

For Immediate Publication

20 October 2016

HEINEKEN MALAYSIA BERHAD – RESILIENT PERFORMANCE DESPITE CHALLENGING MARKET CONDITIONS

Cumulative 15-month period ended 30 September 2016

- Revenue of RM2.2 billion.
- Profit before tax of RM428 million.
- Net profit of RM323 million.
- Earnings per share of 106.78 sen.

3-month period ended 30 September 2016 versus the previous year's quarter ended 30 September 2015

- Revenue declined marginally by 5% to RM384 million from RM405 million.
- Profit before tax declined by 11% to RM74 million from RM84 million.
- Net profit declined by 10% to RM57 million from RM63 million.
- Earnings per share declined to 18.84 sen from 20.89 sen.

Heineken Malaysia Berhad (formerly Guinness Anchor Berhad) announced its quarterly financial results today, recording a slight decline in revenue and profits in the quarter ended 30 September 2016, due to weaker macroeconomic conditions and softer consumer sentiment. However, considering the strong performance from the preceding quarter, revenue and net profit growth for the past two quarters would still record a respectable rate of +5.2% and +10% respectively.

Hans Essaadi, Managing Director of HEINEKEN Malaysia said, "The decline in revenue reflects the challenging environment which we operate in, especially as economic factors continue to weigh down on consumer sentiment. Consequently, profit before tax also declined due to the lower revenue and timing of commercial spend."

"HEINEKEN Malaysia has performed well in the preceding quarters, and we continue to adapt our strategy to address the changing and challenging external environment" he added.

Compared with the preceding quarter ended 30 June 2016, revenue decreased by 16% due to lower volume as well as the impact of the strong performance in the preceding quarter as a result of the four-week long football tournament in June.

On 25 November 2015, the Company announced the change of financial year end from 30 June to 31 December. The current financial reporting period is for 15 months ended 30 September 2016. As such, there are no comparative figures available for the prior 15-month period.

In terms of outlook, Essaadi said, "Whilst consumer sentiment remains soft in the market, we are hopeful that conditions will stabilise and improve over time. However, the high excise duties on beer is generating greater demand for cheap contraband products. We welcome the increased efforts by government authorities to clamp down on smuggling activities, and we will continue to support all efforts taken by the Royal Malaysian Customs Department to curb contraband products."

"Despite a challenging external environment, we expect to deliver a resilient performance for the financial period ending 31 December 2016. As part of the HEINEKEN Company, the world's most international brewer, we intend to leverage on global initiatives by further optimising operational and cost efficiencies to deliver value for our shareholders." he added.

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About Heineken Malaysia Berhad (formerly Guinness Anchor Berhad)

HEINEKEN Malaysia with its portfolio of iconic international brands is the leading brewer in the country. The Company brews, markets and distributes:

- The World's No. 1 international premium beer **Heineken®** ;
- The World-acclaimed iconic Asian beer **Tiger Beer**, and its doubly refreshing variant **Tiger Radler**; and its other innovative brew **Tiger White** - Asia's Wheat Beer;
- The World's No. 1 stout **Guinness**;
- The all-time local favourite **Anchor Smooth** and its strong beer variant **Anchor Strong**;
- The premium Irish ale **Kilkenny**;
- The real shandy **Anglia**

HEINEKEN Malaysia also produces the wholesome, premium quality non-alcoholic **Malta**. HEINEKEN Malaysia's brand portfolio also includes the World's No. 1 cider **Strongbow**, the No. 1 German wheat beer **Paulaner**, Japan's No. 1 100% malt beer **Kirin Ichiban** and the World's No. 1 ready-to-drink alcoholic beverage **Smirnoff Ice**. The Company continues to lead the responsible drinking agenda through its Drink Sensibly campaign.



MEDIA RELEASE

Listed on the Main Market of Bursa Malaysia, HEINEKEN Malaysia's principal shareholder is GAPL Pte Ltd based in Singapore. GAPL Pte Ltd is 100% owned by Heineken N.V.

Heineken Malaysia Berhad officially changed its name on 21 April 2016 following Heineken N.V.'s acquisition of GAPL Pte Ltd on 7 October in 2015.

For more information please visit: www.heinekenmalaysia.com

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