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*“To be
the leading
beverage company
in Nigeria,
marketing high quality brands
to deliver superior
customer satisfaction
in an environmentally
friendly way.”*



HEADQUARTERS

Iganmu House
Abebe Village Road, Iganmu
P.O. Box 545, Lagos
Tel: (01) 2717400-20

BREWERY LOCATIONS

Lagos Brewery

Abebe Village Road, Iganmu
P.O. Box 86, Apapa, Lagos
Tel: (01) 2717400-20

Aba Brewery

Industry Road
P.O. Box 496, Aba
Tel: (082) 875025-29

Kaduna Brewery

Industrial Layout, Kakuri
P.M.B. 2116
Kaduna
Tel: (062) 373758, 876706

Ibadan Brewery

Ibadan/Ife Road
P.O. Box 12176, Ibadan
Tel: (02) 8103474

Ama Brewery

Amaeke Ngwo
9th Mile Corner, P.M.B. 01781, Enugu
Tel: (042) 250480

MALTING PLANT

Aba Malting Plant

Ohuru Village
Ogbor Hill Industrial Layout
Obingwa, Aba
Tel: (082) 871360

SALES REGIONS

Lagos Business Unit

Headquarters Annex
Abebe Village Road, Iganmu
P.O. Box 86, Apapa, Lagos
Tel: (01) 2717400-20 Ext. 2800, 2808

Central Business Unit

5, Ganges Street
Off Alvan Ikoku Road
Maitama District, Abuja
Tel: (09) 4137054-6

East Business Unit

Plot 10, Ebeano Estate,
New Haven, Enugu
Tel: (042) 259335, 256155, 255688

West Business Unit

KM 3, Ibadan-Ife Road
P.O. Box 813, Ibadan
Tel: (02) 8101949, 711564 Ext: 5800-7

North Business Unit

Industrial Layout, Kakuri
Kaduna
Tel: (062) 231316

South Business Unit

Industry Road
P.O. Box 496, Aba
Tel: (082) 225596, 224071

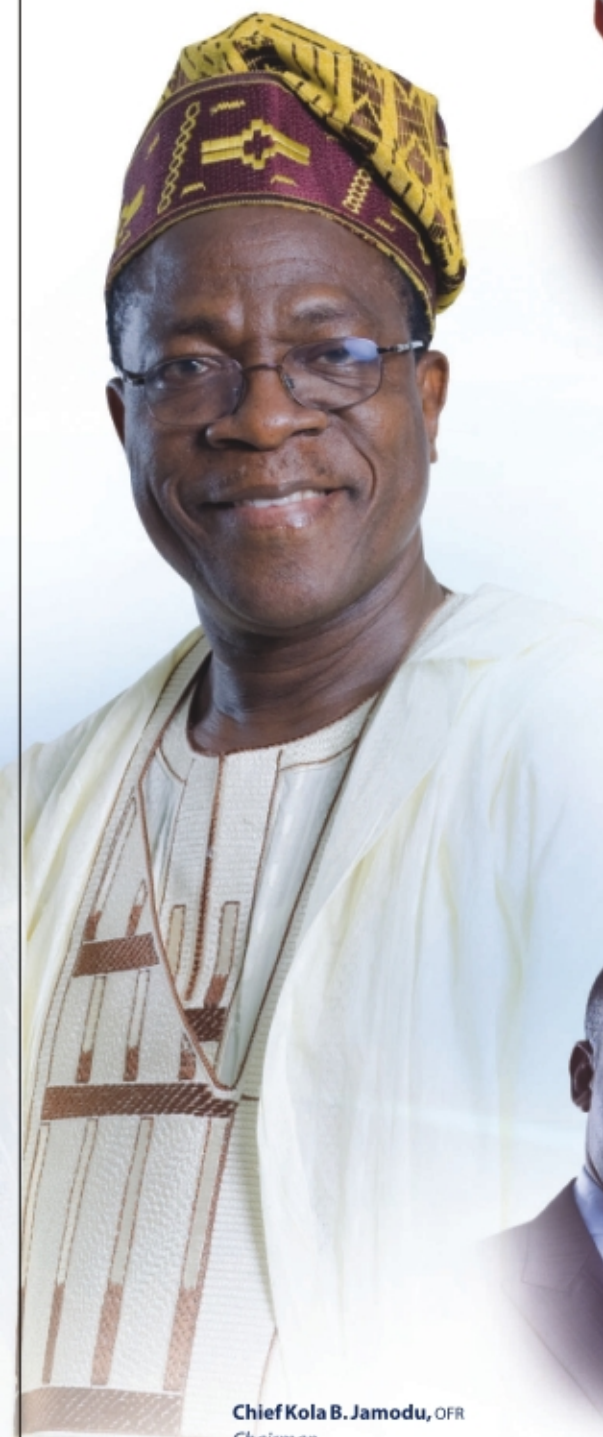
Directors:	<p>Chief Kola B. Jamodu, OFR</p> <p>Mr. Michiel J. Herkemij (<i>Dutch</i>)</p> <p>Mr. Olusegun S. Adebajji</p> <p>Dr. Oladele O. Ajayi</p> <p>Mr. Victor Famuyibo</p> <p>Mr. Paul Hamers (<i>Dutch</i>), MFR</p> <p>Mr. Laurent Le Couedic (<i>French</i>)</p> <p>Mr. Jan C. van der Linden (<i>Dutch</i>)</p> <p>Mr. Tom A. de Man (<i>Dutch</i>)</p> <p>Mr. Atedo N.A. Peterside, OON</p> <p>Mrs. Nenadi E. Usman</p> <p>Mr. Evert J. van Willegen (<i>Dutch</i>)</p> <p>Mr. Ishmael E. Yamson (<i>Ghanaian</i>)</p>	<ul style="list-style-type: none"> - Chairman - Managing Director/Chief Executive Officer - Non-Executive - Sales Director - Human Resource Director - Non-Executive - Finance Director - Marketing Director - Non-Executive - Non-Executive - Non-Executive - Supply Chain Director - Non-Executive
Company Secretary/ Legal Adviser:	Uaboi G. Agbebaku, Esq.	
Registered Office:	<p>1, Abebe Village Road</p> <p>Iganmu</p> <p>P. O. Box 545, Lagos</p> <p>Tel: (01) 2717400-20</p> <p>www.nbplc.com</p>	
Registration No:	RC: 613	
Independent Auditors:	<p>KPMG Professional Services</p> <p>22A, Gerrard Road</p> <p>Ikoyi, Lagos</p> <p>Tel: (01) 2718955</p> <p>www.ng.kpmg.com</p>	
Registrars:	<p>First Registrars Nigeria Limited</p> <p>Plot 2, Abebe Village Road</p> <p>Iganmu</p> <p>P.M.B. 12692</p> <p>Marina, Lagos</p> <p>Tel (01) 5456142, 5851418</p> <p>www.firstregistrarsnigeria.com</p>	

	2009	2008	% Change
Results in millions of Naira			
Turnover	164,207	145,462	13
Operating profit	41,662	36,778	13
Profit after taxation	27,910	25,701	9
Declared dividend*	13,613	36,678	(63)
Share capital	3,781	3,781	-
Shareholders' funds	46,570	32,229	45
Data per 50 kobo share in Kobo			
Earnings	369	340	9
Declared Dividend*	180	485	(63)
Net Assets	616	426	45
Dividend per 50 kobo share in respect of current year results only (in kobo)			
Interim dividend declared during the year	130	290	
Interim dividend declared post year end	150	-	
Final dividend proposed**	89	50	
	369	340	9
Stock Exchange Information			
Stock Exchange quotation			
as at 31 st December in Naira per share	53.02	40.85	30
Number of shares issued in million	7,563	7,563	-
Market capitalisation as at 31 st December in N: million	400,990	308,949	30
Number of Staff			
Number of employees as at 31 st December	2,240	2,360	(5)
Ratios			
Declared Dividend Cover	2.05	0.70	193
Current assets/current liabilities	0.89	0.74	20

*Declared dividend represents the interim dividend declared during the year plus the final proposed for the preceding year but declared in the current year.

**The Directors propose a final dividend of 89 kobo per share (2008: 50 kobo per share) on the issued share capital of 7,562,562,340 ordinary shares of 50 kobo each subject to approval by the shareholders at the next Annual General Meeting.

BOARD OF DIRECTORS



Chief Kola B. Jamodu, OFR
Chairman

Appointed to the Board of Directors as Non-Executive Director on the 1st of March, 2006 and became the Chairman of the Board of Directors on the 1st January, 2008. He is a chartered accountant, industrialist and former Minister of Industry of the Federal Government of Nigeria. He is a former Chairman and Group Chief Executive of the PZ Group and Universal Trust Bank Plc.



Mr. Tom A. de Man
Non-Executive Director

Appointed to the Board of Directors on the 27th of February, 2003 when he became the Managing Director, Heineken's Operating Companies in Sub-Saharan Africa. He joined the Heineken N.V. Group in 1971 and has worked in Europe, Asia and Africa. He is currently Heineken's Regional President for Africa and the Middle East.



Mr. Victor Famuyibo
Human Resources Director

Appointed to the Board of Directors on the 8th of September, 2008. A lawyer and Human Resources expert, he joined the company in 1986 and has performed various Human Resource functions within the company. He was on internationalisation at Heineken International B.V., The Netherlands prior to his appointment to the Board.



Mr. Laurent Le Couedic
Finance Director

Appointed to the Board of Directors on the 1st of March, 2008. He has extensive Finance and Audit experiences at top management level in various organisations in Europe and Africa. He was born and raised in Africa and joined the Heineken N.V. Group in August, 2001.



Mr. Paul Hamers, MFR
Non-Executive Director

A recipient of the Nigerian National Honours Award of Member of the Order of the Federal Republic (MFR), he was initially on the Board of Directors between 1990 and 1991 and re-joined the Board in June 1998. He had his work experience in the Heineken N.V. Group in Europe, Africa and South America. He is a former Managing Director/Chief Executive Officer of our company.



Dr. Oladele O. Ajayi
Sales Director

Appointed to the Board of Directors on the 2nd of May, 2005. He joined the company in 1989 and served in production and marketing functions before going on internationalisation to Heineken International B.V., Amsterdam. He returned to the company in 2004 as Head of Customer Service before his subsequent appointment to the Board.



Mr. Atedo N. A. Peterside, OON
Non-Executive Director

Appointed to the Board of Directors on the 21st of August, 2008. He is the Founder and Chairman of Stanbic IBTC Bank Plc. A member of the National Economic Management Team and an Honorary Adviser to the Rivers State Government, he was the Chairman of the Committee on Corporate Governance of Public Companies in Nigeria. He also sits on the Boards of Cadbury Nigeria Plc, Flour Mills of Nigeria Plc, Presco Plc and Unilever Nigeria Plc.



