

Heineken Holding N.V. discloses preliminary highlights of 2020 half-year results

Amsterdam, 16 July 2020 – Heineken Holding N.V. (EURONEXT: HEIO; OTCQX: HKHHY) today issued the following statement.

In the first half of 2020, HEINEKEN's markets and businesses were significantly impacted by the COVID-19 pandemic, with unprecedented volatility and uncertainty leading to the withdrawal of guidance for 2020 on 8 April. Despite these short-term challenges, HEINEKEN remains confident in its ability to navigate the crisis while continuing to build a bright future.

In this context, HEINEKEN has decided to disclose preliminary highlights of its 2020 half-year results ahead of the scheduled publication date. The final results will be published as planned on 3 August 2020. All figures mentioned below are preliminary, unaudited and may be subject to adjustments from customary reviews.

Based on preliminary figures, first-half net revenue (beia) declined by 16.4% on an organic basis. This is driven by an organic decline of 13.4% in total consolidated volume and an organic decline of 3.6% in net revenue (beia) per hectoliter. Beer volume declined organically by 11.5%.

As expected, the impact of the COVID-19 crisis deepened in the second quarter of 2020. After a low point in April, volume started to gradually recover into June as lockdowns were lifted around the world and customers restored depleted inventories. Beer volume was most affected in the Americas and Africa, Middle East and Eastern Europe regions with a decline in the mid-teens due to full lockdowns in Mexico and South Africa, followed by Europe with a high-single digit decline, whilst Asia Pacific showed the highest resilience driven by Vietnam.

The Heineken® brand performed well in relative terms with a 2.5% decline. The brand grew double digits in 14 markets, including Brazil, China, the UK, Poland, Germany, Ivory Coast and South Korea. Heineken® 0.0 grew double digits with growth across all regions and with particular strength in the US and Mexico.

Operating profit (beia) declined organically by 52.5%. Net profit (beia) declined by 75.8%. Exceptional items will include around € 550 million of impairments on tangible and intangible assets, leading to a reported net loss of Heineken Holding N.V.'s participating interest in Heineken N.V. of around € 150 million.

In Europe off-trade, beer volume grew in the mid-teens and market share increased in key markets. However, given HEINEKEN's strong position in the on-trade and the structural differences between channels, operating profit was disproportionately affected as on-trade outlets were closed for a large part of the second quarter.

Input costs per hectoliter increased significantly with the combined negative impact of channel and product mix and transactional currency effects. From late March onwards, significant cost mitigation actions were taken leading to an overall decrease in costs for the first half of 2020. HEINEKEN is committed to further intensify its focus on costs.

HEINEKEN has entered the crisis with great brands, and a dedicated and talented workforce. HEINEKEN has a strong balance sheet as well as undrawn committed credit facilities.

HEINEKEN will provide more information in its 2020 half year results report on 3 August 2020.

Heineken Holding N.V. engages in no activities other than its participating interest in Heineken N.V. and the management or supervision of and provision of services to that company.

-ENDS-

Note: Non-GAAP measures are used throughout this press release. Please refer to the Glossary for an explanation of the terms used.

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Editorial information:

Heineken Holding N.V. engages in no activities other than its participating interest in Heineken N.V. and the management or supervision of and provision of services to that company. HEINEKEN is the world's most international brewer. It is the leading developer and marketer of premium beer and cider brands. Led by the Heineken® brand, the Group has a portfolio of more than 300 international, regional, local and specialty beers and ciders. HEINEKEN is committed to innovation, long-term brand investment, disciplined sales execution and focused cost management. Through "Brewing a Better World", sustainability is embedded in the business. HEINEKEN has a well-balanced geographic footprint with leadership positions in both developed and developing markets. HEINEKEN employs over 85,000 employees and operates breweries, malteries, cider plants and other production facilities in more than 70 countries. Heineken Holding N.V. and Heineken N.V. shares trade on the Euronext in Amsterdam. Prices for the ordinary shares may be accessed on Bloomberg under the symbols HEIO NA and HEIA NA and on Reuters under HEIO.AS and HEIN.AS. HEINEKEN has two sponsored level 1 American Depositary Receipt (ADR) programmes: Heineken Holding N.V. (OTCQX: HKHHY) and Heineken N.V. (OTCQX: HEINY). Most recent information is available on the websites: www.HeinekenHolding.com and www.theHEINEKENcompany.com and follow HEINEKEN on Twitter via @HEINEKENCorp.

Market Abuse Regulation:

This press release contains price-sensitive information within the meaning of Article 7(1) of the EU Market Abuse Regulation.

Disclaimer:

This press release contains preliminary highlights of 2020 half-year results and forward-looking statements with regard to the financial position and results of HEINEKEN's activities. The preliminary results are unaudited and may

be subject to adjustments from customary reviews. The forward looking statements are also 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, developments in the ongoing Covid-19 pandemic and related government measures, the behaviour of other market participants, changes in consumer preferences, the ability to successfully integrate acquired businesses and achieve anticipated synergies, costs of raw materials, interest-rate and exchange-rate fluctuations, changes in tax rates, changes in law, change in pension costs, the actions of government regulators and weather conditions. These and other risk factors are detailed in HEINEKEN's publicly filed annual reports. You are cautioned not to place undue reliance on these forward-looking statements, which speak only of the date of this press release. HEINEKEN does not undertake any obligation to update these forward-looking statements contained in this press release. Market share estimates contained in this press release are based on outside sources, such as specialised research institutes, in combination with management estimates.

GLOSSARY

Beia

Before exceptional items and amortisation of acquisition-related intangible assets.

Earnings per share (EPS)

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.

Effective tax rate

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

Exceptional items

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.

HEINEKEN or "the Group"

Heineken Holding N.V., Heineken N.V., its subsidiaries and interest in joint ventures and associates.

Net profit/loss

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

Net revenue

Revenue as defined in IFRS 15 (after discounts) minus the excise tax expense for those countries where the excise is borne by HEINEKEN.

Net revenue per hectolitre

Net revenue divided by total consolidated volume.

Organic growth

Growth excluding the effect of foreign currency translational effects, consolidation changes, exceptional items and amortisation of acquisition-related intangible assets.

Organic volume growth

Growth in volume, excluding the effect of consolidation changes.

Profit

Total profit of HEINEKEN before deduction of non-controlling interests.

®

All brand names mentioned in this report represent registered trademarks and are legally protected.

Region

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

Volume**Brand specific volume (Heineken® volume)**

Brand volume produced and sold by consolidated companies plus 100% of brand volume sold under licence agreements by joint ventures, associates and third parties.

Beer volume

Beer volume produced and sold by consolidated companies.

Total consolidated volume

The sum of beer volume, non-beer volume and third party products volume.

Weighted average number of shares**Basic**

Weighted average number of outstanding shares.

Diluted

Weighted average number of shares outstanding adjusted for the weighted average number of own shares.