

Q3 2016 Aide Memoire

A number of events in 2015 have an impact on the year-on-year comparison for Q3 2016. These include the following items, which you may wish to consider in your modelling. Please note that the items listed below are not exhaustive and that other factors may affect the comparisons for Q3 2016 versus Q3 2015.

Factors impacting comparative figures

Western Europe

In the Q3 2015 announcement, commenting on the volume development, we said:

"The volume growth recovered in Q3 after a weak Q2"

...and in the Q2 2016 announcement, we continued:

"Our volumes were negatively impacted by the reduction of margin-dilutive volumes in the second half of last year in the UK and Finland and the beginning of this year in Poland."

Eastern Europe

At the Q2 2016 conference call we commented on the beginning of Q3:

"...we have seen good performance in Eastern Europe due to very warm weather"

In the Q2 2016 announcement, we commented on price/mix:

"The solid price/mix development was driven by last year's price increases, a weak mix in Q1 last year and price increases this year. However, price/mix slowed during the six months as we have implemented fewer price increases in 2016 compared to the same period last year."

Asia

At the Q1 2016 conference call, we said:

"...we are expecting the Chinese market to continue to be soft for the full year"

...and further elaborated at the Q2 2016 conference call:

"The Chinese market declined by an estimated 6% in volume terms, as it was impacted by the soft economy, socio-economic changes and by anti-extravagance efforts and bad weather."

Outlook

In the Q2 2016 announcement, we commented:

“Based on the results of the first six months and July, the Group maintains its financial outlook for 2016 unchanged and expects to deliver:

- *Low-single-digit percentage organic operating profit growth.*
- *Financial leverage reduction.”*

...and continued:

“...the organic operating profit growth in the first six months was higher than the Group expects for the second half of the year. In H1, we were cycling easy comparables in Western and Eastern Europe due to last year’s poor weather in Q2 in northern Europe and the destocking in Russia, which predominantly impacted the first six months. In addition, we anticipate increased spending behind our SAIL’22 priorities in the second half of the year.”

At the Q2 2016 conference call, we said:

“To add a little extra color on the beginning of Q3, we have seen good performance in Eastern Europe due to very warm weather while Western Europe has been soft, which seems to be caused by the fact that there were still some stocks from the system following the euro-related sell-in in June. For second half as a whole, we also expect to start investing in SAIL’22 initiatives.”

...and added when asked about the COGS development in H2; and whether the impact would be larger in H2 vs H1:

“That is correct. There will be a transaction impact in Russia in second half.”

Disclaimer

This Company Announcement contains forward-looking statements, including statements about the Group’s sales, revenues, earnings, spending, margins, cash flow, inventory, products, actions, plans, strategies, objectives and guidance with respect to the Group's future operating results. Forward-looking statements include, without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements, and may contain the words "believe", "anticipate", "expect", "estimate", "intend", "plan", "project", "will be", "will continue", "will result", "could", "may", "might", or any variations of such words or other words with similar meanings. Any such statements are subject to risks and uncertainties that could cause the Group's actual results to differ materially from the results discussed in such forward-looking statements. Prospective information is based on management’s expectations or forecasts at the time. Such information is subject to the risk that such expectations or forecasts, or the assumptions underlying such expectations or forecasts, may change. The Group assumes no obligation to

update any such forward-looking statements to reflect actual results, changes in assumptions or changes in other factors affecting such forward-looking statements.

Some important risk factors that could cause the Group's actual results to differ materially from those expressed in its forward-looking statements include, but are not limited to: economic and political uncertainty (including interest rates and exchange rates), financial and regulatory developments, demand for the Group's products, increasing industry consolidation, competition from other breweries, the availability and pricing of raw materials and packaging materials, cost of energy, production- and distribution-related issues, information technology failures, breach or unexpected termination of contracts, price reductions resulting from market-driven price reductions, market acceptance of new products, changes in consumer preferences, launches of rival products, stipulation of market value in the opening balance sheet of acquired entities, litigation, environmental issues and other unforeseen factors. New risk factors can arise, and it may not be possible for management to predict all such risk factors, nor to assess the impact of all such risk factors on the Group's business or the extent to which any individual risk factor, or combination of factors, may cause results to differ materially from those contained in any forward-looking statement. Accordingly, forward-looking statements should not be relied on as a prediction of actual results.