Mr. Michiel J. Herkemij
Managing Director/CEO

Appointed to the Board of Directors on the 28th of February, 2007 and became the Managing Director/Chief Executive Officer of the company on the 9th of April, 2007. His career has taken him through Asia, Europe and Africa. He resigns from the Board of Directors with effect from the 9th of March 2010 to enable him take up another assignment within the Heineken N.V. Group.



Uaboi G. Agbebaku, Esq.
Company Secretary/
Legal Adviser

Appointed as Secretary to the Board of Directors on 1st January, 2008. He joined the company in January, 2003. Before joining the company, he was in private practice as a legal practitioner.



Mr. Jan C. van der Linden
Marketing Director

Appointed to the Board of Directors on the 1st of September, 2008. He joined the Heineken N.V. Group in July 1999 and has worked in various marketing and sales functions in Africa, Heineken Export, The Netherlands and Ireland. His previous function was with Heineken International B.V., as global head of the Amstel Brand.



Mr. Ishmael E. Yamson
Non-Executive Director

Appointed to the Board of Directors on the 7th of April, 2004. A well respected figure in the Ghanaian corporate world, he had his work experience in the UAC and Unilever companies in Ghana, rising to the post of the Managing Director/Chief Executive of Unilever Ghana and Chairman of Unilever Tanzania. He is the Chairman of Standard Chartered Bank Ghana Limited.



Mrs. Nenadi E. Usman
Non-Executive Director

Appointed to the Board of Directors on the 25th of February, 2009. An experienced administrator, she is a former Commissioner in the Kaduna State Government and a former Minister of Finance of the Federal Government of Nigeria. She is an advocate of youth and women empowerment and is the Chairman of Thomas Wyatt & Sons (Northern Nigeria) Limited amongst others.



Mr. Evert J. van Willegen
Supply Chain Director

Appointed to the Board of Directors on the 21st of September, 2005. He joined the service of Heineken N.V. Group in 1989 and has held several technical positions in Europe and Asia prior to his appointment to the Board.



Mr. Olusegun S. Adebajani
Non-Executive Director

Re-appointed to the Board of Directors as a Non-Executive Director in February 2007. He was initially on the Board as an Executive Director between 1996 and 1998 when he was the company's Finance Director. His career has taken him through Unilever and Heineken companies in Europe and Africa. He was at different times, the Managing Director of Ghana Breweries Limited and Namibian Breweries Limited.



Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 64th Annual General Meeting of Nigerian Breweries Plc, will be held in the Grand Banquet Hall, Civic Centre, Ozumba Mbadiwe Road, Opposite 1004 Estates, Victoria Island, Lagos, on Wednesday, 19th May, 2010, at 10.00 a.m. for the following purposes:

A ORDINARY BUSINESS

1. To receive the Report of the Directors, the Balance Sheet as at 31st December, 2009, together with the Profit and Loss Account for the year ended on that date and the Reports of the Independent Auditors and the Audit Committee thereon.
2. To declare a dividend.
3. To re-elect Directors.
4. To authorise the Directors to fix the remuneration of the Independent Auditors.
5. To elect members of the Audit Committee.

B. SPECIAL BUSINESS

6. To fix the remuneration of the Directors.

NOTES:

(a) PROXIES

A member of the Company entitled to attend and vote is entitled to appoint a proxy to attend instead of him. A proxy for a Corporation may vote on a show of hands and on a Poll. A proxy needs not be a member. A Proxy Form is attached to the Annual Reports and Accounts. If the Proxy Form is to be valid for the purposes of the meeting, it must be completed and deposited at the office of the Registrars, First Registrars Nigeria Limited, Plot 2, Abebe Village Road, Iganmu, Lagos not less than forty-eight (48) hours prior to the time of the meeting.

(b) AUDIT COMMITTEE MEMBERS

In accordance with Section 359(5) of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, 2004, any shareholder may nominate another shareholder for election as a member of the Audit Committee by giving notice in writing of such nomination to the Company Secretary/Legal Adviser, at least 21 days before the Annual General Meeting.

(c) CLOSURE OF REGISTER

The Register of Members and Transfer Books of the Company will be closed from Monday, 15th March, 2010 to Friday, 19th March, 2010 (both dates inclusive), for the purpose of preparing an up-to-date Register of Members.

(d) DIVIDEND WARRANT

If the dividend recommended is approved, the warrants will be posted on 20th May, 2010, to shareholders whose names appear on the Company's Register of Members at the close of business on Friday, 12th March, 2010.

Dated the 18th day of February, 2010.

By Order of the Board.

Uaboi G. Agbebaku, Esq.
Company Secretary/Legal Adviser
Iganmu House
Abebe Village Road
Iganmu, Lagos
Nigeria.



**HIGH
ENERGY**



**LOW
SUGAR**



Chief Kola B. Jamodu, OFR
Chairman, Board of Directors

My fellow shareholders, distinguished ladies and gentlemen, once again, it is my pleasure to welcome you to the 64th Annual General Meeting (AGM) of our great Company, Nigerian Breweries Plc, taking place at the Grand Banquet Hall, Civic Centre, Victoria Island, Lagos.

The Agenda for the AGM is on page 8 of the 2009 Annual Reports and Accounts sent to all shareholders ahead of this meeting.

As usual, I will deal with some of the significant developments in the operating environment that impacted on our operations and performance during the year under review as well as present to you the future outlook for our Company before we proceed to the main items on the Agenda.

Business Environment

2009 was a year of contrasting fortunes between the first and second half for businesses in the country.

While the first half was a period of growth, the second half was one of slow-down due to amongst others, cash squeeze, serious security issues in parts of the country and the banking sector reforms.

In the second half of 2009, the Central Bank of Nigeria (CBN) carried out sweeping reforms in the banking sector culminating in the CBN's intervention in the management of eight out of the twenty four banks in the country. One of the consequences of that intervention was the near total absence of access to credit facilities by customers of those banks especially companies and entrepreneurs. This had a profound effect on our suppliers, customers, other key partners and consumers. The expectation however, is that the long-term benefits of the reforms will outweigh the short-term pains being suffered.

While the security situation in parts of the country witnessed some level of improvement, the issue of kidnapping in major parts of the South East and South South regions, was a major challenge to people and businesses in 2009. Social life was practically brought to a stand-still as no one was sure of who was going to be the next victim. The situation was so bad that the usual "movement" of our South East brothers and sisters from the Diaspora and other parts of the country back home for the Christmas and New Year Celebrations was not at the same level as in previous years. The efforts of some State Governors to tackle the menace are lauded. It is expected that the Federal Government's decisive action will improve the situation as no economy can flourish under an atmosphere of fear and uncertainty.



While the efforts of some State Governors to improve on some physical infrastructure are commendable, the general state of infrastructure remains a huge challenge for business operators. Businesses still generate their own power, invest heavily in private security and expend huge time and cost in the haulage of both raw materials and finished products from one part of the country to another because of the deplorable state of our roads. Multiplicity of taxes and constant harassment by agents of local governments of businesses are on the increase.

The Brewed Product Market

For the brewed product market and the general Fast Moving Consumer Goods industry, the year under review witnessed a slow-down in growth. This was due to the economic slow-down, banking sector reforms, general lack of enough liquidity and other social factors which affected businesses. Nevertheless, I am very pleased to inform you, fellow shareholders, that we maintained our leadership position in the market.

Review of Operations

Notwithstanding the slow-down in the growth of the market during the year under review, we continued with our policy of investing in our operations. The construction of our new Lagos Brewhouse was completed and it is with great pleasure that I announce to you that Heineken lager, the *No 1 international premium brand*, is brewed in the new brewhouse. Thus, the brand is now brewed in two of our locations. In the other breweries in Aba, Kaduna, Ibadan and Ama, various projects were successfully executed in the areas of brewing, packaging and logistics, all aimed at increasing our capacity to cope with the ever increasing demand for our quality brands.

Marketing and other commercial activities were executed with the need of the consumer as the focal point. Maltina, the *Nation's No 1 malt drink*, Gulder, *The Ultimate Beer* and Fayrouz, the *premium sparkling soft drink* were all launched in can packaging during the year; we celebrated the 60th anniversary of Star, *Our Own Since 1949*, which culminated in the re-launch of the brand in a new and attractive package for the bottle and can. Gulder label was upgraded to a more attractive metalised paper. Maltina formulation was improved with the addition of calcium to its ingredients making the brand the first to do so in the category. Legend Extra Stout, the *Real Deal*, was re-launched in a new proprietary bottle and identity leading to strong volume growth for the brand. In 2009, Heineken lager, the sponsor of the UEFA Champions League, gave many Nigerians the opportunity to see and touch the most important and greatest trophy in European Club football during the UEFA Champions League Trophy Tour. Nigeria was the first country in Africa to host the tour of the UEFA Champions League trophy.

In collaboration with The Heineken University, our people at all levels in the organisation were sent on various training programmes abroad to acquire international best practices in their respective functions. The overseas programmes complemented the on-going local training arrangements (internal and external) for our people. Our exchange programme with Heineken International designed to enhance the skills development of our local human resource, continued during the year under review. The programme has been of immense benefits to our company as the employees involved are exposed to contemporary international best practices which are then transferred into our operations. Some of our employees are currently seconded to different Heineken operations across the world. The expertise they will bring back will no doubt serve us well in the years ahead.

Company Performance

Despite the challenges in 2009, benefits from our continuing investments and improved operating efficiencies led us to maintain our leadership position in the market as well as deliver the impressive results we are about to discuss at this AGM. I am therefore pleased to inform you fellow shareholders that for the period under review, our Turnover grew by 13% from the ₦145.46 billion recorded in 2008 to ₦164.21 billion. Operating Profit grew also by 13% from ₦36.78 billion in 2008 to ₦41.66 billion. While Profit

Before Taxation increased by 10% from N37.52 billion in 2008 to N41.40 billion, Profit After Taxation increased by 9% from N25.70 billion in 2008 to N27.91 billion. Indeed, considering the very difficult operating environment of 2009, the results can be considered as very impressive.

