



# EICHHOF HOLDING AG

**SEMIANNUAL REPORT OCTOBER 1, 2007 – MARCH 31, 2008**

## Temporary dip in earnings at the Eichhof Group

**In the first half of the 2007/08 financial year the Eichhof Group posted sales of CHF 134.1 million, almost unchanged from the previous year's level (H1 2006/2007: CHF 134.8 million). However, due to massively higher material costs at Eichhof Beverage, a temporary falloff in growth at Datacolor in the USA and on the textile market, higher depreciation charges following the purchase of properties in October, which was accompanied by a reduction in the overall occupancy rate in the short term, EBIT amounted to CHF 5.1 million and thus fell short of the high previous year level (CHF 7.0 million). Net profit declined to CHF 2.3 million (CHF 6.8 million), mainly because of a significant deterioration in income from securities in the wake of the downtrend on the financial markets and a rise in interest expense caused by well above-average investment to expand the real estate business and complete Datacolor's new production facility in China. Since the high material costs in the Beverage business unit were offset by price increases from January 1, 2008, occupancy rates in the real estate segment are moving back into line with market levels as planned and securities income showing positive trends, full-year earnings should only be slightly below last year's record – assuming that economic conditions remain stable.**

The Eichhof Group's good sales performance in the first half of the 2007/08 financial year was supported principally by further extremely gratifying growth of 5.2% at Eichhof Beverage and – following the acquisition of two properties last October which was initially accompanied by a rise in vacancy rates – a doubling of rental income at Eichhof Real Estate. At Datacolor, sales slipped 14.9% due to the present weakness on the market for color management solutions and the difficult economic situation in the USA. This was compounded by delivery delays following the introduction of new enterprise resource planning (ERP) software in December. The dip in consolidated EBIT to CHF 5.1 million was chiefly attributable to a massive increase in costs, especially

for raw materials, packaging and energy, in the Beverage business unit, slower business at Datacolor and higher depreciation charges in the real estate segment as a consequence of property purchases at the start of the financial year, which also caused a temporary drop in the average occupancy rate. In addition, extraordinary expenses were incurred in connection with Heineken's takeover bid. At the end of the first six months, the EBIT margin was 3.8% (5.2%). The substantial drop in net profit to CHF 2.3 million was principally attributable to a significant reduction of CHF 4.0 million in income from securities as a result of the recent turbulence on the financial markets. Other downside factors affecting net profit were a sharp rise in interest expense resulting from the property purchases in October, high investment in the property development projects in Lucerne and the construction of a new production plant for Datacolor in Suzhou, China, which is scheduled for completion in mid-May. Since the higher production costs in the Beverage business unit were offset by price rises from January 1, 2008, occupancy levels in the real estate segment have been raised towards the market level as planned and securities income is rising again, full-year earnings are expected to move towards last year's record, providing that economic conditions remain stable.

### **Eichhof Beverage**

Eichhof Beverage continued to improve its position on the Swiss market as a strong, traditional brand and reported a further encouraging rise in net sales of 5.2% to CHF 94.0 million (CHF 89.3 million) in the winter half-year, when sales generally tend to be lower. EBIT slipped to CHF 3.5 million (CHF 4.7 million) as a result of extraordinary expenses. The EBIT margin was 3.7%. The main reasons for the drop in EBIT were a sharp rise in production costs caused by a significant increase in the price of the starting products hops and malt, packaging materials and energy, and a shift in the product mix, with a higher proportion of sales coming from the retail sector and trade brands. The EBIT trend also reflects market launch expenses for the new Eichhof Bügelbräu beer brand, which has proven very successful in a short time, and investment to expand the sales team. Volume sales of the popular Eichhof beer brands such as the traditional Eichhof lager, premium specialties such as Eichhof Braugold and Eichhof Klosterbräu, attractive trendy beers such as Eichhof Lemon and Eichhof Orange and, above all, the popular new addition to the range Eichhof Bügelbräu. Eichhof Kellerei St. Georg reported a further double-digit rise in sales thanks to its attractive range of inexpensive wines from all major wine-growing regions of the world, which is aimed principally at the catering sector, and its 14 wine and beverage outlets. Thanks to the sustained success of its own beer brands, and especially the new Eichhof Bügelbräu brand, and the price increases implemented in January 1, 2008, Eichhof Beverage expects to lift sales and profitability further year-on-year, providing operating conditions remain favorable.

