

For Immediate Release

21 November 2017

HEINEKEN MALAYSIA: IMPROVED RESULTS FOR NINE MONTHS ENDED 30 SEPT 2017

Cumulative 9-month period ended 30 September 2017 versus corresponding period ended 30 September 2016

- Revenue increased 1.1% to RM1.31 billion from RM1.30 billion
- Profit Before Tax increased 6.8% to RM240 million from RM224.7 million
- Net Profit increased 4.6% to RM176.4 million from RM168.6 million

Heineken Malaysia Berhad announced its financial results for the nine months ended 30 September 2017, reporting an improvement in revenue, profit before tax (PBT) and net profit compared with the first nine months in 2016.

Revenue in the nine months increased by 1.1% to RM1.31 billion from RM1.30 billion while PBT was up 6.8% to RM240 million from RM224.7 million during the same period in 2016. Performance was driven by the successful execution of strategic initiatives and cost optimisation in the third quarter, which mitigated the softer results in the first half of FY17.

Revenue in the third quarter ended 30 September 2017 grew by 32.4% and PBT increased 26.4%, benefiting from easier comparatives in Q3 FY16 when the market was still recovering from the excise increase in March 2016 and subsequent price increase in July 2016. Group revenue in the quarter also received a boost from the cider category, with the successful launch of HEINEKEN Malaysia's new mainstream cider brand Apple Fox and the commencement of the sale of locally made Strongbow Apple Ciders.

Commenting on the performance, Hans Essaadi, Managing Director of HEINEKEN Malaysia said, "Our performance in the third quarter demonstrated our commitment to both improving our commercial execution as well as delivering cost efficiencies. We continued to invest in our portfolio, and with local production of cider we are ready to grow the category with Strongbow and Apple Fox."

"We remain cautious on consumer sentiment, which remains subdued and adversely impacted by rising costs of living and high excise duties on beer. Contraband beer continues

to be a crucial concern resulting in significant revenue loss to both the industry and Government. We thank the Customs Department for their enforcement efforts and we will continue supporting initiatives to address the contraband issue in a comprehensive and holistic manner,” he added.

HEINEKEN Malaysia recently was successful at the recent Putra Brand Awards 2017 winning three awards. The world’s leading premium beer brand Heineken® won Gold, while Malaysia’s no.1 beer Tiger won silver, and the world’s leading stout Guinness added a bronze to the Company’s impressive 24 wins since 2010.

On outlook, Essaadi said, “HEINEKEN Malaysia aims to be the leading brewer of inspirational brands, enjoyed anytime, anywhere. We remain committed to the long term growth of our business with a focus on strengthening commercial strategies and execution, as well as improving efficiencies through cost optimisation measures, he added.

“While we remain on track to deliver all projects planned in FY17, we move forward with the sustainability of our business in mind. We have contributed to the growth of local businesses and the national economy for over 50 years and we want to continue to contribute for many years to come. Our global ‘Brewing a Better World’ sustainability strategy enables us to do this by growing our people and protecting the environment,” he added.

– ENDS –

Heineken Malaysia 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**, its doubly refreshing variant **Tiger Radler**; and its other innovative brew **Tiger White** – Asia’s Wheat Beer;
- The World’s No. 1 stout **Guinness**, and the unique smooth and fresh stout **Guinness Bright**;
- The World’s No. 1 cider **Strongbow Apple Ciders**
- The New Zealand inspired cider **Apple Fox Cider**
- The all-time local favourite **Anchor Smooth**, its latest variant **Anchor Smooth Draught** 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 No. 1 German wheat beer **Paulaner**, Japan’s No. 1 100% malt beer **Kirin Ichiban** and the



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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.

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.

For more information please visit: www.heinekenmalaysia.com

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