Dividend

Dear shareholders, for the financial year ended 31st December, 2009, the Board of Directors is pleased to recommend to you at the AGM, the payment of a total dividend of N27,905,855,034.60 (twenty seven billion, nine hundred and five million, eight hundred and fifty five thousand and thirty four naira, sixty kobo), that is, N3.69 (three naira, sixty-nine kobo) per ordinary share of fifty kobo each - an increase of 9% over the N3.40 paid during the corresponding period in 2008. You will recall that the Company had earlier paid two interim dividends which were declared in May, 2009 and January, 2010 in the sum of N21,175,174,552 (twenty one billion, one hundred and seventy five million, one hundred and seventy four thousand, five hundred and fifty two naira only), that is, N2.80 (two naira eighty kobo) per ordinary share of fifty kobo each. Thus, the final dividend will be **N6,730,680,482.60** (six billion, seven hundred and thirty million, six hundred and eighty thousand, four hundred and eighty two naira, sixty kobo), that is, **89 (eighty nine) kobo** per ordinary share of fifty kobo each. If approved, the final dividend is payable (less deduction of withholding tax) to all shareholders recorded in the Register of Members as at 12th March, 2010. The payment date is **20th May, 2010**. For shareholders who have chosen the e-dividend option, their bank accounts will be credited immediately while for others, the dividend warrants will be posted on that date. Once again, I encourage all of us to choose the e-dividend option as this will not only ensure you receive your dividends immediately through your bank but also help to reduce and subsequently eliminate issues of unclaimed dividends.

Board of Directors

Fellow shareholders, our Managing Director/CEO, Mr. Michiel J. Herkemij, who joined our Board in February, 2007 and subsequently became the CEO in April, 2007, has been given another assignment by Heineken N.V. He is moving on to head the new business acquired by Heineken N.V. in Mexico. As a result, he resigns from the Board and the Company with effect from the 9th of March, 2010 to enable him take up the new assignment. During the three years Mr. Herkemij was in charge of the Company, our operations increased significantly and our turnover grew by 90% from N86.32 billion at the end of 2006 to N164.21 billion at the end of 2009. Also, the Profit After Taxation grew by 156% from N10.90 billion at the end of 2006 to N27.91 billion at the end of 2009 while the Dividend Per Share also grew by 156% from N1.44 to N3.69 during the same period. Those are just a few of the achievements we recorded during his tenure as our CEO. We thank Mr. Herkemij immensely for his contributions to the overall growth of the business. While we will definitely miss him, we wish him the very best in his new assignment.

Mr. Herkemij will be succeeded in Nigeria by Mr. Nico A. Vervelde, currently Managing Director for Heineken Caribbean, Central America and Latin America. He joined the Heineken organisation in 1984 and has since held increasingly Senior Management positions within the business, with Commercial and General Manager positions in Heineken Netherlands, the Bahamas, Rwanda and Ireland. He was also a Director for the Heineken Africa and Middle East Region during which period he first joined our Board of Directors as a Non-Executive Director/Adviser. Pending the resumption of Mr. Vervelde as the new Managing Director/CEO of our Company in July, 2010, our own Mr. Paul Hamers, MFR, a Non-Executive Director and former Managing Director/CEO of the Company, will oversee the affairs of the business as Interim Managing Director/CEO.

The Directors to retire by rotation at this AGM in accordance with the provisions of the Articles of Association of our Company are: Dr. Oladele O. Ajayi and Messrs Laurent Le Couedic, Tom de Man and Ishmael Yamson. Being eligible, they have offered themselves for re-election.

Our Future Prospects

From all indications, the year 2010 will not be less challenging for businesses than the previous year, 2009. Access to credit facilities remains a major challenge. Security of lives and property remain a concern especially in the run up to election campaigns for the general elections in 2011. However, the Federal Government has indicated interest in reforming the electoral process which will ensure a peaceful election. A peaceful environment is a pre-requisite for business survival and success.

The economy is expected to witness a modest growth. Same is expected for the brewed product market. The market remains attractive to local and foreign players; thus, the competition will be stiff. On our part, we remain steadfast in our goal of maintaining and improving on our leadership position in the market. We have just migrated our business software from ISHA to a more robust one, SAP Heicore. This will lead to more efficient business processes for the Company. We will not relent in investing in our operations, our brands and the training of our people for a result-oriented and sustainable business. Fellow shareholders, this Company has been setting the pace since 1946 and our focus is to continue in that light. We will continue to ensure good returns on your investment.

Conclusion

I say a big thank you to our parent company, Heineken N.V. for their continuing support and co-operation. Its faith and confidence in our Company is unwavering. The technical and managerial supports have contributed in no small measure to the enviable position we have attained today. I also thank my colleagues on the Board, the Management and other employees for their doggedness and strong spirit which culminated in the impressive result despite the difficulties experienced in 2009. To you my fellow shareholders, I also say a big thank you for the commitment to and faith in our Company.

Above all, I give God the glory for how far this Company has come and pray that by His grace, our Company will continue to soar to greater heights in the years to come.

God bless you all.



CHIEF KOLA B. JAMODU, OFR
Chairman, Board of Directors.



EXTRA MATURED



...the Ultimate

18+
Drink Responsibly



Mr. Michiel J. Herkemij
Managing Director/Chief Executive Officer

The Directors are pleased to present their annual report on the affairs of the Company to members of Nigerian Breweries Plc together with the financial statements for the year ended 31st December, 2009.

1. Legal Status

Nigerian Breweries Plc, a public company quoted on the Nigerian Stock Exchange, was incorporated on the 16th of November, 1946, under the name, Nigerian Brewery Limited. The name was changed on the 7th of January, 1957, to Nigerian Breweries Limited and thereafter to Nigerian Breweries Plc in 1990 when the Companies and Allied Matters Act of that year came into effect. The Company is a subsidiary of Heineken N.V. of the Netherlands, the latter having a 54.10% interest in the equity of Nigerian Breweries Plc.

2. Principal Activities

During the year under review, the principal activities of the Company remained brewing, marketing and selling of lager, stout, non-alcoholic malt drinks and soft drinks.

3. Progress Trust (CPFA) Limited

Progress Trust (CPFA) Limited was incorporated by the Company and is a duly registered Closed Pension Fund Administrator whose sole activity is the administration of the pension and the defined contribution gratuity scheme for both employees and former employees of Nigerian Breweries Plc. See Note 9 to the Financial Statements.

4. Review of Operations

The brewed products market witnessed two contrasting periods in 2009. While the first half was one of growth, a slow-down was experienced in the second half of the year. Nevertheless, the leadership position of the Company in the market was maintained during the year under review.

The following is a summary of the operating results as at 31st December:

	2009 N'000	2008 N'000
Turnover	164,206,848	145,461,762
Operating profit	41,662,334	36,777,860
Profit before taxation	41,399,796	37,519,114
Taxation	(13,489,705)	(11,818,521)
Profit after taxation	27,910,091	25,700,593

5. Dividend

The Directors are pleased to recommend to shareholders at the forthcoming Annual General Meeting, the declaration of a total dividend of ₦27,905,855,034.60 (twenty seven billion, nine hundred and five million, eight hundred and fifty five thousand and thirty four naira, sixty kobo), that is, ₦3.69 (three naira, sixty nine kobo) per ordinary share of fifty kobo each. The summary of the total dividend based on the 7,562,562,340 ordinary shares of 50 kobo each in issue during the current and preceding years is as follows:

	2009		2008	
	N'000	Per share (kobo)	N'000	Per share (kobo)
Interim dividend declared during the year	9,831,331	130	21,931,431	290
Interim dividend declared - post year end	11,343,844	150	-	-
Final dividend proposed	6,730,680	89	3,781,281	50
Total	27,905,855	369	25,712,712	340

If the proposed final dividend of ₦6,730,680,482.60 (six billion, seven hundred and thirty million, six hundred and eighty thousand, four hundred and eighty two naira, sixty kobo), is approved, it will be subject to deduction of withholding tax at the appropriate rate and the dividend will be payable on the 20th of May, 2010, to all shareholders whose names appear in the Company's Register of Members at the close of business on the 12th of March, 2010.

6. Board of Directors

The Directors who served during the year under review are as shown on page 4 of these Annual Reports and Accounts. The Board is at present made up of six (6) Executive Directors and seven (7) Non-Executive Directors (including the Chairman). The Board has a formal schedule of meetings each year and met five (5) times in the course of the year under review (see details on Item 8 below).

Subsequent to the approval of these Annual Reports and Accounts but before the Annual General Meeting, Mr. Michiel J. Herkemij, the Managing Director/CEO will resign from the Board and the Company with effect from the 9th of March, 2010. The resignation is to enable him take up another assignment within the Heineken N.V. group. The Board thanks Mr. Herkemij for the various achievements recorded by the Company during his tenure and wish him the very best in his next assignment.

The Directors to retire by rotation at the forthcoming Annual General Meeting in conformity with the Articles of Association of our Company and who, being eligible, have offered themselves for re-election at the meeting are: Dr. Oladele O. Ajayi and Messrs Laurent Le Couedic, Tom de Man and Ishmael Yamson.

7. Responsibilities of the Directors

In accordance with the provisions of the Companies and Allied Matters Act of Nigeria, the Directors are responsible for the preparation of annual financial statements which give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss for the year then ended.



The responsibilities include ensuring that:

- i. the Company keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the company and comply with the requirements of the Companies and Allied Matters Act of Nigeria;
- ii. appropriate and adequate internal controls are established to safeguard its assets and to prevent and detect fraud and other irregularities;
- iii. the Company prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgments and estimates that are consistently applied; and
- iv. it is appropriate for the financial statements to be prepared on a going concern basis.

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates in conformity with the Nigerian Statements of Accounting Standards and the requirements of the Companies and Allied Matters Act of Nigeria.

The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the Company and of its profit.

The directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the directors to indicate that the Company will not remain a going concern for at least twelve months from the date of this statement.

8. Record of Directors' Attendance

Further to the provisions of Section 258(2) of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, 2004, the Record of Directors' Attendance at Board Meetings during the year under review is available at the Annual General Meeting for inspection. Further, and in line with Corporate Governance principles, details of attendance of the Directors at the Board Meetings are set out below:

Name	*Number of Meetings Held	Number of Meetings Attended
Chief Kola B. Jamodu, OFR	5	5
Mr. Michiel J. Herkemij	5	4
Mr. Olusegun Adebajji	5	5
Dr. Oladele O. Ajayi	5	4
Mr. Victor Famuyibo	5	4
Mr. Paul Hamers, MFR	5	5
Mr. Laurent Le Couedic	5	5
Mr. Jan C. van der Linden	5	4
Mr. Tom A. de Man	5	5
Mr. Atedo N.A. Peterside, OON	5	5
Mrs. Nenadi E. Usman	4	4
Mr. Evert J. van Willegen	5	5
Mr. Ishmael E. Yamson	5	5

* During the time the Director was a member of the Board of Directors.