### **Datacolor**

Datacolor's attractive product portfolio and sound financing structure enabled it to strengthen its position versus the market leader as the agile and dynamic number two on the global color measurement market. The downturn in demand in the USA and the international textile industry and temporary delivery delays following the introduction of new ERP software in December led to a drop of CHF 6.6 million in net sales to CHF 37.7 million in the first half of fiscal 2007/08 (CHF 44.3 million). In local currency, the decline was 5.8%. As a result of lower net sales and extraordinary expenses for the highly successful launch of the new Datacolor Spyder3 product line for the calibration of color monitors, printers, televisions and projectors, the new production capacity in Suzhou, China, which is scheduled to come on stream in mid-May and the introduction of ERP software, EBIT decreased to CHF 3.3 million (CHF 4.3 million). The EBIT margin was 8.7% (9.6%). Although corporate structures have been systematically aligned to business trends and the difficulties with the ERP software have now been ironed out, at present this business unit seems unlikely to match last year's record performance. Nevertheless, given its strong financial base, leading-edge technology for the consumer and industrial markets and efficient in-house production, Datacolor is extremely well-placed to make effective use of the opportunities offered by the global

market for color management systems and drive forward its dynamic and sustained expansion through organic growth and an aggressive acquisition policy.

### **Eichhof Real Estate**

Eichhof Real Estate generated rental income of CHF 2.4 million (CHF 1.1 million) in the first half of the financial year. Maintenance and administration expenses came to CHF 0.9 million (CHF 0.5 million) and EBIT was CHF 0.3 million (CHF 0.2 million). The acquisition of two attractive but not fully let properties in Lucerne and Zurich in October raised the value of the real estate portfolio considerably to around CHF 100 million (CHF 68 million). It also more than doubled depreciation to CHF 1.3 million. Since property letting is proceeding as planned at all properties and the tenant mix is good, the occupancy rate should be in line with the customary market level by year-end and profitability will steadily improve. The plans to improve transport connections to the land in front of the Eichhof site and the Grosshof site adjacent to the brewery in collaboration with the relevant authorities are proceeding on schedule and the direct motorway link will be of enormous logistical benefit to Eichhof. The attractive new building on the site of the former 'Eiche' villa in front of the brewery will be completed by the end of the present calendar year.

### **Finances**

Net income from securities and financial assets plunged to CHF -2.3 million, CHF 3.8 million below the exceptionally positive result recorded at the end of the previous year. The cash flow from operating activities was CHF 9.7 million (CHF 7.8 million), while the net cash flow for investing activities of CHF 48.8 million reflects the high level of investment, principally for property purchases, the real estate projects and completion of the production facility in Suzhou. Net debt was CHF 110.1 million and gearing (the ratio of net debt to shareholders' equity) was 112%. Following the dividend payment of CHF 14.1 million, the equity ratio was 31.5% and thus in line with the target set by the Board of Directors.

### **Outlook**

Heineken's public offer to acquire Eichhof Beverage was published on April 10, 2008. Assuming that two thirds of shares are tendered by the deadline set, an Extraordinary General Meeting of Eichhof shareholders on June 23, 2008 will decide on the spin-off of the beverage business. If the shareholders accept the offer and the transaction is approved by the competition authorities, Eichhof Beverage would be taken over by Heineken during the summer. In view of the rapid consolidation of the international beer market and the ongoing concentration of the Swiss retail sector and, increasingly, the catering industry, the Board of Directors of Eichhof Holding AG supports Heineken's offer. It is convinced that Heineken will offer Eichhof Beverage better opportunities to continue its successful development from its base in Lucerne. Moreover, it regards Heineken's offer of CHF 290 million for Eichhof Beverage as attractive since it represents a premium of 45% on the independent valuation commissioned for Eichhof's shareholders. Following the spin-off of the beverage business, the real estate portfolio held by Eichhof Real Estate would be sold. Datacolor would then remain listed on the Swiss Exchange as an interesting pure play option for investors, offering good prospects of sustained organic growth supported by an aggressive and systematic acquisition policy.

