5.7% organically, led by solid gains in Russia, Poland, Romania, Austria, Bulgaria and Belarus. This was only partly offset by lower volume in Greece and Germany.

Organic **revenue** grew 5.6%, in line with volumes reflecting limited realised pricing amidst a challenging economic and competitive environment. Reported revenue grew 0.7% reflecting unfavourable currency movements following a devaluation of the Polish zloty. **EBIT (beia)** declined organically by 26% as revenue gains were more than offset by significantly higher input costs and increased logistics and marketing expenses. The impact of negative operational leverage from lower volumes in Greece contributed to a significant decline in profitability in this country. Profit was also lower in Poland and Romania and remained broadly stable in Russia.

Volume in **Russia**, grew in the double digits, contributing to further market share gains. Volume growth was led by the Three Bears, Heineken® and Amstel brands. Revenue grew broadly in line with volume growth as higher pricing was offset by negative sales mix.

Volume in **Poland** rose 6% led by double digit growth of the Warka and Tatra brands, partly offset by a slight decline of the Zywiec brand. The faster growth of lower priced brands and continued consumer shift towards the discounter channel, contributed to overall negative price and sales mix in the country.

The effect of ongoing austerity measures in **Greece** continued to have a significant adverse effect on consumer confidence and spending, resulting in a low-double digit decline in volume.

Volume in **Austria** increased 4.1%, ahead of the market, owing to solid gains in the off-premise channel. Innovation contributed to this growth with the success of the Zipfer Limetten Radler, Gösser Krauter Radler and Edelweiss alcohol-free brand extension.

Volume in **Romania** grew in the mid-single digits, slightly behind 7% beer market growth. Volume gains were led by solid growth of the Bucegi and Ciuc brands. Despite this volume growth, a highly competitive environment constrained overall pricing.

The Americas

(in mhl or €million unless stated otherwise)	Half Year 2012	Half Year 2011	Total change %	Organic change %
Group beer volume	30.1	28.9	4.0	3.2
Total consolidated volume	26.0	24.4	6.6	3.9
Of which: Consolidated beer volume	25.5	24.3	4.8	3.8
Revenue	2,169	1,965	10	8.4
EBIT (beia)	333	294	13	6.5
Operating profit (beia) margin	13.6%	13.1%	50bps	

Group beer volume grew 3.2% organically, reflecting higher volume in the USA and Mexico, a broadly stable performance in Brazil and the Caribbean and a moderate decline at CCU, the Company's joint venture business in Chile and Argentina.

Revenue grew organically by 8.4%. This strong top-line performance was driven by higher consolidated volumes and solid price and sales mix improvements in Mexico, Brazil and the Caribbean. On an organic basis, **EBIT (beia)** grew by 6.5% with higher revenue partly offset by increased input costs and a slightly lower share of net profit in CCU. Strong pricing and positive operating leverage drove solid EBIT (beia) growth in Mexico, with profit also higher in the USA and the Caribbean and lower in Brazil. EBIT (beia) includes a positive consolidation impact in Haiti, and slight favourable currency impact as the positive effect of USA dollar hedging was only partly offset by a devaluation of the Mexican peso versus the euro reporting currency.

In **Mexico**, volume grew in the mid-single digits driven by outlet expansion and growth in the modern-trade channel. Strong activation of the Tecate Light and Dos Equis brands supported double-digit brand volume growth. The introduction of new returnable packaging for the Sol brand is expected to enhance brand appeal to consumers and drive long-term brand equity. Heineken® volume grew strongly following brand activation and increased distribution in targeted outlets.

In **Brazil**, volume remained broadly stable led by growth of the Kaiser brand and strong activation of Heineken® which contributed to brand growth of over 40%. In the first half of the year, Brazilian beer market growth was constrained by slower economic growth, unfavourable weather and earlier industry pricing actions.

In the **USA**, depletions (sales to retailers) for HEINEKEN USA increased 2.4% driven by continued positive growth momentum of the Heineken® brand and strong double digit growth of the Dos Equis and Tecate Light brands. This compares to market growth of 1%, contributing to market share gains in the first half of 2012. The consistent and improved performance in the USA reflects the benefit of a clear and focused portfolio strategy, increased innovation and strong marketplace execution.

Africa & the Middle East

(in mhl or € million unless stated otherwise)	Half Year 2012	Half Year 2011	Total change %	Organic change %
Group beer volume	14.8	13.7	7.8	4.9
Total consolidated volume	14.8	13.7	8.3	5.4
Of which: Consolidated beer volume	11.6	10.7	8.9	5.1
Revenue	1,292	1,052	23	15
EBIT (beia)	331	284	17	10
Operating profit (beia) margin	24.4%	25.4%	-100bps	

Group beer volume increased 7.8%, including 2.9% growth related to the first time consolidation in Ethiopia. On an organic basis, group beer volume rose 4.9% with over half of this growth in Nigeria, supported by positive volume contributions from Egypt, Algeria, Tunisia and the Company's joint venture operations in South Africa and Congo.

Strong volume growth and higher pricing and positive sales mix contributed to 15% organic **revenue** growth. Reported revenue growth includes a positive consolidation effect of 2.1% and a favourable foreign exchange impact of 5.4% mainly arising from an appreciation of the Nigerian naira versus the euro reporting currency.

EBIT (beia) increased 17%, driven by 10% organic growth, favourable currency movements and a positive contribution of the newly acquired business in Ethiopia.

Strong organic EBIT (beia) growth reflects increased revenues only partly offset by the higher cost of locally sourced raw materials and higher depreciation and personnel costs. EBIT (beia) growth was led by Nigeria, Algeria, Egypt, Rwanda, Burundi and Tunisia, while HEINEKEN's share of net profit in the South African joint venture was lower.

In **Nigeria**, volume grew in the mid-single digits, led by growth of all key brands including Heineken®, Star, Maltina, Amstel Malta and "33" Export. Volume in the second quarter was broadly in line with the prior year quarter as inflationary pressures in the country and social unrest across parts of the country impeded consumer spending. The Company continues to invest in additional brewing capacity and the upgrade of the returnable bottle fleet which is expected to further strengthen our leadership position in the market.

Beer volume in **Egypt** grew in the low double-digits, reflecting a recovery in the domestic market following social unrest last year. In June, production in the Badr brewery ceased, resulting in improved capacity utilisation in the country.

Volume in the **South Africa** joint venture operations returned to growth in the second quarter, resulting in low-single digit growth in the first six months of the year. The Heineken® and Windhoek brands led this volume growth.

