



Sligro Food Group N.V.



PRESS RELEASE

SLIGRO FOOD GROUP AND HEINEKEN NETHERLANDS MOVE TOWARDS STRATEGIC PARTNERSHIP

SLIGRO FOOD GROUP N.V. AND HEINEKEN NEDERLAND B.V. HAVE ANNOUNCED THAT THEY EXPECT TO REACH AGREEMENT ABOUT A STRATEGIC PARTNERSHIP FOR BEER AND CIDER LOGISTICS IN THE NETHERLANDS AND THE SALE OF OTHER PARTS OF THE HEINEKEN BEVERAGES WHOLESALER TO SLIGRO FOOD GROUP.

As a result of the planned partnership, Sligro will carry out HEINEKEN's logistics operations for the Dutch hospitality sector. This means that Sligro will process, store and deliver beer and cider orders placed by the hospitality sector for HEINEKEN, creating a one-stop shop for all beverages, food and non-food orders for hospitality sector customers. Not included in the partnership is the delivery of tank beer, which HEINEKEN will continue to do. This proposed partnership will make HEINEKEN Sligro's number one partner for beer and cider. In addition, as part of this proposed partnership, HEINEKEN will sell the wholesale operations of the other food and non-food range, including soft drinks, waters, spirits, wines, tea and coffee to Sligro. This transaction will boost Sligro's wholesale sales by approximately €150 million. Sligro's cash-and-carry sales and the retail sales of both partners are not included. The proposed partnership is intended to be long-term, initially for a period of 15 years. Parties aim to complete the transaction in the autumn.

Approximately 370 people are involved in HEINEKEN's operations related to this proposed partnership, including temporary staff. Employees with a HEINEKEN employment contract who work in this area will be given the opportunity to transfer to Sligro. Both parties expect most of the temporary staff to be able to keep their jobs. The Works Councils and the trade unions will be consulted in the coming period and a lot of time and effort will be spent on consultations with the employees involved.

Koen Slippens, CEO Sligro Food Group:

"It's fantastic that two leading players in the Foodservice market are willing to reach out to one another in this way. This is a significant strategic step for both organisations and one in which we are clearly opting for quality and maximum service to our customers. The opportunity for full-service delivery is

a good example of this. This proposed partnership is made all the more exciting for all stakeholders by the incidental benefit of efficiency improvements and upselling opportunities."

Pascal Gilet, Managing Director of HEINEKEN Netherlands:

"We are seeing the Dutch hospitality market change, with more and more businesses preferring to order their products from a single supplier. This proposed partnership allows both parties to join forces, which means that we can offer our hospitality customers more effective and efficient services. As a result of this partnership, HEINEKEN Netherlands will be in a position to focus on its core competencies: brewing, packaging, selling and building beer and cider brands and will give us a market lead. This proposal also means a change for the people who work at HEINEKEN. We are fully aware of this and will act with respect, consideration and care. As a family business like us, Sligro is a good partner in this area, too."

The partnership will expand the customer base of both parties. HEINEKEN currently supplies approximately 18,000 locations, and Sligro approximately 25,000. Some of these are currently existing customers of both parties.

HEINEKEN Netherlands has 13 distribution centres in the Netherlands. Sligro has eight delivery service outlets, plus three cash-and-carry outlets, which also supply the Netherlands. As soon as this transaction has been finalised, Sligro will be responsible for the entire logistics operation. To enable it to handle the combined food and beverage deliveries, Sligro will be investing around €80–100 million over the next few years to build a single integrated, state-of-the-art distribution network. Sligro.nl, the new Sligro ordering platform, will be used for the online orders. Owing to Sligro's continuous

growth and investments, these changes are not expected to have a negative impact on employment.

In accordance with the merger code of the Social and Economic Council (SER), the employee organisations and the SER have been informed. Both Works Councils will be asked for an opinion. The transaction will be registered with the Netherlands Authority for Consumers & Markets (ACM). Parties have agreed not to make any further statements about the purchase price and the value of the contracts.

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About Sligro Food Group

Sligro Food Group encompasses Food Retail and Foodservice companies that sell directly and indirectly to the entire food and beverages market in the Netherlands and Belgium, providing a comprehensive package of food and food-related non-food products and services. In the Netherlands, Sligro Food Group has a network of 50 Sligro cash-and-carry and eight delivery service outlets for its Foodservice operations and with a market share of 24% is easily market leader. Sligro Food Group strives to be a high-quality company achieving steady, managed growth for all its stakeholders. Sales in 2016 totalled €2.8 billion. The average number of employees on a full-time basis was over 6,700. Sligro Food Group shares are listed on Euronext Amsterdam.

About HEINEKEN Netherlands

HEINEKEN Netherlands is part of Heineken NV, the world's most international brewer. HEINEKEN Netherlands has approximately 3,000 employees and brews premium beer and cider brands such as Heineken®, Amstel®, Brand®, Affligem®, Desperados®, Wieckse Witte® and Apple Bandit®, brewed and bottled in three breweries in Zoeterwoude (also the head office), 's-Hertogenbosch and Wijkre. Our soft drink subsidiary, Vrumona, in Bunnik produces brands such as Pepsi®, Rivella®, Royal Club®, Crystal Clear®, Sisi® and Sourcy®.

Veghel / Zoeterwoude, 9 May 2017.

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Sligro Food Group N.V.
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