Lucerne, May 6, 2008

**The full 2007/08 semiannual report is available at [www.eichhof.com](http://www.eichhof.com). It can also be ordered form Eichhof Holding AG by phone.**

**Analogue translation of the original German version of "Halbjahresbericht 1.10.2007–31.3.2008". In case of differences of interpretation arising in comparison to the German version, the wording of the original German version is valid.**

## KEY FIGURES EICHHOF GROUP

in CHF million	Half-year 2007/2008		Half-year 2006/2007	Difference in %
<b>Income statement</b>				
Gross sales	145,4		146,0	-0,4
Net sales	134,1		134,8	-0,5
EBITDA	11,5		12,0	-4,2
Depreciation and amortization	6,4		5,0	28,0
EBIT	5,1		7,0	-27,1
Net profit	2,3		6,8	-66,2
Cash flow from operating activities	9,7		7,8	24,4
Cash flow from investing activities	-48,8		-2,0	n/a
in CHF million	31.03.2008		30.09.2007	%
<b>Balance Sheet</b>				
Total assets	310,9	100,0	266,5	100,0
Current assets	101,7	32,7	101,3	38,0
Non-current assets	209,2	67,3	165,2	62,0
Liabilities	213,0	68,5	153,0	57,4
Net debt	110,1	35,4	50,8	19,1
Shareholders' equity	97,9	31,5	113,5	42,6
Per share data in CHF	Half-year 2007/2008		Half-year 2006/2007	Difference in %
Net profit	14,42		43,45	-66,8
Cash flow from operating activities	57,72		46,37	24,5
Shareholders' equity	582,69		606,86	-4,0
Share price as of March 31	1 940,00		2 000,00	-3,0
Market capitalisation in CHF millions	326,01		336,09	-3,0
Personnel	31.03.2008		31.03.2007	Difference
Number of employees	785		767	18
Average during 1st half-year	777		754	23

### Agenda

23 June 2008	extraordinary shareholder's meeting
4 November 2008	Press release
2 December 2008	Press Conference
15 January 2009	Shareholder's meeting

## CONSOLIDATED INCOME STATEMENT

in TCHF	Half-year 2007/2008		Half-year 2006/2007	
<b>Gross sales</b>	<b>145 365</b>		<b>145 962</b>	
Sales deductions	-11 260		-11 183	
<b>Net sales</b>	<b>134 105</b>	100,0%	<b>134 779</b>	100,0%
Cost of goods sold	-68 362		-65 340	
<b>Gross profit</b>	<b>65 743</b>	49,0%	<b>69 439</b>	51,5%
Sales and marketing expenses	-47 740		-48 525	
Administration expenses	-9 959		-10 240	
Research and development expenses	-3 728		-4 389	
Other operating income	754		749	
<b>EBIT</b>	<b>5 070</b>	3,8%	<b>7 034</b>	5,2%
Financial result	-2 254		1 594	
<b>Profit before income taxes</b>	<b>2 816</b>	2,1%	<b>8 628</b>	6,4%
Income taxes	-562		-1 872	
<b>Net profit</b>	<b>2 254</b>	1,7%	<b>6 756</b>	5,0%
	<b>CHF</b>		<b>CHF</b>	
<b>Earnings per share</b>				
non diluted	14,42		43,45	
diluted	13,89		41,99	

## CONSOLIDATED BALANCE SHEET

in TCHF	31.03.2008		30.09.2007	
<b>Assets</b>				
Cash and cash equivalents	7 903		11 601	
Financial assets	6 936		12 711	
Trade receivables	49 733		44 430	
Other receivables	5 719		4 214	
Inventories	27 970		25 172	
Prepaid tax expenses	981		893	
Prepaid expenses	2 498		2 229	
<b>Current assets</b>	<b>101 740</b>	32,7%	<b>101 250</b>	38,0%
Property, plant and equipment	62 982		58 939	
Investment properties	94 388		56 466	
Intangible assets	22 209		21 508	
Financial assets	26 797		25 461	
Deferred tax assets	2 804		2 833	
<b>Non-current assets</b>	<b>209 180</b>	67,3%	<b>165 207</b>	62,0%
<b>Assets</b>	<b>310 920</b>	100,0%	<b>266 457</b>	100,0%
<b>Liabilities and shareholders' equity</b>				
Trade payables	27 677		21 017	
Financial liabilities	69 429		25 088	
Current tax liabilities	2 630		4 330	
Other liabilities	7 570		5 921	
Accrued liabilities	30 017		26 231	
<b>Current liabilities</b>	<b>137 323</b>	44,2%	<b>82 587</b>	31,0%
Financial liabilities	55 549		50 000	
Other liabilities	6 195		6 213	
Provisions	544		614	
Deferred tax liabilities	13 391		13 575	
<b>Non-current liabilities</b>	<b>75 679</b>	24,3%	<b>70 402</b>	26,4%
<b>Liabilities</b>	<b>213 002</b>	68,5%	<b>152 989</b>	57,4%
Share capital	168		168	
Own shares	-11		-12	
Capital reserves	12 547		12 547	
Retained earnings	85 214		100 765	
<b>Shareholders' equity</b>	<b>97 918</b>	31,5%	<b>113 468</b>	42,6%
<b>Liabilities and shareholders' equity</b>	<b>310 920</b>	100,0%	<b>266 457</b>	100,0%