Asia Pacific

(in mhl or € million unless stated otherwise)	Half Year **2012**	Half Year **2011**	Total change %	Organic change %
Group beer volume	14.6	13.5	7.6	8.3
Total consolidated volume	0.6	0.6	5.6	5.6
Of which: Consolidated beer volume	0.6	0.6	5.6	5.6
Revenue	113	99	14	7.5
EBIT (beia)	88	76	16	7.1
Operating profit (beia) margin	27.5%	26.1%	140bps	

A solid volume performance across HEINEKEN's joint venture operations, Asia Pacific Breweries (APB) and United Breweries Limited (UBL), resulted in organic **group beer volume** growth of 8.3%. Export volumes, primarily to Taiwan and South Korea, increased 5.6%, versus a challenging prior year comparison. The Heineken® brand grew 7.6% reaching 3.4 million hectolitres.

On an organic basis, **revenue** rose 7.5% driven by higher consolidated volumes and solid pricing in Export markets. Reported revenue growth of 14% includes the effect of favourable currency movements in Taiwan, South Korea and Japan. Organic **EBIT (beia)** growth of 7% reflects a higher share of net profit from joint venture operations and increased profit in export markets.

HEINEKEN's share of net profit in **APB**, our joint venture with Fraser & Neave, was in line with the prior year. This result includes an impairment charge and other operational losses of €21 million related to HEINEKEN's share of an investment in Jiangsu Dafuhao Breweries Co. Ltd in China. Volume increased 7%, largely driven by Vietnam, Indonesia, Papua New Guinea and Singapore.

Volume in UBL, the Company's joint venture in **India**, increased 10%. UBL's net profit increased substantially due to lower bottle costs following the establishment of UBL's proprietary bottle pool and reduced interest cost.

Export volume grew 5.6%, led by solid Heineken® brand growth in Taiwan and South Korea.

Head Office costs, other items and eliminations

(in mhl or € million unless stated otherwise)	Half Year 2012	Half Year 2011	Total change %	Organic change %
EBIT (beia)	-28	-6	Na	Na

Higher licensing income and revenues from malting and packaging operations were more than offset by higher planned investments in commercial and other capability building. This resulted in EBIT (beia) declining organically by €21million.

FINANCIAL REVIEW

Key financials

(in € million)	Half Year 2011	Consol. impact	Currency translation	Organic change	Half Year 2012	Organic change %
Revenues	8,358	27	21	372	8,778	4.5
Operating profit (beia)	1,151	43	23	-70	1,147	-6.1
EBIT (beia)	1,259	46	29	-69	1,265	-5.5
Net profit (beia)	694	17	22	-28	705	-4.0

Consolidation Impact and accounting changes

The following factors led to a consolidation impact on financial results in the first half of 2012:

- 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

Revenue

Revenue increased 5.0% to €8,778 million reflecting organic growth of 4.5%, a positive net consolidation effect of €27 million (+0.3%) and a favourable foreign currency effect of €21 million (+0.2%), largely driven by the Nigerian naira and the British pound. Organic **revenue** growth of 4.5% was driven by higher revenue across all regions. This performance reflects total consolidated volume growth of 1.6% and favourable pricing and sales mix which contributed to revenue per hectolitre growth of 2.9% (+3.4% excluding the impact of country mix).

Total Expenses

Total expenses (beia) increased 6.2% on an organic basis to €7,268 million.

Input costs increased organically 9.7% and by 6.9% on a per hectolitre basis. Energy and water costs were €276 million, up 6.9% organically, largely driven by higher oil prices. Personnel costs increased 6.6% organically.

Marketing and selling (beia) expenses increased by 1.7% organically, to €1,165 million, representing 13.3% of revenues (H1 2011: 13.6%).

EBIT and EBIT (beia)

EBIT (beia) grew 0.5% to €1,265 million. First time consolidations added €46 million (+3.7%). Favourable currency movements increased EBIT (beia) by €29 million (+2.3%).

On an organic basis, EBIT (beia) decreased 5.5% following a solid prior year comparative period. Higher revenue was more than offset by increased input costs and higher planned spending on marketing and capability building. Share of net profit from joint ventures and associates was stable as higher profit from the UBL and Congo joint venture operations was offset by lower profit in the South African and CCU joint venture operations. Share of net profit in APB was in line with the prior year. This organic EBIT (beia) performance includes an impairment charge and other operational losses of €21 million related to HEINEKEN's share of an investment in Jiangsu Dafuhao Breweries Co. Ltd in China.

On a reported basis, EBIT rose 4.2%, largely attributable to a €41million decrease in exceptional costs (refer to Exceptional items and amortisation section below for further details).

Net finance expenses

Net interest costs declined marginally on an organic basis. The average interest rate was in line with the prior year comparable period at 5.5%. Organically, other net finance expenses decreased slightly.

On a reported basis, other net finance expenses include a €175 million capital gain related to the revaluation of HEINEKEN's existing 22% interest in Brasserie d'Haiti and a €20 million gain related to the sale of a 9.3% interest in a brewery in the Dominican Republic.

Taxation

The Group's effective tax rate (beia) for the six months ended 30 June 2012 was 29.1% (30 June 2011: 29.5%). Similar to 2011, the effective tax rate (beia) in the first half of 2012 is higher than the rate expected in the second half of 2012, primarily reflecting the impact of varying country profit mix.

Net profit and net profit (beia)

Net profit (beia) declined organically 4.0% to €705 million, as lower EBIT (beia) was only partly offset by lower income tax expense and net finance expenses.

Foreign currency movements increased net profit by €22 million (+3.2%) due to a strengthening of local currencies versus the euro, while the net contribution from first time consolidations added €17 million (+2.4%).

Reported net profit amounted to €783 million, 30% ahead of the prior year (2011: €605 million). This includes a post-tax book gain of €131 million related to the sale of the 9.3% interest in a brewery in the Dominican Republic and a €20 million revaluation gain related the existing 22% interest in Brasserie d'Haiti.

Earnings per share (EPS) (beia)

Diluted EPS (beia) increased 4.3% to €1.22 reflecting higher net profit (beia) and a lower weighted average diluted number of shares following completion of the ASDI share repurchase programme in October 2011.

Exceptional items and amortisation of brands and customer relations (eia)

(in € million)	Half Year 2012	Half Year 2011
Amortisation of brands & customer relations incl. in EBIT		
Amortisation of brands and customer relations	(88)	(86)
Exceptional items included in EBIT		
TCM2 programme	(17)	(81)
Others	0	21
Net eia (losses)/gains included in EBIT	**(105)**	**(146)**
Exceptional items included in net finance expenses		
Non hedge accounting compliant derivatives UK	6	14
Revaluation gain in Haiti	20	0
Gain on sale of brewery investment in the Dominican Republic	175	0
Net eia (losses)/gains included in net finance expenses	**201**	**14**
Exceptional items included in income tax expenses		
Tax on amortisation of brands and customer relations	22	24
Tax effect on other exceptional items	(40)	19
Net eia (losses)/gains incl. in income tax expenses	**(18)**	**43**
Total eia (losses)/ gains included in net profit	**78**	**(89)**

In the first half of 2012, exceptional costs of €17 million were incurred under TCM2, primarily related to the restructuring of wholesale operations in the Netherlands.