9. Directors' Interest in Shares

The interest of Directors in the issued share capital of the Company as recorded in the Register of Members and/or notified by the Directors for the purpose of Section 275 of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, 2004, and disclosed in accordance with Section 342 of the said Act and the requirements of the Listing Rules of the Nigerian Stock Exchange, is as follows:

Name	As at 18 th February, 2010	As at 31 st December, 2009	As at 31 st December, 2008
Chief Kola B. Jamodu, OFR	431,704	431,704	431,704
Mr. Michiel J. Herkemij	Nil	Nil	Nil
Mr. Olusegun Adebajji	18,000	18,000	18,000
Dr. Oladele O. Ajayi	328,760	328,760	328,760
Mr. Victor Famuyibo	Nil	Nil	Nil
Mr. Paul Hamers, MFR	Nil	Nil	Nil
Mr. Laurent Le Couedic	Nil	Nil	Nil
Mr. Jan C. van der Linden	Nil	Nil	Nil
Mr. Tom A. de Man	Nil	Nil	Nil
Mr. Atedo N.A. Peterside, OON	15,000,000	15,000,000	15,000,000
Mrs. Nenadi E. Usman	95,000	95,000	NA*
Mr. Evert J. van Willegen	Nil	Nil	Nil
Mr. Ishmael E. Yamson	Nil	Nil	Nil

* Not on the Board of Directors at that date.

10. Directors' Interest in Contracts

In accordance with Section 277 of the Companies and Allied Matters Act, Cap.20, Laws of the Federation of Nigeria, 2004, no Director notified the Company of any disclosable interest in any contract in which the Company was involved during the year under review.

11. Shareholding and Substantial Shareholder

The issued and fully paid-up Share Capital of the Company is 7,562,562,340 Ordinary Shares of 50 kobo each. The Register of Members shows that only two companies under the Heineken N.V. group having 4,091,260,852 shares (representing 54.1%), held more than 10% of the Issued Share Capital as at 31st December, 2009. The remaining 3,471,301,488 shares (representing 45.9%) were held by Nigerian and foreign individuals and institutions. Also, aside the said two Heineken N.V. companies, (Heineken Brouwerijen B.V. holding 37.74% and Distilled Trading International B.V. holding 16.36%), no other shareholder held more than 5% of the issued share capital of the Company as at 31st December, 2009.

12. Research & Development

The Company has a dedicated Research & Development Department which inter alia, continuously carries out research and development into improvements in raw materials as well as ensuring the maintenance of high/improved quality of our products. During the year under review, the focus of the Department was to firstly, evaluate available raw sorghum varieties with the aim of identifying peculiarities of the seeds and impact on malt production. Secondly, to develop new Sorghum Hybrids with the potential of increasing the quality of malt produced and yield/output for the



sorghum growers as such stimulating the sorghum industry and thirdly to define a sustainable malting process which will guaranty the production of high quality sorghum malt with good brew house processibility that will consistently meet all specifications for beverage making in our breweries. The Department receives constant technical support from Heineken Supply Chain B.V. of the Netherlands and other Heineken companies.

13. Fixed Assets

Information relating to changes in fixed assets is given in Note 8 to the Financial Statements. In the opinion of the Directors, the fair value of the Company's property is not less than the value shown in the financial statements.

14. Gifts and Donations

In 2009, the Company made gifts and donations amounting to ₦100,517,175 (2008: ₦27,633,908) as follows:

Beneficiary/Project	Naira
Construction and equipping of Umuezeani E-Learning Centre	1,864,500
Construction of Bus Shelters in Ibadan	4,000,000
Community Project in Amaeke Ngwo, Ama	5,000,000
National Cancer Centre, Abuja	5,000,000
Nigerian Economic Summit Group	5,000,000
Donation of Crash Helmets to Commercial motorcyclists	9,443,300
"Don't Drink and Drive" Campaign	15,750,000
South-South Economic Summit	20,000,000
Sports Sponsorship	34,459,375
	100,517,175

In accordance with Section 38(2) of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, 2004, the Company did not make any donation or gift to any political party, political association or for any political purpose in the course of the year under review.

15. Employees and Employment

(a) Employment of Physically-Challenged Persons

Nigerian Breweries Plc is an equal opportunity employer and does not discriminate on any grounds. Thus, we provide employment opportunities to physically-challenged persons. However, this actually goes beyond the need to ensure that there is no discrimination against such persons, but driven by a deep conviction that even in disability, there could be immense ability. At present we have five (5) physically-challenged persons in our employment.

(b) Employee Involvement and Training

In today's competitive business landscape, human capability has been found to be a key factor for corporate success.

The critical challenge towards continuous performance improvement remains the capability and speed of response to changes in business environment through people development. Thus, a drive in the right direction for employees' development is imperative for sustainable superior company performance.

In Nigerian Breweries Plc, we believe strongly that we must win with our people. We must not only enable employees to perform in their day-to-day job but must unlock their potentials and make it possible for them to unleash energy for uncommon results to achieve business goals.

Continuous training and upgrading of skills at all levels of the Company is therefore the key to achieving a meaningful competitive advantage and long-term business success.

We provide our employees both operational and leadership training within and outside Nigeria to expose them to best practices and improve knowledge transfer at international level.

(c) **Health, Safety and Welfare**

The Company takes the health, safety and welfare of its employees very seriously, with a strong conviction that a healthy workforce will always be highly productive and will deliver superior performances at all times. Consequently, there are on-site clinics manned by qualified medical personnel in all our brewery locations that provide primary health care round the clock for employees at work. Furthermore, top health care providers have been carefully selected under a managed care scheme to look after the health care needs of employees and their dependants. We comply with relevant statutory provisions and regulations on health, safety and welfare matters as well as providing the education required to enable compliance by employees.

As a good corporate citizen, we recognise the threat of HIV/AIDS in sub-Saharan Africa. Hence, as an extension of our medical policy, Nigerian Breweries Plc operates a comprehensive workplace HIV/AIDS programme spanning the continuum of policy to treatment.

16. Food Safety Statement

Nigerian Breweries Plc as a responsible corporate citizen and operating company of Heineken International B.V., in conformity with the relevant legislations and regulations of Nigeria, is committed to the production and marketing of safe and high quality beverages.

Nigerian Breweries Plc provides adequate resources to establish and maintain a Food Safety Management System.

This system is based on Hazard Analysis Critical Control Point (HACCP) principles which ensure that our products fulfil customer/consumer food safety expectations through:

- (a) Implementation and sustenance of effective Good Manufacturing Practices as detailed in our pre-requisite programmes;
- (b) Prevention or elimination of food hazards;
- (c) Establishment of measurable food safety objectives;
- (d) Establishment and maintenance of a Food Safety Management System certified by an internationally recognised certifier against DS3027E:2002 or ISO 22000: 2005 Food Safety Standard;
- (e) Continuous internal and external communications regarding food safety with all parties from primary production to consumption.

17. Quality Policy Statement

Nigerian Breweries Plc is fully committed to producing and marketing consistently high quality brands of beverages for our customers/consumers.

Accordingly, we have established and continue to maintain, a quality management system which has been designed and structured to meet the requirements of international standards (ISO 9001: 2000) and is in consonance with statutory and regulatory requirements, while guaranteeing the ability to meet organisational goals.

This Quality Policy which is reviewed periodically for continuing suitability will assist to ensure that we:

- (a) Improve our ability to consistently meet our customers and consumers' expectations;
- (b) Increase customers and other stakeholders' confidence in our Company;
- (c) Improve our competitive position;
- (d) Improve employees' commitment to quality at all levels;
- (e) Are committed to continued quality improvement;
- (f) Communicate to the organisation the importance of meeting statutory and regulatory requirements.

The Quality Policy provides a framework for establishing measurable quality objectives at all levels of the Company. These objectives are reviewed on a regular basis. Nigerian Breweries Plc is committed to providing all resources necessary to achieve its quality objectives.

18. Business Conduct

Our business is conducted with integrity and due regard to the legitimate interest of all stakeholders. As part of this, we have adopted policies such as Code of Business Conduct, Community Involvement Policy and Environmental Policy which provide amongst others for:

(a) Respect for Law

Nigerian Breweries Plc ensures that its existence and operations remain within the ambit of all applicable laws. Our employees are expected to comply with the laws and regulations of Nigeria.

(b) Business Integrity

We believe that corruption is evil in the business environment as it is in the society generally. We maintain appropriate anti-corruption policies and programmes in our business. Accordingly, Nigerian Breweries Plc does not give or receive, whether directly or indirectly, bribes or any other incentive to obtain improper advantages for business or financial gain.

(c) Corporate Social Responsibility

As an integral part of the Nigerian society playing varied roles as an employer, supplier, customer, partner, tax payer and competitor all at the same time, the Company impacts the society. Where possible, we aim to establish sustainable partnerships with our stakeholders within our policy guidelines on community involvement. A Corporate Social Responsibility Report detailing some of the ways we partnered with our various stakeholders during the year under review is on pages 26 and 27.

(d) **Environmental Policy**

This policy statement serves to demonstrate our responsibility to the environment and the pursuit of world-class vision in all aspects of our operations. We will strive to comply with all current and future environmental laws and regulations, and continuously improve the efficiency of our operations to minimise impact on the environment.

In order to meet this commitment, we are guided by the following regulations:

- i. Strive to comply with relevant State and Federal laws and regulations, and also anticipate signals from the society in respect of future legislations;
- ii. Use available technology and knowledge to prevent pollution, or continue to reduce pollution and seek savings in water and energy in a cost efficient manner;
- iii. Develop cost effective strategies to ensure that residue/by-products generated in our operations are collected and processed in a manner suitable for recycling and/or disposal with the least possible impact on the environment;
- iv. Assess the environmental impacts of new products, processes and major projects before development;
- v. Encourage the necessary awareness among our employees on issues of the environment. This is to engender active involvement in maintaining a clean and tidy working environment and to act in an environmentally responsible way;
- vi. Promote environmental sustainability by regular dialogue with our immediate communities and the regulating authorities on how to improve on environmental care;
- vii. Publish a bi-annual environmental report.

19. **Conflict of Interests**

Nigerian Breweries Plc recognises and respects the right of its employees to engage in external activities so long as these activities do not impair, interfere or conflict with the conscientious performance of their duties and do not involve damage to or misuse of the Company's name, trademarks, products, property, reputation, goodwill, confidential information or other resources.

When an employee is engaged in carrying out a task on behalf of the Company and that employee has a factual or potential private interest in the outcome of the task, which is contrary to the best interests of the Company or is substantial enough to affect his unbiased judgment, the Company expects the employee to disclose this as appropriate. Failure to comply with this policy will have serious career consequences for the employee. Nigerian Breweries Plc maintains policies (for instance, on purchasing) that severely reduce the risk of harm to the Company due to a conflict of interest.