## CONSOLIDATED CASH FLOW STATEMENT

in TCHF	Half-year 2007/2008	Half-year 2006/2007
<b>Profit before income taxes</b>	<b>2 816</b>	<b>8 628</b>
Depreciation of property, plant and equipment	3 498	3 305
Depreciation of investment properties	1 302	457
Amortization of intangible assets	1 610	1 228
Non-cash sales deductions	1 968	2 034
Loss/gain on disposal of non current assets	0	81
Changes in provisions	0	-10
Interest expense net	1 837	1 283
Dividends and income from securities net	1 453	-2 156
Interest paid	-1 911	-1 182
Income taxes paid	-259	-3 753
Other non-cash positions	-1 721	398
<b>Cash flow before working capital changes</b>	<b>10 593</b>	<b>10 313</b>
Changes in net working capital (net of cash & cash equivalents)	-894	-2 521
<b>Cash flow from operating activities</b>	<b>9 699</b>	<b>7 792</b>
Investment in property, plant and equipment	-8 648	-3 905
Investments in investment properties	-39 225	-1 578
Investment in intangible assets	-2 785	-2 412
Investments in financial assets	-3 565	-1 894
Divestments of property, plant and equipment	0	7
Divestments of financial assets	5 338	7 509
Interest and dividends received	97	232
<b>Cash flow from investing activities</b>	<b>-48 788</b>	<b>-2 041</b>
Proceeds from financial liabilities	49 294	9 569
Purchase of own shares	0	-2 301
Exercise of management share options	371	1 005
Dividends paid	-14 090	-12 552
<b>Cash flow from financing activities</b>	<b>35 575</b>	<b>-4 279</b>
<b>Changes in cash and cash equivalents</b>	<b>-3 514</b>	<b>1 472</b>
Cash and cash equivalents as of October 1	11 601	10 397
Effect of foreign currency translation on cash and cash equivalents	-184	-43
<b>Cash and cash equivalents as of March 31</b>	<b>7 903</b>	<b>11 826</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in TCHF	Share capital	Own shares <sup>2)</sup>	Capital reserves	Retained-earnings	Accumulated translation differences	Hedge Accounting (IAS 39)	Total retained earnings	Total shareholder's equity
<b>Balance as of 1.10.2006</b>	168	-13	10 626	98 925	-978	-1 347	96 600	107 381
Adjustment of financial instruments to fair value <sup>4)</sup>						1 201	1 201	1 201
Translation differences					-327		-327	-327
<b>Gains and losses directly recognized in equity</b>					<b>-327</b>	<b>1 201</b>	<b>874</b>	<b>874</b>
Net profit				6 756			6 756	6 756
<b>Total gains and losses directly recognized in equity</b>				<b>6 756</b>	<b>-327</b>	<b>1 201</b>	<b>7 630</b>	<b>7 630</b>
Dividends <sup>3)</sup>				-12 552			-12 552	-12 552
Purchase of own shares		-1		-2 301			-2 301	-2 302
Management share option plan			246				0	246
Exercise of management share options	0	2	163	1 411			1 411	1 576
<b>Balance as of 31.03.2007</b>	168 <sup>1)</sup>	-12	11 035	92 239	-1 305	-146	90 788	101 979
<b>Balance as of 1.10.2007</b>	168	-12	12 547	103 384	-2 672	53	100 765	113 468
Adjustment of financial instruments to fair value <sup>4)</sup>						-596	-596	-596
Translation differences					-3 694		-3 694	-3 694
<b>Gains and losses directly recognized in equity</b>					<b>-3 694</b>	<b>-596</b>	<b>-4 290</b>	<b>-4 290</b>
Net profit				2 254			2 254	2 254
<b>Total gains and losses directly recognized in equity</b>				<b>2 254</b>	<b>-3 694</b>	<b>-596</b>	<b>-2 036</b>	<b>-2 036</b>
Dividends <sup>3)</sup>				-14 090			-14 090	-14 090
Exercise of management share options <sup>5)</sup>		1		575			575	576
<b>Balance as of 31.03.2008</b>	168 <sup>1)</sup>	-11	12 547	92 123	-6 366	-543	85 214	97 918

<sup>1)</sup> The share capital as of March 31, 2008, consists of 168 044 (previous year: 168 044) registered shares with a nominal value of CHF 1 each.