On 17 January 2012, HEINEKEN increased its shareholding in Brasserie Nationale d'Haiti S.A. ('Brana') from 22.5% to 95%. The alignment to fair value of the existing stake in Brana resulted in the recognition of a book gain of €20 million.

On 16 April 2012 HEINEKEN sold its 9.3% minority stake in Cervecería Nacional Dominicana S.A. ('CND') in the Dominican Republic for US$237 million. This gave rise to a pre-tax gain of €175 million in the first half of 2012.

Foreign exchange rate movements

Currency fluctuations, mostly related to a weaker euro, increased EBIT by €29 million in the first half of 2012, with almost half of this impact attributable to a 4% appreciation of the Nigerian naira and a 6% appreciation of the British pound versus the euro. At the net profit level, foreign currency movements had a positive impact of €22 million.

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

The average EUR/USD exchange rate inclusive of hedging was 1.35 in the first half of 2012, versus 1.37 last year in the same period. For the full year 2012, the net dollar inflow is forecasted at US$705 million, of which 96% has been hedged at EUR/USD1.36 (2011: 1.35). For 2013, the net dollar inflow is forecasted at approximately US$685 million of which 77% is hedged at EUR/USD1.30 as of 16 August 2012.

Balance sheet and cash flow

Total assets increased to €28.6 billion (2011: €26.8 billion). Gross capital expenditure amounted to €413 million (2011: €276 million) representing 4.7% of revenues.

Free operating cash flow declined to €345 million from €779 million last year. This decrease was driven by higher planned capital expenditure in high growth markets and increased working capital due to sales growth and higher inventory levels across certain markets in Africa to support business expansion. Consequently, main working capital as a percentage of revenue increased to 4.6% (2011: 3.0%).

Equity attributable to equity holders of the Company increased by €848 million to €10,622 million, mainly driven by a positive currency impact on translation reserve due to a weaker euro versus most currencies, and higher reported profit leading to a positive movement in retained earnings, only partially offset by dividends paid.

Financial Structure

Net debt increased to €8,437 million (from €8,355 million at the end of December 2011) as dividends paid and negative foreign currency movements exceeded positive free operating cash flow and a net cash inflow related to acquisitions and disposals.

The net debt/EBITDA (beia) ratio of 2.2x on 30 June 2012 was in line with the ratio at December 2011, and within HEINEKEN's long-term target ratio of below 2.5x.

Including the effect of cross-currency swaps, 69% of net debt is euro-denominated, with the remaining part mostly denominated in US dollar, British pound, Nigerian naira, Polish zloty, Swiss franc and Mexican peso.

Total gross debt amounts to €9,171 million. Including the Eurobonds which were placed in July 2012, the pro-forma maturity profile of HEINEKEN's long-term gross debt as at 30 June 2012 is as follows:

Long-term debt maturity profile[1]

Year	€ million
HY2: 2012	351
2013	1,348
2014	1,858
2015	722
2016	1,057
2017	85
2018	842
2019	850
2020	1,000
2021	0
2022	596
2023	0
2024	500
2025	750

[1] Includes proceeds from the placement of €1.75 billion of Notes in July 2012.

For the first time in the Company's 148 year history, HEINEKEN was assigned public credit ratings on 7 March 2012. HEINEKEN received solid investment grade credit ratings by Moody's Investor Service (Baa1) and Standard & Poors (BBB+). The ratings were assigned to HEINEKEN's European Medium Term Note (EMTN) Programme, which was updated on 7 March 2012 and all Notes issued thereafter.

On 19 March 2012, HEINEKEN issued €1.35 billion of Notes under its EMTN Programme comprising of €850 million of 7-year Notes with a coupon of 2.5% and €500 million of 12-year Notes with a coupon of 3.5%. On 3 April 2012, HEINEKEN issued US$750 million of 10-year 144A/RegS US Notes with a coupon rate of 3.4%. On 26 July 2012, HEINEKEN placed €1.75 billion of Notes under its EMTN Programme, consisting of 8-year Notes for a principal amount of €1 billion with a coupon of 2.125% and €750 million of 13-year Notes with a coupon of 2.875%.

As at 30 June 2012, the committed financing headroom including cash balances available at Group level was approximately €2.3 billion.

Reconciliation of reported and (beia) financial measures

(in € million, except per share data)	Half Year ended 30 June, 2012			
		EIA		
	Reported	Amortisation of brands, customer relationships	Exceptional Items	(beia)
Results from operating activities	1,044	86	17	1,147
Attributable share of net profit from associates and joint ventures	116	2	0	118
EBIT	**1,160**	**88**	**17**	**1,265**
Net Profit	783	66	(144)	705
Diluted EPS[1]	1.36	0.11	(0.25)	1.22

(in € million, except per share data)	Half Year ended 30 June, 2011			
		EIA		
	Reported	Amortisation of brand, customer relationship	Exceptional Items	(beia)
Results from operating activities	1,006	86	60	1,152
Attributable share of net profit from associates and joint ventures	107	–		107
EBIT	**1,113**	**86**	**60**	**1,259**
Net Profit	605	62	27	694
Diluted EPS[1]	1.02	0.10	0.05	1.17

[1] Per share amounts may not add due to rounding

Average number of shares

In the calculation of **basic EPS**, the shares held for the employee incentive programmes are deducted from the weighted average number of ordinary shares outstanding. The weighted average number of shares outstanding in the first half of 2012 was 574,931,263 (2011: 591,373,311). In the calculation of **diluted** EPS, shares outstanding in relation to the employee incentive programme are not deducted from the weighted average shares outstanding. The weighted average diluted number of shares outstanding in the first half of 2012 was 576,002,613 (2011: 592,462,592).

UPDATE RISK PARAGRAPH

The annual report 2011 describes HEINEKEN's main risks and mitigation activities at the time of closing the 2011 financial year. Except for the increased uncertainty around the Euro crisis, in the Company's view, the nature and potential impact of these risks have not materially changed in the first half of 2012. Reference is made to pages 34 to 38 of the Annual Report 2011 for a detailed description of HEINEKEN's risks and risk control systems.

Some related risks have evolved e.g. an increased effect of austerity measures by governments aimed at reducing budget deficits potentially impacting consumer purchasing power and customer solvency, increasing the likelihood of increases in taxes (including beer excise duties), counterparty risks and risk of fluctuations of foreign exchange and interest rates that may impact the results and equity. However, the business impact differs across regions and operations.