20. **Regulation for Dealing in Shares**

The Company has in place Regulations to guide the Board and other employees when effecting transactions in the Company's shares. The Nigerian Breweries Plc's Regulations for Dealing in Shares and other Securities provide amongst others, the periods when transactions are not allowed to be effected on the Company's shares as well as

disclosure requirements when effecting such transactions. All concerned are obliged to observe the provisions of the Regulations when dealing in the Company's shares.

21. Corporate Governance/Board Committees

Nigeria Breweries Plc adopts a responsible attitude towards corporate governance. In conformity with the Code of Best Practice in Corporate Governance, the Directors have established the following Committees:

(a) Executive Committee

The Executive Committee comprises the Executive Directors and two other Senior Managers occupying strategic roles in the business. It is responsible for agreeing priorities, allocating resources, setting overall corporate targets, agreeing and monitoring divisional strategies and plans and has responsibilities for superintending the affairs of the business on a day-to-day basis. It is chaired by the Managing Director/Chief Executive Officer of the Company. The Committee is comprised as follows:

i.	Mr. Michiel J. Herkemij	(Managing Director/CEO)	- Chairman
ii.	Dr. Oladele O. Ajayi	(Sales Director)	- Member
iii.	Mr. Victor Famuyibo	(Human Resource Director)	- Member
iv.	Mr. Laurent Le Couedic	(Finance Director)	- Member
v.	Mr. Jan C. van der Linden	(Marketing Director)	- Member
vi.	Mr. Evert J. van Willegen	(Supply Chain Director)	- Member
vii.	Mr. Yusuf Ageni	(Corporate Affairs Adviser)	- Member
viii.	Mr. Robbert Mooij	(Head of Logistics)	- Member

(b) Remuneration Committee

The Remuneration Committee is currently composed as follows:

i.	Mr. Paul Hamers	- Chairman
ii.	Mr. Ishmael E. Yamson	- Member
iii.	Mr. Victor Famuyibo	- Member

This Committee has responsibility for reviewing executive remuneration and determines specific remuneration packages for Directors.

(c) Nomination Committee

The Nomination Committee is currently composed as follows:

i.	Mr. Ishmael E. Yamson	- Chairman
ii.	Mr. Victor Famuyibo	- Member
iii.	Mr. Paul Hamers	- Member

This Committee is responsible for making recommendations to the Board on candidates for appointment as Directors.



22. Audit Committee

The Audit Committee is composed of three Shareholders' representatives and three Directors' representatives (two of whom are Non-Executive Directors and the other an Executive Director not being the Finance Director). It is chaired by a member representing the shareholders. The Committee met four times during the year under review.

The Committee in the conduct of its affairs reviews the Company's overall risk management and control systems, financial reporting arrangements and standards of business conduct. Members of the Audit Committee have direct access to the Internal Audit Department and the Independent Auditors.

The statutory functions of the Committee are provided for in Section 359(6) of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, 2004.

23. Independent Auditors

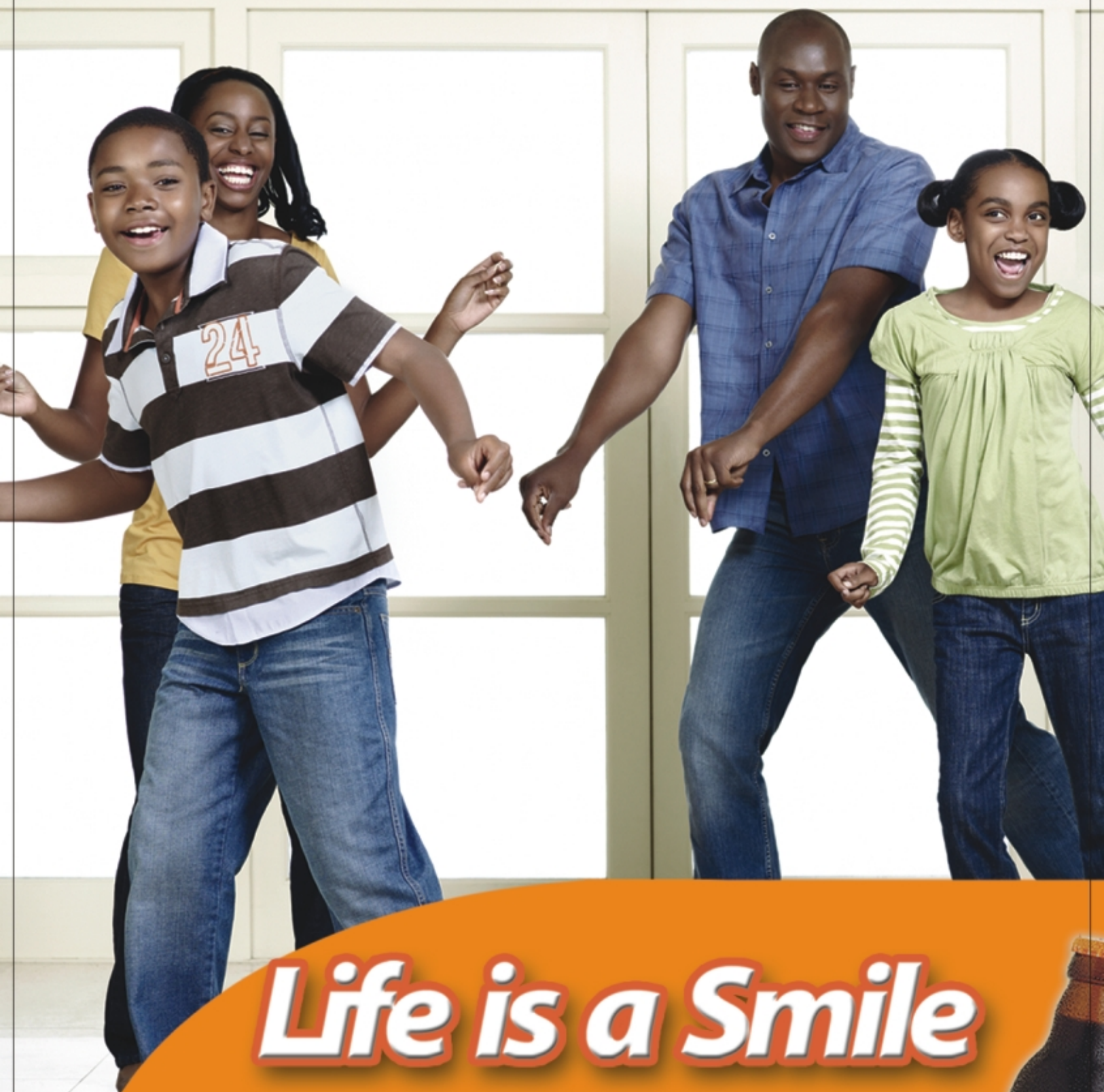
In accordance with Section 357(2) of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, 2004, Messrs KPMG Professional Services have indicated their willingness to continue in office as Independent Auditors to the Company.

Dated the 18th of February, 2010.

By Order of the Board.

Uaboi G. Agbebaku, Esq.

Company Secretary/Legal Adviser
Iganmu House
Abebe Village Road
Iganmu, Lagos
Nigeria.



Life is a Smile

*Nothing gives you more joy than life at its
best, so grab a Maltina and enjoy
nourishment for life*



Nourishment for Life!

Our Corporate Social Responsibility is driven by a strategic vision to "Win with Nigeria". Over the years, Nigerian Breweries Plc has been very active in supporting our national development aspirations in line with our commitment to 'Winning with Nigeria'. We have continued to identify and respond to major challenges confronting our nation through strategic engagements that are aligned with our corporate philosophy and values.

1. Youth Empowerment/Talent Development

The thrust of our youth development programme is "Youth Empowerment Through Talent Development". The aim is to identify the diverse talents that abound in the country and help nurture and develop them as key national assets. The Creative Writing Workshop, organised in conjunction with Farafina Trust, is one of the avenues created to give concrete demonstration of our commitment in this area. The workshop offered budding writers a unique platform to learn and interact with international writers of repute led by our own Dr. Chimamanda Ngozi Adichie.

2. **The National Reading Competition** which the company has been sponsoring since 2004 through The Nigerian Breweries-Felix Ohiwerei Education Trust Fund, continued in 2009 as part of our youth empowerment programme. Designed for senior students (SS1-SS3) in secondary schools across the country, the competition is a bold initiative to empower Nigerian youths and channel their energies to more productive ventures. It is also intended to promote a qualitative and sustainable culture of reading among our youths who need to be guided to understand the values of education and knowledge. The programme also doubles as one of our education support activities.

We also collaborated with the African Artistes Foundation to sponsor the second edition of the National Arts Competition and Exhibition. This edition was designed primarily to encourage and showcase young, upcoming artistes in Nigeria. The age limit for participation was pegged at not more than 25 years old. The programme, in addition to demonstrating the essence of our youth empowerment strategy, also shows our active involvement in the promotion of arts and culture in Nigeria.

3. Education Development

The Nigerian Breweries-Felix Ohiwerei Education Trust Fund was established by the Company in 1994 to support the development of education in Nigeria in diverse ways. Through the Fund, the Company embarked on the renovation/ construction of classroom blocks in four secondary schools in three of our operational states – Lagos, Abia and Oyo. The projects are still on going. Also desk-top computers, laptops, printers and accessories were donated to the University of Ibadan as part of our education support initiatives. A donation of five million naira was also made to the Lagos State Support our Schools Project, an initiative of the state government to galvanise private sector support for its drive to upgrade the quality of facilities and learning in public schools in the state.

The aforementioned National Reading Competition, National Arts Competition and Exhibition and Creative Writing Workshop were other educational activities that we undertook during the year under review through the Trust Fund. The sum of ₦92,456,810 was expended through the Trust Fund in 2009 as follows:



Beneficiary/Project	Naira
Golden Pen Award for Journalists	3,800,000
University of Nigeria, Nsukka, Laboratory Renovation	4,738,200
School Support Initiative: Lagos State Government	5,000,000
University of Ibadan - Donation of Computers	6,495,600
Makera Primary School, Kaduna	6,552,614
Aba High School - Construction of School block	8,800,000
National Arts Competition/Exhibition	13,650,000
National Reading Competition	21,295,396
Creative Writing Workshop	22,125,000
	92,456,810

4. Sorghum Development Initiative

Our Company lays strong emphasis on sustainable development through value creation for its stakeholders. One of the ways this philosophy is driven is through the well developed sorghum development strategy initiated by the Company. Through this programme, the Company has created sustainable economic opportunities for local farmers. The programme has helped to provide thousands of jobs for farmers and other stakeholders, facilitated the build up of critical linkages with research institutions and development partners, turned out improved seedlings with better yields and in the process meet local demand for sorghum, as well as conserve foreign exchange for the country.

5. Community Development

Nigerian Breweries Plc has continued to connect positively with relevant communities through various programmes and projects that align with their development aspirations and expectations. In the course of the year under review, boreholes, fish farm, E-learning Centre and class room blocks amongst others were donated to various communities across the country.