<sup>2)</sup> Nominal value; own share holdings at cost reduced the consolidated equity by TCHF 14 951 (previous year: TCHF 15 133).

<sup>3)</sup> A dividend of CHF 90 (previous year: CHF 80) per share was distributed in the reporting period.

<sup>4)</sup> The adjustment of financial instruments to the fair value concerns the valuation of an interest rate swap.

<sup>5)</sup> In the reporting period 820 options with an average exercise price of CHF 702 have been exercised.

## SEGMENT INFORMATIONEN

Business segments in TCHF	Half-year 2007/2008		Half-year 2006/2007	
		as % of total		as % of total
<b>Net sales with third parties</b>	<b>134 105</b>	100,0	<b>134 779</b>	100,0
Eichhof Beverage	93 965	70,1	89 341	66,3
Datacolor	37 704	28,1	44 307	32,9
Eichhof Real Estate	2 436	1,8	1 131	0,8
		as % of sales		as % of sales
<b>EBITDA</b>	<b>11 480</b>	8,6	<b>12 024</b>	8,9
Eichhof Beverage	7 548	8,0	8 426	9,4
Datacolor	4 267	11,3	5 070	11,4
Eichhof Real Estate	1 559	64,0	653	57,7
Other	-1 894	n/a	-2 125	n/a
		as % of sales		as % of sales
<b>EBIT</b>	<b>5 070</b>	3,8	<b>7 034</b>	5,2
Eichhof Beverage	3 459	3,7	4 729	5,3
Datacolor	3 265	8,7	4 257	9,6
Eichhof Real Estate	257	10,6	196	17,3
Other	-1 911	n/a	-2 148	n/a
		as % of sales		as % of sales
<b>Depreciation of property, plant and equipment, investment properties and intangible assets</b>	<b>6 410</b>	4,8	<b>4 990</b>	3,7
Eichhof Beverage	4 089	4,4	3 697	4,1
Datacolor	1 002	2,7	813	1,8
Eichhof Real Estate	1 302	53,4	457	40,4
Other	17	n/a	23	n/a
		as % of total		as % of total
<b>Gross investments in property, plant and equipment</b>	<b>50 658</b>	100,0	<b>9 789</b>	100,0
Eichhof Beverage	8 711	17,2	6 047	61,8
Datacolor	2 711	5,4	2 129	21,7
Eichhof Real Estate	39 225	77,4	1 578	16,1
Other	11	n/a	35	0,4
		as % total		as % total
<b>Average number of employees</b>	<b>777</b>	100,0	<b>754</b>	100,0
Eichhof Beverage	455	58,6	432	57,3
Datacolor	314	40,4	314	41,6
Eichhof Real Estate	2	0,2	2	0,3
Other	6	0,8	6	0,8

### Net assets by business segments

as of March 31, 2008	Assets	Liabilities	Net
Eichhof Beverage	153 688	71 426	82 262
Datacolor	54 179	29 996	24 183
Eichhof Real Estate	95 525	61 167	34 358
Other	7 528	50 413	-42 885
<b>Total</b>	<b>310 920</b>	<b>213 002</b>	<b>97 918</b>

as of September 30, 2007	Assets	Liabilities	Net
Eichhof Beverage	142 115	58 847	83 268
Datacolor	56 644	29 024	27 620
Eichhof Real Estate	57 676	32 795	24 881
Other	10 022	32 323	-22 301
<b>Total</b>	<b>266 457</b>	<b>152 989</b>	<b>113 468</b>

Return on average net assets (half-year)	2007/2008	2006/2007
Eichhof Beverage	4,2%	6,0%
Datacolor	12,6%	19,1%
Eichhof Real Estate	0,9%	0,8%

The figures of the holding company, financial activities and consolidation effects are included in the position "Other". The Eichhof Group accounts for sales and transfers between legal entities as if the sales or transfers were to third parties at current market prices. There are no material sales between the segments.