There may be current risks not having a significant impact on the business but which could – at a later stage – have a material impact on the Company's business. The Company's risk management systems are focused on timely discovery of such risks.

Condensed consolidated interim financial statements for the six months period ended 30 June 2012

Contents

CONDENSED CONSOLIDATED INTERIM INCOME STATEMENT

For the period ended 30 June

In millions of EUR	Note	2012	2011
Revenue	4	**8,778**	**8,358**
Other income	4	**8**	**18**
Raw materials, consumables and services	6	5,632	5,348
Personnel expenses		1,505	1,452
Amortisation, depreciation and impairments		605	570
Total expenses		**7,742**	**7,370**
Results from operating activities	4	**1,044**	**1,006**
Interest income	7	30	62
Interest expenses	7	(264)	(281)
Other net finance income	8	205	2
Net finance expenses		**(29)**	**(217)**
Share of profit of associates and joint ventures and impairments thereof (net of income tax)		116	107
Profit before income tax		**1,131**	**896**
Income tax expenses	9	(285)	(229)
Profit		**846**	**667**
Attributable to:			
Equity holders of the Company (net profit)		783	605
Non-controlling interests		63	62
Profit		**846**	**667**
Weighted average number of shares – basic	14	574,931,263	591,373,311
Weighted average number of shares – diluted	14	576,002,613	592,462,592
Basic earnings per share (EUR)		1.36	1.02
Diluted earnings per share (EUR)		1.36	1.02

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the period ended 30 June *In millions of EUR*	Note	2012	2011
Profit		**846**	**667**
Other comprehensive income:			
Foreign currency translation differences for foreign operations		427	(462)
Effective portion of change in fair value of cash flow hedges		(1)	80
Effective portion of cash flow hedges transferred to income statement		12	(4)
Net change in fair value available-for-sale investments		95	2
Net change in fair value available-for-sale investments transferred to the income statement		(151)	(1)
Actuarial gains and losses		(5)	-
Share of other comprehensive income of associates/joint ventures		(2)	(11)
Other comprehensive income, net of tax	13	**375**	**(396)**
Total comprehensive income		**1,221**	**271**
Attributable to:			
Equity holders of the Company		1,147	226
Non-controlling interests		74	45
Total comprehensive income		**1,221**	**271**

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

As at *In millions of EUR*	Note	30 June 2012	31 December 2011
Assets			
Property, plant & equipment	10	8,021	7,860
Intangible assets	11	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 *In millions of EUR*	Note	30 June 2012	31 December 2011
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 the Company	14	**10,622**	**9,774**
Non-controlling interests		316	318
Total equity		**10,938**	**10,092**
Liabilities			
Loans and borrowings	15	7,585	8,199
Tax liabilities		149	160
Employee benefits	16	1,153	1,174
Provisions	17	440	449
Deferred tax liabilities		886	894
Total non-current liabilities		**10,213**	**10,876**
Bank overdrafts	15	358	207
Loans and borrowings	15	1,378	981
Trade and other payables		5,302	4,624
Tax liabilities		324	207
Provisions	17	102	140
Total current liabilities		**7,464**	**6,159**
Total liabilities		**17,677**	**17,035**
Total equity and liabilities		**28,615**	**27,127**

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

For the period ended 30 June

In millions of EUR	Note	2012	2011
Operating activities			
Profit		846	667
Adjustments for:			
Amortisation, depreciation and impairments		605	570
Net interest expenses	7	234	219
Gain on sale of property, plant & equipment, intangible assets and subsidiaries, joint ventures and associates		(8)	(18)
Investment income and share of profit of associates and joint ventures and impairments thereof		(129)	(112)
Income tax expenses	8	285	229
Other non-cash items		(108)	133
Cash flow from operations before changes in working capital and provisions		**1,725**	**1,688**
Change in inventories		(303)	(264)
Change in trade and other receivables		(785)	(575)
Change in trade and other payables		525	567
Total change in working capital		**(563)**	**(272)**
Change in provisions and employee benefits		(96)	9
Cash flow from operations		**1,066**	**1,425**
Interest paid		(237)	(251)
Interest received		28	37
Dividend received		137	68
Income taxes paid		(240)	(233)
Cash flow related to interest, dividend and income tax		**(312)**	**(379)**
Cash flow from operating activities		**754**	**1,046**
Investing activities			
Proceeds from sale of property, plant & equipment and intangible Assets		78	46
Purchase of property, plant & equipment	10	(413)	(276)
Purchase of intangible assets	11	(26)	(15)
Loans issued to customers and other investments		(79)	(55)
Repayment on loans to customers		31	33
Cash flow (used in)/from operational investing activities		**(409)**	**(267)**
Free operating cash flow		**345**	**779**

For the period ended 30 June

In millions of EUR	Note	2012	2011
Acquisition of subsidiaries, net of cash acquired	5	(67)	(254)
Acquisition/additions of associates, joint ventures and other investments		(62)	(63)
Disposal of associates, joint ventures and other investments		186	32
Cash flow (used in)/from acquisitions and disposals		**57**	**(285)**
Cash flow (used in)/from investing activities		**(352)**	**(552)**
Financing activities			
Proceeds from loans and borrowings		2,129	816
Repayment of loans and borrowings		(2,417)	(996)
Dividends paid		(373)	(365)
Purchase own shares		-	(200)
Acquisition of non-controlling interests		(3)	-
Disposal of interests without a change in control		-	43
Shares issued within the Group		15	-
Other		-	10
Cash flow (used in)/from financing activities		**(649)**	**(692)**
Net Cash Flow		**(247)**	**(198)**
Cash and cash equivalents as at 1 January		606	478
Effect of movements in exchange rates		5	(11)
Cash and cash equivalents as at 30 June		**364**	**269**

