

Media Statement by HEINEKEN UK Ltd

For publication Tuesday 31st January 2017

“Our offer is a huge vote of confidence in the Great British Pub. HEINEKEN believes that pubs are an integral part of British culture and that high-quality, well invested pubs run by skilled and motivated operators will continue to prosper.

Our proposed acquisition of the Punch A Group will provide an opportunity to improve the performance of the estate through refurbishing and rejuvenating the pubs, making them more relevant to their communities and capable of generating multiple income streams including food. We believe that this is good news for licensees and for pub goers. We have a strong track record of transforming pubs in our existing Star Pubs & Bars estate, investing around £20m per annum on major refurbishments which are improving pubs in communities across the UK.

We have a shared interest in working constructively with licensees to grow our businesses together, and we have no intention of imposing blanket conditions on them which are detrimental to that shared aim. Punch's publicans' leases will continue as before, and they will continue to benefit from the rights afforded to them by the Pubs Code Regulations. Alongside our strong portfolio of leading brands, we also offer a wide range of non-HEINEKEN brands to our existing Star Pubs & Bars licensees, and we think that is important. As we have consistently said, we will start with what is right for each of the pubs joining us and we will work together with licensees to ensure they have the right drinks on offer to suit the specific needs of each pub.

We know that Punch licensees have questions to ask us, however, there are restrictions on our ability to speak to stakeholders in Punch until after completion. As soon as those restrictions are lifted after completion of the deal, our priority will be to engage with licensees and build strong relationships, like we have already done across our Star Pubs & Bars estate.

We look forward to welcoming new licensees in to Star Pubs & Bars, and to working with them to grow their businesses.”

Ends

For more information on this statement, please contact nigel.pollard@heineken.co.uk or 07785 531756.