Geographical segments in TCHF	Half-year 2007/2008		Half-year 2006/2007	
		as % of total		as % of total
<b>Net sales with third parties</b>	<b>134 105</b>	100,0	<b>134 779</b>	100,0
Switzerland	110 142	82,1	105 045	77,9
Europe (excl. Switzerland)	3 281	2,5	3 984	3,0
America	10 499	7,8	12 775	9,5
Asia/Pacific	10 183	7,6	12 975	9,6
<b>Assets</b>	<b>310 920</b>	100,0	<b>271 027</b>	100,0
Switzerland	279 800	90,0	241 452	89,1
Europe (excl. Switzerland)	4 908	1,5	3 146	1,2
America	17 144	5,5	18 510	6,8
Asia/Pacific	9 068	3,0	7 919	2,9
<b>Gross investments in property, plant and equipment</b>	<b>50 658</b>	100,0	<b>9 789</b>	100,0
Switzerland	48 001	94,8	7 937	81,1
Europe (excl. Switzerland)	53	0,1	181	1,8
America	965	1,9	1 358	13,9
Asia/Pacific	1 640	3,2	313	3,2
<b>Average number of employees</b>	<b>777</b>	100,0	<b>754</b>	100,0
Switzerland	493	63,4	467	61,9
Europe (excl. Switzerland)	45	5,8	47	6,3
America	136	17,5	147	19,5
Asia/Pacific	103	13,3	93	12,3

# Notes to the Consolidated Financial Statements

## 1. Accounting principles

The unaudited consolidated interim statements have been drawn up in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting. The same accounting principles apply as used for the consolidated financial statements for 2007 except for the following revised or new standards:

- IFRS 7 Financial instruments: Disclosures
- Changes to IAS 1 Presentation of Financial Statements: Disclosures about Capital
- IFRIC 11 – Group and treasury share transactions

The application of these new or amended standards and interpretations mainly leads to additional disclosures.

## 2. Use of estimates

The preparation of consolidated financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements. If in the future such estimates and assumptions, which are based on management's best judgment at the date of the financial statements, deviate from the actual circumstances, the original estimates and assumptions will be modified as appropriate for the year in which the circumstances change.

## 3. Seasonality

The business of Eichhof Beverage is seasonal because of higher sales during the summer months, which is reflected in the second half of the fiscal year. Business for both, Datacolor and Eichhof Real Estate, is not subject to significant seasonal fluctuations.

## 4. Semiannual report commentary

Eichhof Real Estate acquired in October 2007 two properties from the Eichhof Pension Fund in the total amount of CHF 34.8 million. The acquisition has been financed with bank loans. The financial result has been adversely affected mainly by lower performance on securities of CHF 4.0 million.

## 5. Foreign exchange rates

CHF per	1 USD	1 EUR	1 GBP
Average rates October 2007/March 2008	1.12	1.63	2.25
Average rates October 2006/March 2007	1.24	1.60	2.38
Rates end of March 2008	1.00	1.57	1.99
Rates end of September 2007	1.16	1.66	2.38
Rates end of March 2007	1.22	1.62	2.39

## 6. Events after the balance sheet date

This semiannual report was approved for publication by the Board of Directors on April 30, 2008.

On April 9, 2008, Werner Dubach, Anne Keller Dubach and Eichhof Holding AG, Lucerne, ("Eichhof") concluded a share purchase agreement with Heineken International B.V., Amsterdam ("Heineken") in which they undertook to tender 82,024 shares in Eichhof Getränke Holding AG ("EGH"), a new company to be established by spinning off the beverage business unit of Eichhof Holding AG, Lucerne, at a net price of CHF 1,657.30 per EGH share. In the event of a competitive bid, Werner Dubach, Anne Keller Dubach and Eichhof have the right to tender their shares to the competing bidder under certain conditions. The shares tendered represent around 48.8% of the capital and voting rights of EGH.

Together with the conclusion of the share purchase agreement, a transaction agreement was concluded between Eichhof, Werner Dubach, Anne Keller Dubach and Heineken on April 9, 2008, setting out the modalities of the public tender offer to be made by Heineken to the shareholders of EGH.

On April 10, 2008 Heineken issued a preliminary announcement of the public offer to purchase all shares in the company EGH which is to be established.

## **7. Planned action**

The Extraordinary General Meeting on the demerger of Eichhof Holding AG, Lucerne, is expected to be held on June 23, 2008, providing that the conditions upon which Heineken's offer is contingent have been met.

The demerger has to be approved by the Extraordinary General Meeting and can only take place following approval by the Competition Commission. In view of this, Heineken is expected to gain control of EHG between July and September 2008.

In a further step, the company plans to sell Eichhof Real Estate, which holds all investment property and development projects of the Eichhof Group.

In neither case is any impairment of the carrying amounts as of March 31, 2008 to be expected.