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

In millions of EUR	Share capital	Share Premium	Translation reserve	Hedging reserve	Fair value reserve	Other legal reserves	Reserve for own shares	ASDI	Retained earnings	Equity attributable to equity holders of the Company	Non-controlling interests	Total equity
Balance as at 1 January 2011	922	2,701	(93)	(27)	90	899	(55)	666	5,125	10,228	289	10,517
Policy changes *	–	–	–	–	–	–	–	–	(296)	(296)	(1)	(297)
Restated balance as at 1 January 2011	922	2,701	(93)	(27)	90	899	(55)	666	4,829	9,932	288	10,220
Other comprehensive income	–	–	(451)	74	(2)	(40)	–	–	40	(379)	(17)	(396)
Profit	–	–	–	–	–	142	–	–	463	605	62	667
Total comprehensive income	**–**	**–**	**(451)**	**74**	**(2)**	**102**	**–**	**–**	**503**	**226**	**45**	**271**
Transfer to retained earnings	–	–	–	–	–	(66)	–	–	66	–	–	–
Dividends to shareholders	–	–	–	–	–	–	–	–	(299)	(299)	(81)	(380)
Share issued	–	–	–	–	–	–	–	–	–	–	–	–
Purchase/reissuance own/non-controlling shares	–	–	–	–	–	–	(200)	–	–	(200)	(1)	(201)
Allotted Share Delivery Instrument	–	–	–	–	–	–	201	(182)	(19)	–	–	–
Own shares delivered	–	–	–	–	–	–	5	–	(5)	–	–	–
Share-based payments	–	–	–	–	–	–	–	–	12	12	–	12
Share purchase mandate	–	–	–	–	–	–	–	–	(179)	(179)	–	(179)
Acquisition of non-controlling interests without a change in control	–	–	–	–	–	–	–	–	33	33	10	43
Changes in consolidation	–	–	–	–	–	–	–	–	–	–	(2)	(2)
Balance as at 30 June 2011	**922**	**2,701**	**(544)**	**47**	**88**	**935**	**(49)**	**484**	**4,941**	**9,525**	**259**	**9,784**

* The 2011 accounting policy change relates to employee benefits.

In millions of EUR	Share capital	Share Premium	Translation reserve	Hedging reserve	Fair value reserve	Other legal reserves	Reserve for own shares	ASDI	Retained earnings	Equity attributable to equity holders of the Company	Non-controlling interests	Total equity
Balance as at 1 January 2012	922	2,701	(575)	(69)	159	1,026	(43)	–	5,653	9,774	318	10,092
Other comprehensive income	–	–	397	15	(53)	–	–	–	5	364	11	375
Profit	–	–	–	–	–	203	–	–	580	783	63	846
Total comprehensive income	**–**	**–**	**397**	**15**	**(53)**	**203**	**–**	**–**	**585**	**1,147**	**74**	**1,221**
Transfer to retained earnings	–	–	–	–	–	(103)	–	–	103	–	–	–
Dividends to shareholders	–	–	–	–	–	–	–	–	(305)	(305)	(90)	(395)
Purchase/reissuance own/non-controlling shares	–	–	–	–	–	–	–	–	(1)	(1)	11	10
Own shares delivered	–	–	–	–	–	–	17	–	(17)	–	–	–
Share-based payments	–	–	–	–	–	–	–	–	7	7	–	7
Acquisition of non-controlling interests without a change in control	–	–	–	–	–	–	–	–	–	–	3	3
Balance as at 30 June 2012	**922**	**2,701**	**(178)**	**(54)**	**106**	**1,126**	**(26)**	**–**	**6,025**	**10,622**	**316**	**10,938**

Notes to the condensed consolidated interim financial statements

1. REPORTING ENTITY

Heineken N.V. (the 'Company') is a company domiciled in the Netherlands. The condensed consolidated interim financial statements of the Company as at and for the six months period ended 30 June 2012 comprise the Company and its subsidiaries (together referred to as 'HEINEKEN' or the 'Group' and individually as 'HEINEKEN' entities) and HEINEKEN's interests in Joint Ventures and associates. In the half year 2012 consolidated interim income statement the figures of Brasserie Nationale d'Haiti S.A. ('Brana') are included from 17 January 2012 to 30 June 2012.

The consolidated financial statements of the Group as at and for the year ended 31 December 2011 are available upon request from the Company's registered office at Tweede Weteringplantsoen 21, Amsterdam or at www.heinekeninternational.com.

2. BASIS OF PREPARATION

(a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standard (IFRS) IAS 34 'Interim Financial Reporting' as endorsed by the EU. They do not include all of the information required for full annual financial statements, and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2011.

These condensed consolidated interim financial statements were approved by the Executive Board of the Company on 21 August 2012.

(b) Functional and presentation currency

These condensed consolidated interim financial statements are presented in euro, which is the Company's functional currency. All financial information presented in euro has been rounded to the nearest million unless stated otherwise.

(c) Use of estimates and judgements

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2011.

3. Significant accounting policies

(a) General

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2011.

(b) Taxes

Income tax expense is recognised based on management's best estimate of the weighted average expected full year income tax rate per country.

(c) Financial risk management

The aspects of the Company's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended 31 December 2011. The impact from the continuing crisis in Europe is closely monitored and the risks connected to the weak economic environment receive the highest management attention. Some related risks have evolved; e.g. an increased effect of austerity measures by governments aimed at reducing budget deficits potentially impacting consumer purchasing power and customer solvency, increasing the likelihood of increases in taxes (including beer excise duties), counterparty risks and risk of fluctuations of foreign exchange and interest rates that may impact the results and equity. However, the business impact differs across regions and operations.

On 17 January 2012, HEINEKEN reached an agreement with the former management of Brasserie Nationale d'Haiti S.A. ('Brana') to increase its shareholding in 'Brana' from 22.5% to 95%. This step acquisition leads to business integration. The general risk of business integration as described in the annual report 2011 applies to this acquisition.

4. OPERATING SEGMENTS

For the six months period ended 30 June 2012 and 30 June 2011

In millions of EUR	Western Europe		Central and Eastern Europe		The Americas		Africa and the Middle East		Asia Pacific		Head Office & Other/ Eliminations		Consolidated	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Revenue	**3,814**	**3.804**	**1,587**	**1,577**	**2,169**	**1,965**	**1,292**	**1,052**	**113**	**99**	**(197)**	**(139)**	**8.778**	**8,358**
Other Income	1	14	4	4	1	–	2	–	–	–	–	–	8	18
Result from operating activities	**375**	**362**	**99**	**143**	**253**	**214**	**315**	**268**	**31**	**26**	**(29)**	**(7)**	**1,044**	**1,006**
Net finance expenses													(29)	(217)
Share of profit of associates and joint ventures and impairments thereof	1	1	8	6	37	36	15	16	57	50	(2)	(2)	116	107
Income tax expenses													(285)	(229)
Profit													**846**	**667**

4. OPERATING SEGMENTS (CONTINUED)

In millions of EUR	Western Europe		Central and Eastern Europe		The Americas		Africa and the Middle East		Asia Pacific		Head Office & Other/ Eliminations		Consolidated	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
EBIT reconciliation														
EBIT	375	363	108	149	291	250	330	284	87	76	(31)	(9)	1,160	1,113
Eia[1]	52	93	6	6	42	44	1	–	1	–	3	3	105	146
EBIT (beia)	**427**	**456**	**114**	**155**	**333**	**294**	**331**	**284**	**88**	**76**	**(28)**	**(6)**	**1,265**	**1,259**
For the period ended 30 June 2012 and 31 December 2011														
Total segment assets	10,551	10,052	4,887	4,515	7,721	7,375	3,238	2,993	565	629	1,161	1,076	28,123	26,640
Unallocated assets	–	–	–	–	–	–	–	–	–	–	–	–	492	487
Total assets													**28,615**	**27,127**

[1] For definitions see 'Glossary'. Note that these are non-GAAP measures. For further detail please refer to note 12.