6. Promotion of Safety on Our Roads

In 2009, we sustained our sponsorship of a public education and awareness programme to promote safety on our roads. The programme was anchored on the message, "Don't Drink and Drive" and was in partnership with the Federal Road Safety Commission. Public enlightenment workshops were organised in five cities across Nigeria with the involvement of the major stakeholders in the Transport Sector. Safety (crash) helmets were distributed free to motor cycle operators in the five cities where the workshops took place, in addition to the key road safety messages that were disseminated. The campaign was sustained through an integrated media campaign using both print and electronic media as well as posters and stickers.

7. Sports Development

Our company continued to play very active part in the development of sports in Nigeria. In 2009, we sustained our sponsorship of various sporting activities across the country. These include golf, tennis, polo, chess and squash. We remain the biggest sponsor of sports by variety in the country.

8. Conclusion

Corporate Social Responsibility is a strategic element of our operations. We remain fully committed to making a positive contribution to the development of our society through strategic and constructive engagements with critical stakeholders. Going forward, Nigerian Breweries Plc is poised to demonstrate even greater commitment to the idea and ideals of 'winning' with these stakeholders and by extension our country, Nigeria.

STAR celebrates 60 years of brightness



Star, Nigeria's first indigenous lager, turned 60 on June 2, 2009. To celebrate this epoch, the brand launched a blue campaign and a consumer promotion to reward its loyal consumers. The celebrations were rounded off in a colourful ceremony in Lagos which brought together loyal customers and consumers of the brand. A new body and neck label was also launched for the brand as part of the 60th anniversary celebrations.

R - L: Mr. Yusuf Ajeni, Corporate Affairs Adviser; Mr. Tony Agenmonmen, Marketing Manager, Lager; Mr. Michiel Herkemij, Managing Director/CEO; Mr. Jacco van der Linden, Marketing Director; and Mr. Erhabor Emokpae, Executive Vice Chairman, Lowe Lintas, at the 60th anniversary celebrations.

Uche Nwaezeapu wins Gulder Ultimate Search 6



Uche Nwaezeapu in 2009, joined the Gulder hall of fame by winning the sixth edition of the very popular television show, Gulder Ultimate Search. This time, the search was for the Horn of Valour at Omodo Forest in Aagba, Osun State. Ten contestants went into the Omodo Forest for the Search but it was Uche who found the Horn and was rewarded with N7 million cash, N500,000 wardrobe allowance and a Ford SUV.

Uche receives his prizes from His Excellency, Governor Olagunsoye Oyinlola of Osun State (right) and Mr. Jacco van der Linden, Marketing Director.



launches new Bottle and new Label



Legend Extra Stout was in October 2009 re-launched in a brand new proprietary (unique) bottle. The new bottle which was ushered into the market at a colourful ceremony in Lagos also comes complete with new front, neck and back labels.

Chief Kola Jamodu, MFR, Chairman NB Plc, toasting to the new Legend at the event. Inset: The new Legend identity.

NB partners FRSC on road safety



Nigerian Breweries Plc in 2009 continued its partnership with the Federal Road Safety Corps to promote safety on the road. As part of the programme tagged, "Don't Drink and Drive" over 7,500 motorcyclists in five cities were given free safety helmets donated by the Company. Motorcyclists in Lagos, Ibadan, Enugu, Kaduna and Uyo benefited from the free helmets. Seminars and public enlightenment campaigns to encourage safety on the road were also carried out with the involvement of key stakeholders in the transport sector.

Mr. Vivian Ikem, CSR & Public Affairs Manager (middle) assisting Corps Commander, Samuel Obayemi, Corps Public Education Officer, FRSC, to present one of the safety helmets to a cyclist.

NB holds Customers Award Ceremony



It was again another occasion for the Company to honour and appreciate its key partners who contributed to its performance in 2009 when it hosted the 2009 Customers Awards in Lagos. Many customers and transporters went home with various prizes. Magulf Nigeria Limited emerged as the Biggest/Highest Distributor in 2009 while E.O. Nnabuogwu & Sons Nigeria Limited retained its No. 1 position amongst the transporters by emerging as the Best Key Transporter in 2009.

L - R: Dr. Oladele Ajayi, Sales Director; Hon. Benson Ogbavire (Magulf Nigeria Limited); Mr. Michiel Herkemij, Managing Director/CEO; Engr. Onuorah Nnabuogwu, (Managing Director/CEO, E.O. Nnabuogwu & Sons Nig. Ltd.); and Mr. Robbert Mooij, Head of Logistics at the 2009 Customer Awards ceremony.

A Reward for Arts from NB



As part of the Company's commitment to Corporate Social Responsibility, Nigerian Breweries Plc in 2009 continued its partnership with African Artists' Foundation to organise the second edition of the Nigerian Breweries AAF National Arts Competition. The competition had as its theme, "Nigeria: The Future I See". Two hundred entries were received from young and talented artists. Twenty four entries were eventually shortlisted for the finals out of which four winners in different categories emerged at the exhibition held in Lagos in December, 2009. Each winner received a cash prize of ₦750,000.

Mr. Michiel Herkemij, Managing Director/CEO (left) and Mr. Azu Nwagbogu, President AAF presenting a cheque to one of the winning artists.

Heineken® tours Nigeria with UEFA Champions League Trophy



In 2009, Heineken gave Nigerian football fans an opportunity to see and feel the UEFA Champions League trophy. Heineken, UEFA Champions League sponsor, brought the trophy on a tour of Africa with Nigeria being the first point of call. The trophy is the most important and biggest prize in European football club competitions. The trophy tour brought together past and present Nigerian football stars and football fans.

L - R: Mr. Jacco van der Linden, Marketing Director; Mr. Celestine Babayaro, former Nigerian international; and an official of UEFA during the presentation of the trophy to football fans in Lagos.

NB donates classroom blocks to schools in Makera



In 2009, Nigerian Breweries Plc once again demonstrated its commitment to a sustainable partnership with its various host communities through the execution of various community development projects. One of such projects was the donation of a block of four classrooms with Principal and Secretary's offices to Government Junior Secondary School, Makera, one of the company's host communities in Kaduna State.

The newly built block of class rooms in Makera.

NOTAP officials visit NB



As part of its monitoring functions, officials of the National Office for Technology Acquisition and Promotion (NOTAP) paid a working visit to Nigerian Breweries Plc in 2009. The Director General of NOTAP, Dr. Bindir Umar, led other senior officials on the visit. They were taken on a tour of Lagos Brewery after being received in the Headquarters in Iganmu House by the management team of NB Plc.

Mr. Samson Aigbedo, Brewery Manager, Lagos, explains a point to Dr. Bindir Umar and other NOTAP officials while Mr. Ed. van Willegen, Supply Chain Director (1st from left) looks on.

Ibiam Family gets **MALTINA** Nourishment



In 2009, Maltina once again showcased its nourishment and fun propositions during the fourth edition of **Maltina Dance All**, the family dance reality television show which kept Nigerians glued to their television sets while it lasted. Out of ten families that emerged from the regional screenings, the Ibiam Family emerged the overall winner at the grand finale held in Lagos. The family danced its way to fame and fortune by winning a cash prize of N2.5m and a brand new Luxury minivan.

Dr. Oladele Ajayi, Sales Director (3rd from left) and Mrs. Ifeoma Dozie, Marketing Manager, Non-Alcoholic Drinks, celebrate with the Ibiams.

Ivie Okujaye wins **AMSTEL MALTA BOX OFFICE 5**



The 5th edition of **Amstel Malta Box Office** (AMBO) came to an exciting end in December, 2009 with 23 years old Miss Ivie Okujaye becoming the newest Amstel Malta discovery for the Nigerian film industry, Nollywood. The popular talent discovery reality television show is sponsored by Amstel Malta, the premium low sugar formulated, high energy malt drink with international heritage. AMBO, which was launched in 2005, consists of three main elements which run sequentially. It begins with a nationwide talent hunt television show, followed by a lead role for the winner in a blockbuster movie and ends with a road-show which provides viewing experience of the new movie for esteemed Amstel Malta consumers across the country.

Mr. Jacco van der Linden, Marketing Director, presenting the keys of a brand new car to Miss Ivie Okujaye while Mrs. Ifeoma Dozie, Marketing Manager, Non-Alcoholic Drinks and Mr. Victor Famuyibo, Human Resource Director, look on.

fayrouz gets consumer endorsement on campuses



Fayrouz, the premium, sparkling non-alcoholic adult soft drink made from natural malt in delicious pineapple and pear fruit flavours for a full refreshment, received huge endorsements from consumers in 2009 when the brand participated in matriculation and convocation ceremonies in higher institutions across the country. Fayrouz was variously described by consumers as the "Champagne of soft drinks in Nigeria", the "King of soft drinks in Nigeria" and other similar accolades.

Students of Abia State Polytechnic, Aba savour Fayrouz during their matriculation ceremony.

NB promotes creative writing in Nigeria



As part of its continuous support for the development of education in the country, the Company in 2009, partnered with Farafina Trust to encourage creative writing in the country. The week-long workshop which ended with a literary evening had in attendance celebrated writers from within and outside the country like Dr. Chimamanda Ngozi Adichie, Doreen Baingana, Nathan Englander, Jackie Kay and Binyavanga Wainaina.

L - R: Dr. Chimamanda Ngozi Adichie; Binyavanga Wainaina; Jackie Kay; Doreen Baingana; and Nathan Englander.

10 years of **STAR MEGA-JAM**



STAR MEGA-JAM, the international music concert sponsored by Star lager, celebrated 10 years of non-stop music in 2009. The concert, which took place in Lagos and Abuja, featured two American music super stars, Busta Rhymes and Ludacris, playing alongside the very best of Nigerian music stars. One of the highlights of the concert was the collaboration on stage (performance) between Busta Rhymes and The Pulse, one of the musical groups unearthed by Star lager through its talent discovery programme, Star Quest. The 2009 concert was a befitting anniversary for the decade-old Star Mega-Jam.

The Pulse performing alongside Busta Rhymes (3rd right).

NB sponsors International Chess Championship



In 2009, Nigerian Breweries continued its partnership with sports when the Company sponsored the 32nd edition of the Nigerian Breweries International Open Chess Championships. The 2009 competition was well attended and attracted the best chess players in the country. In an exciting competition organised by the Nigerian Chess Federation, Bomo Kigigha emerged the best chess player in the country by dethroning the defending Champion, Adeboyega Adebayo in a keenly contested final.

Mr. Edem Vindah, Media & Public Affairs Manager, presenting the trophy to Bomo Kigigha.

