

United Breweries & Heineken Join Hands to Lead Indian Beer Market

Bangalore, December 7, 2009—Dr. Vijay Mallya, United Breweries Holdings Limited (UBHL) and United Breweries Limited (UBL) are pleased to announce that they have reached an agreement with Heineken N.V. (Heineken) to cement their alliance to lead the Indian beer market.

The Dr Vijay Mallya Group (including UBHL), Heineken and UBL have today entered into a new Shareholders Agreement and thereby have resolved their differences amicably. Consequently the litigations initiated inter se will be withdrawn.

Going forward Heineken will be active in India solely through UBL. Both parties will continue to engage constructively with each other to expeditiously work towards creating a unified structure in order to derive synergies and enhance shareholder value.

The alliance will offer consumers the best portfolio of national and international brands in India, including Kingfisher[®], the number one Indian brand, and Heineken[®], the largest global beer brand. One in two beers sold in India is a UBL brand. Every day, about 25 million glasses of Heineken are consumed across the globe.

The parties have agreed upon the key commercial terms for the production of the 'Heineken' brand in India. This will allow Heineken and UBL to reinforce the development of the 'Heineken' brand and accelerate the growth of the premium beer segment throughout India. At the same time, UBL will work with Heineken to expand the international presence of the 'Kingfisher' brand through Heineken's global footprint.

UBL's outstanding skills as India's leading brewer and Heineken's global best practices will provide further strength to the business.

Commenting on the agreement **Dr. Vijay Mallya** said, "Led by United Breweries and its flagship brand Kingfisher, the Indian beer market has seen a strong and exciting growth over the last several years. Given the young demographics of the country, I foresee many decades of strong and profitable growth

to come. With its emphasis on quality and the aspirational branding, United Breweries has led this growth from the front, and will continue to do so in future, helped by our new alliance with Heineken. Heineken is among the most respected and recognized names among beers all over the world. The combination should help United Breweries to further its leadership position in the years to come.”

Commenting on today’s announcement, **Mr. Jean-François van Boxmeer**, Chairman of Heineken’s Executive Board and CEO, said, “In the world of beer, there is no bigger or more exciting growth opportunity than India. We have long regarded a strong Indian presence as important in order to increase our exposure to and growth from developing markets. We are therefore extremely proud to announce our partnership with UBL, the strong market leader. Our partnership and the combination of the Kingfisher and Heineken brands will transform our ability to unlock the market's considerable potential and to shape the premium segment. We are now uniquely positioned to benefit from the highly favourable demographics and strong economic fundamentals in the Indian market.”

Following the signing of the Shareholders Agreement at the Meeting of the Board of Directors of UBL held today Mr. René Hooft Graafland, Member of Heineken’s Executive Board and Chief Financial Officer, and Mr. Siep Hiemstra, Regional President, Heineken Asia Pacific, have been appointed to the Board of Directors of UBL as Heineken’s Non-Executive Directors. Mr. Guido de Boer has been appointed as Chief Financial Officer and Executive Director of UBL.