Seasonality

The performance of the Group is subject to seasonal fluctuations as a result of weather conditions. The Group's full year results and volumes are dependent on the performance in the peak-selling season (May-August), typically resulting in higher revenue and profitability in the second half year for the regions Western Europe, Central and Eastern Europe and Americas. The impact from this seasonality is also noticeable in several working capital related items such as inventory, trade receivables and payables.

Segment assets and results

The main changes in segment assets are caused by seasonality and capital expenditures. The results are driven by underlying economic conditions and input costs.

5. ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND NON-CONTROLLING INTERESTS

Acquisition of business in Haiti

On 17 January 2012, Heineken N.V. completed the transaction to increase its shareholding in Brasserie Nationale d'Haiti S.A. ('Brana'), the country's leading brewer, from 22.5% to 95%. The transaction has been funded from existing resources.

The acquisition of 'Brana' contributed revenue of EUR45 million and results from operating activities of EUR8 million (EBIT) for the period from 17 January 2012 to 30 June 2012. Amortisation of brands for the six-months amounted to EUR0.1 million. The impact on the financial statements of HEINEKEN for the additional days (1 till 17 January 2012) is not material.

The following summarises the major classes of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed at the acquisition date.

*In millions of EUR**	
Property, plant & equipment	51
Intangible assets	5
Other investments	-
Inventories	16
Trade and other receivables	4
Cash and cash equivalents	7
Assets acquired	**83**
Loans and borrowings	2
Provisions	-
Deferred tax liabilities	1
Loans and borrowings (current)	7
Tax liabilities (current)	3
Trade and other current liabilities	13
Liabilities assumed	**26**
Total net identifiable assets	**57**
Consideration transferred	67
Fair value of previous interest in the acquire	21
Recognition indemnification receivable	-
Non-controlling interests	3
Net identifiable assets acquired	(57)
Goodwill on acquisition	**34**

* Amounts were converted into EUR at the rate of EUR/HTG 54.2613. Additionally, certain amounts provided in US dollar were converted into EUR based on the following exchange rate EUR/USD 1.3446.

The purchase price accounting for the acquired business is prepared on a provisional basis. Goodwill has been allocated to Haiti in the America's region and is held in HTG (Haitian Gourde). The rationale for the allocation is that the acquisition provides access to the Haitian market: access to additional capacity, consolidate market share within a fast-growing market and improved profitability through synergies. The entire amount of goodwill is not expected to be tax deductible.

The fair value of the previously held 22.5% in 'Brana' is recognised at EUR21 million. The remeasurement to fair value of the Group's existing 22.5% in 'Brana' resulted in a net profit of EUR20 million that has been recognised in profit or loss in the other net finance income.

Non-controlling interests are recognised based on their proportional interest in the recognised amounts of the assets and liabilities of 'Brana' of EUR3 million. In the net assets acquired, HEINEKEN noted trade receivables with a fair value of EUR1.2 million. The gross amount is EUR1.6 million, of which EUR0.4 million is considered doubtful.

Acquisition related costs are not material and have been recognised in profit or loss for the period ended 30 June 2012.

Provisional accounting other acquisitions 2011

The accounting of the acquisition of two breweries in Ethiopia has been concluded on 4 August 2012. No adjustments were made to the provisional accounting of this acquisition.

6. RAW MATERIALS, CONSUMABLES AND SERVICES

For the period ended 30 June *In millions of EUR*	2012	2011
Raw materials	929	794
Non-returnable packaging	1,171	1,050
Goods for resale	738	724
Inventory movements	(201)	(101)
Marketing and selling expenses	1,165	1,141
Transport expenses	495	507
Energy and water	276	263
Repair and maintenance	224	197
Other expenses	835	773
	5,632	**5,348**

Other expenses include rentals of EUR130 million (2011: EUR120 million), consultant expenses of EUR79 million (2011: EUR67 million), telecom and office automation of EUR83 million (2011: EUR77 million), travel expenses of EUR74 million (2011: EUR64 million) and other fixed expenses of EUR469 million (2011: EUR445 million).

7. INTEREST INCOME AND EXPENSE

Net interest income and expenses increased to EUR234 million compared to 2011 (EUR219 million), mostly due to higher average debt levels in 2012 versus 2011 because of completion of the ASDI program in October 2011 and the acquisition of the Galaxy pubs and the SONA breweries in Nigeria. The average interest rate in the first half of 2012 was around 5.5%.

8. OTHER NET FINANCE INCOME

The other net finance income relates to the sale of our 9.3% minority shareholding in Cervecería Nacional Dominicana S.A. ('CND') in the Dominican Republic leading to a gain on disposal of the available for sale investment of EUR175 million and the revaluation of HEINEKEN's existing 22.5% interest in Brasserie d'Haiti of EUR20 million.

9. INCOME TAX EXPENSE

The Group's consolidated effective tax rate in respect of continuing operations for the six months ended 30 June 2012 was 28.1% (for the six months period ended 30 June 2011: 29%). The lower half year 2012 rate can be mainly explained by the positive net impact of one-off items.

10. PROPERTY PLANT AND EQUIPMENT

Acquisitions:
During the six months ended 30 June 2012 the Group acquired assets with a cost of EUR413 million (six months ended 30 June 2011: EUR276 million).

Capital commitments:
As per the six months ended 30 June 2012, the Group entered into contracts for capital expenditure commitments that largely relate to property, plant and equipment for EUR419 million (six months ended 30 June 2011: EUR220 million).

11. INTANGIBLE ASSETS

Impairment tests for cash-generating units containing goodwill:
A review of impairment triggers has been performed as at 30 June 2012. Based on this review no events were noted that qualified as a triggering event and as such no impairment tests were performed. Goodwill is tested annually for impairment during the fourth quarter.

12. EBIT AND EBIT (BEIA)

In the internal management reports HEINEKEN measures its performance primarily based on EBIT and EBIT (beia), these are non-GAAP measures not calculated in accordance with IFRS. A similar non-GAAP adjustment can be made to the IFRS profit or loss as defined in IAS 1 paragraph 7 being the total of income less expense. Exceptional items are defined as items of income and expense of such size, nature or incidence, that in the view of management their disclosure is relevant to explain the performance of HEINEKEN for the period.