It's Clearly Different...
It's Truly Refreshing



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Independent Auditor's Report To the Members of Nigerian Breweries Plc

Report on the Financial Statements

We have audited the accompanying financial statements of **Nigerian Breweries Plc ("the Company")** which comprise the balance sheet as at 31 December 2009, and the profit and loss account, statement of cash flows and value added statement for the year then ended, and the statement of accounting policies, notes to the financial statements and the five year financial summary, as set out on pages 36 to 55 and page 57.

Directors' Responsibility for the Financial Statements

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with Statements of Accounting Standards applicable in Nigeria and in the manner required by the Companies and Allied Matters Act of Nigeria. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are

appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of **Nigerian Breweries Plc** as at 31 December 2009, and of its financial performance and cash flows for the year then ended in accordance with Statements of Accounting Standards applicable in Nigeria and in the manner required by the Companies and Allied Matters Act of Nigeria.

Report on Other Legal and Regulatory Requirements

Compliance with the Requirements of Schedule 6 of the Companies and Allied Matters Act of Nigeria

In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books and the Company's balance sheet and profit and loss account are in agreement with the books of account.

KPMG

18th February, 2010.
Lagos, Nigeria



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Registered in Nigeria No BN 986925

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Adetola P. Adeyemi
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Adebisi O. Lamikanra
Adewale K. Ajayi
Goodluck C. Obi
Oladimeji I. Salaudeen
Victor U. Onyenkpa

Adelkunle A. Elebute
Ayodele H. Othihiwa
Joseph O. Tegbe
Oluwade O. Olayinka

To the Members of Nigerian Breweries Plc

In accordance with the provisions of Section 359(6) of the Companies and Allied Matters Act, Cap. C20, Laws of the Federation of Nigeria, 2004, we, the Members of the Audit Committee of Nigerian Breweries Plc, having carried out our statutory functions under the Act, hereby report that:

- (a) the accounting and reporting policies of the Company are in accordance with legal requirements and agreed ethical practices;
- (b) the scope and planning of both the external and internal audit for the year ended 31st December, 2009, are satisfactory. The internal audit programmes reinforce the Company's internal control system;
- (c) having reviewed the independent auditors' memorandum of recommendations on accounting procedures and internal controls, we are satisfied with management responses thereon.

Finally, we acknowledge the co-operation of management and staff in the conduct of our duties.

Members of the Audit Committee are:

- | | | | | |
|-----|---------------------------|--------------------------------|---|----------|
| (1) | Mazi Samuel C. Mpamaugo | (Shareholders' Representative) | - | Chairman |
| (2) | Chief Timothy A. Adesiyun | (Shareholders' Representative) | - | Member |
| (3) | Dr. Victor T. Gugong | (Shareholders' Representative) | - | Member |
| (4) | Mr. Olusegun S. Adebajji | (Directors' Representative) | - | Member |
| (5) | Dr. Oladele O. Ajayi | (Directors' Representative) | - | Member |
| (6) | Mr. Tom A. de Man | (Directors' Representative) | - | Member |

The Company Secretary/Legal Adviser serves as the Secretary to the Committee.

Dated the 18th day of February, 2010.



Mazi Samuel C. Mpamaugo
Chairman, Audit Committee.

The following are the principal accounting policies which have been applied consistently throughout the current and preceding years:

(a) **Basis of Accounting**

The financial statements are prepared under the historical cost convention except for certain fixed assets which are carried at revalued amounts based on a revaluation in 1995.

(b) **Turnover**

Turnover represents the invoiced value of products delivered to customers during the year, net of Value Added Tax and discounts.

(c) **Fixed Assets**

Fixed assets are stated at cost or at revalued amounts less accumulated depreciation.

- i. Borrowing costs that are directly attributable to qualifying fixed assets are capitalised. Qualifying fixed assets are those that necessarily take a substantial period of time to build. Capitalisation of borrowing cost continues up to the date that the assets are capable of producing.
- ii. Fixed assets under construction are disclosed as capital work-in-progress.

(d) **Depreciation**

Depreciation is provided for at the following annual rates such that the cost or valuation, less the estimated residual value of each asset, is written-off on a straight-line basis over its estimated useful life:

Freehold land	-	no depreciation is provided
Leasehold land and buildings	-	equal annual instalments over the period of the lease with a minimum of 3% per annum.
Plant and machinery	-	7%
Motor vehicles	-	33.3%
Commercial equipment (chillers)	-	33.3%
Furniture and non-commercial equipment	-	20%
Computer software	-	33.3%

Commercial equipment represent the Company's branded chillers principally located in third party retail outlets. In previous years, the costs were expensed to the profit and loss account on purchase based on the Company's estimate of their useful life. In the current year, the Company has re-evaluated the useful life of the chillers to be three years based on historical experience. Accordingly, the cost of the chillers purchased in current year amounting to N766 million has been capitalised and is being depreciated over three years.

Capital work-in-progress is not depreciated. The attributable cost of each asset is transferred to the relevant asset category immediately the asset is available for use and depreciated accordingly.

Gains or losses on disposal of fixed assets are included in the profit and loss account.

(e) **Fixed Assets Revaluation Reserve**

Surpluses/deficits arising on the revaluation of individual fixed assets are credited/debited to a non-distributable reserve known as the fixed assets revaluation reserve. Revaluation deficits in excess of the amount of prior revaluation surpluses on the same assets are charged to the profit and loss account.

On disposal of previously revalued fixed assets, an amount equal to the revaluation surplus attributable to that asset is transferred from the fixed assets revaluation reserve to general reserve.

(f) **Investments**

Long term investments are stated at cost.

(g) **Stocks**

Stocks are valued at the lower of cost and net realisable value.

Cost incurred in bringing the stock to its present location and condition is based on:

Raw, sundry and non-returnable packaging materials and spare parts	- purchase cost on a weighted average basis including transportation and clearing costs.
Finished products and products in process	- weighted average cost of direct materials, labour costs and a proportion of production overheads based on normal level of activity.
Returnable packaging materials	- deposit value which is equal to the net realisable value.
Stock-in-transit	- purchase cost incurred to date.

Weighted average cost is reviewed periodically to ensure it consistently approximates historical cost.

Net realisable value is based on estimated normal selling price less further costs expected to be incurred to completion and disposal. Stock values are adjusted for obsolete, slow-moving or defective items.

(h) **Income Tax**

Income tax expenses/credits are recognised in the profit and loss account. Current income tax is the expected income tax payable on the taxable income for the year, using applicable statutory tax rates.

(i) **Deferred Taxation**

Deferred taxation is provided for using the liability method, which represents taxation at the current rate of corporate tax on all timing differences between the accounting values and their corresponding tax values. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the amount will be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is charged to the profit and loss account except to the extent that it relates to a transaction that is recognised directly in equity.

(j) **Foreign Currencies**

Transactions denominated in foreign currencies are recorded in Naira at the actual exchange rates as of the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are recorded at the rates of exchange prevailing at that date.

Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account.

(k) **Debtors**

Debtors are stated net of allowances for bad and doubtful debts.

(l) **Provisions**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

(m) **Impairment**

The carrying value of assets is reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indications exist, the asset's recoverable amount is estimated. An impairment loss is recognised whenever the carrying value of an asset exceeds its recoverable amount.

Impairment losses are recognised in the profit and loss account except where they relate to previously revalued assets, in which case, they are recognised directly against any revaluation surplus to the extent that an amount is included in the revaluation reserve account for the related assets, with any remaining loss recognised in the profit and loss account.

(n) **Unclaimed Dividends**

Unclaimed dividends are amounts payable to shareholders in respect of dividends previously declared which have remained unclaimed by the shareholder. In compliance with Section 385 of the Companies and Allied Matters Act Cap. C20, Laws of the Federation of Nigeria 2004, unclaimed dividend after twelve (12) years are transferred to general reserves.

(o) **Retirement Benefits**

i. **Pension Fund:**

In line with the provisions of the Pension Reform Act 2004, the Company has instituted a defined contribution pension scheme for its permanent staff. Staff contributions to the scheme are funded through payroll deductions while the Company's contribution is charged to the profit and loss account.

ii. **Gratuity:**

Gratuity payable on retirement or resignation of employment is accrued over the service life of the employees. The past service cost of current pay rises is charged to the profit and loss account as pay rises are awarded. The Company currently operates two gratuity schemes, a defined benefit scheme and a defined contribution scheme.

(a) **Defined Benefit Scheme**

In determining the liability for employee benefits under the defined benefit scheme, consideration is given to future increases in salary rates and the Company's experience with staff turnover.

The recognised liability is determined by an independent actuarial valuation every year using the projected unit credit method. Actuarial gains or losses arising from valuations are charged to the profit and loss account over a period of five years, while the effect of any curtailment is charged in full to the profit and loss account immediately the curtailment occurs. The Company ensures that adequate arrangements are in place to meet its obligations under the scheme.



(b) *Defined Contribution Scheme*

The Company has a defined contribution gratuity scheme for certain employees, which is funded. Under this scheme, a specified amount is contributed by the Company and charged to the profit and loss account over the service life of the employees.

(p) **Other Long Term Employee Benefits**

Other long term employee benefits are accrued over the service life of the employees. The charge to the profit and loss account is based on an independent actuarial valuation performed using the projected unit credit method.

(q) **Segment Reporting**

A segment is a distinguishable component of the Company that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and returns that are different from those of other segments.

Segment information is presented in respect of the Company's business and geographical segments, where applicable. The Company's primary format for segment reporting is based on geographical segments. The geographical segments are determined by management based on the Company's internal reporting structure.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

(r) **Cash and Cash Equivalents**

For the purpose of reporting cash flows, cash and cash equivalents include cash on hand, cash balances with banks, short-term commercial paper and investments in money market instruments.

Profit and Loss Account

For the year ended 31st December, 2009

	Notes	2009 N'000	2008 N'000
TURNOVER	1	164,206,848	145,461,762
Cost of sales		(88,734,440)	(74,561,945)
GROSS PROFIT		75,472,408	70,899,817
Selling and distribution expenses		(20,795,333)	(21,542,383)
Administrative expenses		(13,159,637)	(12,771,831)
Other income	2	144,896	192,257
OPERATING PROFIT		41,662,334	36,777,860
Net interest	3	(262,538)	741,254
PROFIT BEFORE TAXATION	4	41,399,796	37,519,114
Taxation	5(a)	(13,489,705)	(11,818,521)
PROFIT AFTER TAXATION		27,910,091	25,700,593
APPROPRIATION:			
Transferred to general reserve	20	27,910,091	25,700,593
Earnings per share (kobo)	7	369	340
Declared Dividend per share (kobo)	7	180	485

The Directors propose a final dividend of 89 kobo per share (2008: 50 kobo per share) on the issued share capital of 7,562,562,340 ordinary shares of 50 kobo each subject to approval by the shareholders at the next Annual General Meeting. This is in addition to the interim dividend declared during the year and the dividend declared post year end totalling 280 kobo per share (2008: 290 kobo per share).