Exceptional items for the six months ended 30 June 2012 on EBIT level amounted to a loss of EUR105 million (six months ended 30 June 2011: loss of EUR146 million), mainly relating to a restructuring expense in the Western Europe region of EUR17 million and amortisation of brands and customer relationships amounted to EUR86 million (six months ended 30 June 2011: EUR86 million).

13. TAX EFFECTS RELATING TO EACH COMPONENT OF OTHER COMPREHENSIVE INCOME

For the period ended 30 June

In millions of EUR

Other comprehensive income:	Amount before tax	2012 tax	Amount net of tax	Amount before tax	2011 tax	Amount net of tax
Foreign currency translation differences for foreign operations	437	(10)	427	(462)	-	(462)
Effective portion of changes in fair value of cash flow hedge	(2)	1	(1)	107	(27)	80
Effective portion of cash flow hedges transferred to the income statement	16	(4)	12	(5)	1	(4)
Net change in fair value available-for-sale investments	139	(44)	95	2	-	2
Net change in fair value available-for-sale investments transferred to the income statement	(195)	44	(151)	(1)	-	(1)
Actuarial gains / losses	-	(5)	(5)	-	-	-
Share of other comprehensive income of associates and joint ventures	(2)	-	(2)	(11)	-	(11)
Total other comprehensive income	**393**	**(18)**	**375**	**(370)**	**(26)**	**(396)**

14. EQUITY

Reserves

The reserves consist of translation reserve, hedging reserve, fair value reserve, other legal reserve and reserve for own shares. The main variance in comparison to prior year (as at 30 June) is driven by the ASDI and foreign currency translation in translation reserve.

ASDI

On 3 October 2011 HEINEKEN announced that the share repurchase programme in connection with the acquisition of the beer operations of FEMSA had been completed. During the year 2011 all these shares were delivered to FEMSA under the ASDI.

Weighted average number of shares – basic

In shares:	2012	2011
Number of shares – basic– as at 1 January	576,002,613	576,002,613
Effect of LTV own shares held	(1,071,350)	(1,089,281)
Effect of undelivered ASDI shares	–	16,459,979
Weighted average number of shares – basic – as at 30 June	574,931,263	591,373,311
Effect of own shares held	1,071,350	1,089,281
Weighted average number of shares – diluted – as at 30 June	576,002,613	592,462,592

Dividends

The following dividends were declared and paid by Heineken:

In shares:	2012	2011
Final dividend previous year EUR0.53 (to reach the total of EUR0.83 per qualifying ordinary share)	305	299
Total dividend declared and paid	**305**	**299**

After the balance sheet date the Executive Board announced the following interim dividend that has not been provided for.

In millions of EUR	2012	2011
EUR0.33 per qualifying ordinary share (2011: EUR0.30) (Excluding ASDI)	190	172

15. NET INTEREST-BEARING DEBT POSITION

In millions of EUR	30 June 2012	31 December 2011
Non-current interest-bearing liabilities	7,435	7,995
Current portion of non-current interest-bearing liabilities	897	532
Deposits from third parties (mainly employee loans)	481	449
	8,813	8,976
Bank overdrafts	358	207
	9,171	9,183
Cash, cash equivalents and current other investments	(734)	(828)
Net interest-bearing debt position	**8,437**	**8,355**

Financial structure

For the first time in the Company's 148 year history, HEINEKEN was assigned public credit ratings on 7 March 2012. HEINEKEN received solid investment grade credit ratings by Moody's Investor Service (Baa1) and Standard & Poors (BBB+). The ratings were assigned to HEINEKEN's European Medium Term Note (EMTN) Programme, which was updated on 7 March 2012.

New Financing

On 19 March 2012, HEINEKEN issued EUR1.35 billion of Notes under its EMTN Programme comprising of EUR850 million of 7-year Notes with a coupon of 2.5% and EUR500 million of 12-year Notes with a coupon of 3.5%. On 3 April 2012, HEINEKEN issued USD750 million of 10-year 144A/RegS US Notes with a coupon of 3.4%, further improving the currency and maturity profile of the Company's long-term debt. The proceeds of the offerings have been used for general corporate purposes and repayments on debt facilities.

Incurrence covenant

HEINEKEN has an incurrence covenant in some of its financing facilities. This incurrence covenant is calculated by dividing Net Debt (calculated in accordance with the consolidation method of the 2007 Annual Accounts) by EBITDA (beia) (also calculated in accordance with the consolidation method of the 2007 Annual Accounts and including the pro-forma full-year EBITDA of any acquisitions made in 2011 and for the period ended 30 June 2012). As at 30 June 2012 this ratio was 2.1 (2011: 2.1). If the ratio would be beyond a level of 3.5, the incurrence covenant would prevent us from conducting further significant debt financed acquisitions.

16. EMPLOYEE BENEFITS

In accordance with IAS 34, actuarial gains and losses are reported in the condensed consolidated interim financial statements only if there have been significant changes in the financial markets. In the first six months of 2012 no actuarial gains and losses were recorded as the changes in the financial markets during the period were considered not significant. In the first six months of 2011 no actuarial gains and losses were recorded.

Under the revised IAS 19 Employee Benefits standard, with effective date 1 January 2013, the expected return on assets should be calculated using the discount rate instead of the market rate. HEINEKEN made an estimate of the impact on the income statement of this amendment.

The total pension expenses would have been EUR20 million higher under IAS19R as per 30 June 2012 (EUR21 million as per 30 June 2011). The full year 2012 impact would result in an estimated EUR40 million higher pension expense (2011: EUR41 million).

17. PROVISIONS

The provision for restructuring mainly relates to restructuring programmes in Spain, The Netherlands and France.

Other provisions consist of, amongst others, provisions formed for onerous contracts, surety provided, litigation and claims, and environmental provisions.

18. CONTINGENCIES

Brazil

As part of the acquisition of the beer operations of FEMSA in 2010, HEINEKEN inherited existing legal proceedings with labour unions, tax authorities and other parties of its, now wholly-owned, subsidiary Cervejarias Kaiser (Heineken Brazil). The proceedings have arisen in the ordinary course of business and are common to the current economic and legal environment of Brazil. The proceedings have partly been provided for. The contingent amount being claimed against Heineken Brazil resulting from such proceedings as at 30 June 2012 is EUR927 million. Such contingencies were classified by legal counsel as less than probable but more than remote of being settled against Heineken Brazil. However, HEINEKEN believes that the ultimate resolution of such legal proceedings will not have a material adverse effect on its consolidated financial position or result of operations. HEINEKEN does not expect any significant liability to arise from these contingencies. A significant part of the aforementioned contingencies (EUR419 million) are tax related and qualify for indemnification by FEMSA.

As is customary in Brazil, Heineken Brazil has been requested by the tax authorities to collateralise tax contingencies currently in litigation amounting to EUR311 million by either pledging fixed assets or entering into available lines of credit which cover such contingencies.

No other material updates in comparison with year-end reporting December 2011 were identified that need to be reported.

19. RELATED PARTY TRANSACTIONS

Heineken has related party relationships with its shareholders, associates and joint ventures. These transactions are conducted on terms comparable to transactions with third parties. The related party transactions with associates and joint ventures in the first six months period ended 30 June 2012 do in substance not deviate from the transactions as reflected in the financial statements as at and for the year ended 31 December 2011.

20. SUBSEQUENT EVENTS

Asia Pacific Breweries

On 17 August 2012, HEINEKEN has agreed a final offer of SGD53 per APB share for F&N’s entire (direct and indirect) 39.7% effective stake in APB for a consideration of SGD5.4 billion and a consideration of SGD163 million for F&N’s interest in the non - APB assets held by Asia Pacific Investment Private Limited (APIPL), a 50/50 joint venture between HEINEKEN and F&N (the Proposed Transaction). When the Proposed Transaction is completed, HEINEKEN will hold an 84.2% stake (calculated as at close of business 21 August 2012) in APB and gain control of APB’s business.

In accordance with the Singapore Code on Takeovers and Mergers, when the conditions of the offer are satisfied, HEINEKEN will make a mandatory general offer (MGO) for all the shares of APB not already owned by HEINEKEN at a price of SGD53.00 per APB share, for a maximum consideration of SGD2.5 billion.

The Proposed Transaction is subject to approval (simple majority) from F&N's shareholders at an extraordinary general meeting (EGM) and required regulatory approvals including favourable decisions from the relevant completion/anti-trust authorities. The Proposed Transaction is expected to complete in the fourth quarter of 2012, but no later than 15 December 2012.

HEINEKEN will fund the Proposed Transaction and the MGO through its available cash position of approximately EUR2 billion after the latest bond issue of 2 August 2012, its undrawn committed revolving credit facility of EUR2 billion and a new 364-day bridge commitment from Credit Suisse and Citibank.

Additional financial information, including impact on HEINEKEN's result, financial position and pro-forma figures, will be disclosed once approval has been obtained by F&N shareholders at the F&N EGM.

On 21 August 2012, HEINEKEN acquired 6.9 million APB shares for a total consideration of SGD367.0 million in the open market. This increased the HEINEKEN (direct and indirect) share in APB per 21 August 2012 to 44.6%.

Financing

On 2 August 2012, HEINEKEN issued EUR1.75 billion of Notes, consisting of 8-year Notes for a principal amount of EUR1 billion with a coupon of 2.125% and 13-year Notes for a principal amount of EUR750 million with a coupon of 2.875%. The notes have been issued under the company's European Medium Term Note Programme.

Stassen

On 8 June 2012, HEINEKEN announced that is has acquired Stassen S.A., a leading international cider innovator located in Aubel, Belgium, from its current management. In addition to its strong research and development (R&D) capabilities and facilities, the acquisition of Stassen provides HEINEKEN with cider making capacity in continental Europe.

The acquisition is subject to customary closing conditions which have not been satisfied per 30 June 2012. HEINEKEN expects the transaction to close in the third quarter of 2012.

EXECUTIVE BOARD

Jean-François van Boxmeer (Chairman/CEO)
René Hooft Graafland (CFO)

Amsterdam, 21 August 2012

Independent Auditor's Report on Review of Interim Financial Statements

To: the Executive Board of Heineken N.V.

Introduction

We have reviewed the accompanying condensed consolidated interim financial statements of Heineken N.V., Amsterdam, which comprises the condensed consolidated interim statement of financial position as at 30 June 2012, the condensed consolidated interim income statement and the condensed consolidated interim statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, and notes to the interim financial statements (the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with Dutch law including standard 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements as at 30 June 2012 are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting', as adopted by the European Union.

Amsterdam, 21 August 2012

KPMG Accountants N.V.

E.J.L. van Leeuwen RA

GLOSSARY

ASDI

Allotted share delivery instrument (ASDI) representing HEINEKEN's obligation to deliver Heineken NV shares, either through issuance and/or purchasing of its own shares.

Beia

Before exceptional items and amortisation of brands and customer relations.

Cash conversion ratio

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

Depletions

Sales by distributors to the retail trade.

Dividend payout

Proposed dividend as percentage of net profit (beia).

Earnings per share

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

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

EBIT

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

EBITDA

Earnings before interest and taxes and net finance expenses before depreciation and amortisation.

Effective tax rate

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

Eia

Exceptional items and amortisation of brands and customer relations

Fixed costs

Fixed costs include personnel costs, depreciation and amortisation, repair and maintenance costs and other fixed costs. Exceptional items are excluded from these costs.

Fixed costs ratio

Fixed costs as a percentage of revenue.

Free operating cash flow

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

Gearing

Net debt / total equity.

Innovation rate

The Innovation Rate is calculated as revenues generated from innovations launched / introduced in the past 12 quarters divided by revenue

Net debt

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

Net debt/EBITDA (beia) ratio

The ratio is based on a twelve month rolling calculation for EBITDA (beia).

Net profit

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

Organic growth

Growth excluding the effect of foreign currency translational effects, consolidation changes, exceptional items, amortisation of brands and customer relations.

Organic volume growth

Increase in volume, excluding the effect of the first time consolidation of acquisitions.

Operating profit

Results from operating activities.

Profit

Total profit of the Group before deduction of non-controlling interests.

®

All brand names mentioned in this report, including those brand names not marked by an ®, represent registered trademarks and are legally protected.

Region

A region is defined as HEINEKEN's managerial classification of countries into geographical units.

Revenue

Net realised sales proceeds in euros.

Top-line growth

Growth in net revenue.

Volume

Amstel® volume
The group beer volume of the Amstel brand.

Consolidated beer volume
100 per cent of beer volume produced and sold by fully consolidated companies (excluding the beer volume brewed and sold by joint venture companies).

Group beer volume
100 per cent 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.

Heineken® volume
The Group beer volume of the Heineken® brand.

Heineken® volume in premium segment

The Group beer volume of the Heineken® brand in the premium segment (Heineken® volume in the Netherlands is excluded).

Total Consolidated volume
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.

Weighted average number of shares

Basic
Weighted average number of issued shares including the weighted average of outstanding ASDI, adjusted for the weighted average of own shares purchased in the year.

Diluted
Weighted average number of issued shares including weighted average of outstanding ASDI.