The accounting policies on pages 36 to 39 and notes on pages 43 to 54 form an integral part of these financial statements.

Balance Sheet

As at 31st December, 2009

	Notes	2009 N'000	2008 N'000
NON CURRENT ASSETS			
Fixed assets	8(a)	69,003,023	63,557,667
Investment	9	150,000	150,000
Long term debtors	10	205,516	79,557
TOTAL NON CURRENT ASSETS		69,358,539	63,787,224
CURRENT ASSETS			
Stocks	11	22,064,847	20,741,461
Debtors and prepayments	12	3,589,438	3,849,950
Foreign currencies purchased for imports		162,733	420,681
Bank and cash balances	13	11,812,326	15,613,324
TOTAL CURRENT ASSETS		37,629,344	40,625,416
CURRENT LIABILITIES			
Taxation	5(b)	(13,461,573)	(9,245,540)
Dividend	6(b)	(4,566,910)	(19,666,950)
Other current liabilities	14	(24,290,015)	(25,862,961)
TOTAL CURRENT LIABILITIES		(42,318,498)	(54,775,451)
NET CURRENT LIABILITIES		(4,689,154)	(14,150,035)
TOTAL ASSETS LESS CURRENT LIABILITIES		64,669,385	49,637,189
LONG TERM LIABILITIES			
Deferred taxation	15	(14,322,215)	(14,109,681)
Gratuity and other long term employee benefits	16	(3,777,076)	(3,298,327)
TOTAL LONG TERM LIABILITIES		(18,099,291)	(17,408,008)
NET ASSETS		46,570,094	32,229,181
CAPITAL AND RESERVES			
Share capital	17	3,781,282	3,781,282
Fixed assets revaluation reserve	18	7,095,363	7,240,108
Share premium	19	4,568,038	4,568,038
General reserve	20	31,125,411	16,639,753
SHAREHOLDERS' FUNDS		46,570,094	32,229,181

Approved by the Board of Directors on the 18th of February, 2010 and signed on its behalf by:



Chief Kola B. Jamodu (Chairman)



Michiel J. Herkemij (Managing Director/CEO)

The accounting policies on pages 36 to 39 and notes on pages 43 to 54 form an integral part of these financial statements.

Statement of Cash Flows

For the year ended 31st December, 2009

	Notes	2009 N'000	2008 N'000
Cash Flows from Operating Activities			
Operating profit before working capital changes	21(a)	50,383,759	44,543,448
Working capital changes	21(b)	(3,006,027)	7,250,909
Income tax paid	5(b)	(9,061,138)	(7,121,221)
Gratuity paid	16	(1,340,059)	(4,754,500)
Net cash inflow from operating activities		36,976,535	39,918,636
Cash Flows from Investing Activities			
Purchase of fixed assets	8(a)	(12,379,982)	(20,140,509)
Proceeds from sale of fixed assets		32,009	473,375
Interest received	3	475,917	1,007,149
Net cash outflow from investing activities		(11,872,056)	(18,659,985)
Cash Flows from Financing Activities			
Dividend paid	6(b)	(28,669,218)	(21,157,224)
Interest paid	3	(738,455)	(265,895)
Increase/(Decrease) in bank overdraft		502,196	(17,965)
Net cash outflow from financing activities		(28,905,477)	(21,441,084)
Net decrease in cash and cash equivalents		(3,800,998)	(182,433)
Cash and cash equivalents at 1st January		15,613,324	15,795,757
Cash and cash equivalents at 31st December	13	11,812,326	15,613,324

The accounting policies on pages 36 to 39 and notes on pages 43 to 54 form an integral part of these financial statements.

Notes to the Financial Statements

For the year ended 31st December, 2009



1. Turnover

Turnover represents the invoiced value of products delivered to customers during the year, net of Value Added Tax and discounts. All sales were made from brewing activities.

The analysis of turnover by geographical area is as follows:

	2009 N'000	2008 N'000
Nigeria	164,023,227	145,240,281
Export	183,621	221,481
	<u>164,206,848</u>	<u>145,461,762</u>

2. Other income

Other income represents amount realised from the sale of scrap materials and by-products.

3. Net interest

	2009 N'000	2008 N'000
Interest income on bank deposits	475,917	1,007,149
Interest expense on bank overdrafts	(738,455)	(265,895)
	<u>(262,538)</u>	<u>741,254</u>

4. Profit before taxation

(a) Profit before taxation is stated after charging/(crediting):

	Notes	2009 N'000	2008 N'000
Depreciation	8(a)	6,794,658	6,331,785
Auditors' remuneration		30,306	27,059
Staff costs	4(c)	14,415,149	12,820,792
Loss/ (profit) on assets disposed	21(a)	107,959	(27,674)
Royalty and technical assistance fees	24	5,456,262	4,818,125
Loss on foreign exchange transactions		<u>204,828</u>	<u>133,348</u>

(b) Directors' Remuneration

Remuneration, excluding certain benefits of directors of the Company who discharged their duties mainly in Nigeria, was paid as follows:

	2009 N'000	2008 N'000
Fees:		
- Chairman (non-executive)	1,250	1,250
- Other non-executive directors	4,350	3,000
	5,600	4,250
Remuneration as executive directors	193,222	162,526
	198,822	166,776
End of service benefits	-	179,073

The emolument (excluding pension contributions and certain benefits) of the highest paid director was N57,039,762 (2008: N48,229,674).

The number of other directors (excluding the Chairman and highest paid director) who received emoluments, excluding pension contributions and certain benefits, were within the following ranges:

	2009 Number	2008 Number
N 100,001 - N 300,000	-	2
N 300,001 - N 4,000,000	6	5
N 7,000,001 - N 8,000,000	-	3
N 8,000,001 - N 9,000,000	-	1
N15,000,001 - N20,000,000	1	1
N20,000,001 - N30,000,000	2	1
N30,000,001 and above	2	1

(c) Staff Costs

i. Staff costs including the provision for gratuity liabilities:

	2009	2008
	N'000	N'000
Salaries, wages and allowances	9,121,204	7,806,946
Gratuity charge (see Note 16)	1,818,808	1,461,477
Training, recruitment and canteen costs	1,036,602	1,279,642
Pension fund contribution	462,546	390,351
Reorganisation and restructuring costs	909,014	602,502
Medical expenses	343,867	309,242
Other personnel expenses	723,108	970,632
	14,415,149	12,820,792

ii. The number of persons employed as at 31st December was:

	2009	2008
	Number	Number
Production	1,350	1,350
Distribution	98	217
Commercial	406	416
General Administration	386	377
Total	2,240	2,360

iii. Number of employees of the Company as at 31st December, whose duties were wholly or mainly discharged in Nigeria, received annual remuneration (excluding pension contributions and certain benefits) in the following ranges:



Notes to the Financial Statements (cont'd)

		2009	2008
		Number	Number
N 240,001 - N 360,000		5	10
N 360,001 - N 370,000		-	2
N 370,001 - N 380,000		1	-
N 380,001 - N 390,000		-	82
N 390,001 - N 400,000		-	9
N 400,001 - N 410,000		1	8
N 410,001 - N 420,000		-	1
N 420,001 - N 430,000		5	5
N 430,001 - N 440,000		2	14
N 440,001 - N 450,000		-	1
N 450,001 - N 460,000		-	54
N 460,001 - N 470,000		2	9
N 470,001 - N 480,000		10	33
N 480,001 - N 490,000		-	4
N 490,001 - N 500,000		87	8
N 500,001 - N 550,000		31	165
N 550,001 - N 600,000		150	65
N 600,001 - N 650,000		91	201
N 650,001 - N 700,000		102	91
N 700,001 - N 750,000		79	139
N 750,001 - N 800,000		79	179
N 800,001 - N 850,000		140	141
N 850,001 - N 900,000		99	98
N 900,001 - N 950,000		104	92
N 950,001 - N 1,000,000		105	176
N 1,000,001 - N 1,050,000		121	64
N 1,050,001 - N 1,100,000		104	50
N 1,100,001 - N 1,200,000		200	76
N 1,200,001 - N 1,500,000		186	156
N 1,500,001 - N 2,000,000		179	149
N 2,000,001 - N 3,000,000		118	58
N 3,000,001 - N 4,000,000		58	54
N 4,000,001 - N 6,000,000		88	97
N 6,000,001 - N 8,000,000		37	38
N 8,000,001 - N10,000,000		28	16
N10,000,001 - N15,000,000		16	11
N15,000,001 - N20,000,000		1	1
N20,000,001 - N30,000,000		8	1
N30,000,001 and above		3	2
		2,240	2,360

5. Taxation

The tax charge for the year has been computed after adjusting for certain items of expenditure and income, which are not deductible or chargeable for tax purposes, and comprises:

	<u>Notes</u>	<u>2009</u>	<u>2008</u>
		<u>N'000</u>	<u>N'000</u>
(a) Per profit and loss account:			
Income tax		12,277,407	8,247,732
Education tax		999,764	821,467
Deferred tax	15	212,534	2,749,322
		13,489,705	11,818,521
(b) Per balance sheet:			
At 1st January		9,245,540	7,297,562
Payments during the year		(9,061,138)	(7,121,221)
Provision for the year:			
Income tax	5(a)	12,277,407	8,247,732
Education tax	5(a)	999,764	821,467
At 31st December		13,461,573	9,245,540
6. Dividend			
(a) Declared dividend:			
Interim dividend declared - current year		9,831,331	21,931,431
Final dividend declared - previous year		3,781,281	14,746,997
Declared dividend		13,612,612	36,678,428

The Directors propose a final dividend of 89 kobo per share (2008: 50 kobo per share) on the issued share capital of 7,562,562,340 ordinary shares of 50 kobo each subject to approval by the shareholders at the next Annual General Meeting.



	Notes	2009 N'000	2008 N'000
(b) Per balance sheet:			
At 1st January		19,666,950	4,169,720
Declared dividend	6(a)	13,612,612	36,678,428
Payments		(28,669,218)	(21,157,224)
Unclaimed dividend transferred to general reserve	6(c), 20	(43,434)	(23,974)
At 31st December		4,566,910	19,666,950

- (c) Unclaimed dividend transferred to general reserve represents dividend which have remained unclaimed for over twelve (12) years and are therefore no longer recoverable or actionable by the shareholders in accordance with Section 385 of the Companies and Allied Matter Act, Cap. C20, Laws of the Federation of Nigeria, 2004.

7. Earnings per share and declared dividend per share

Earnings per share of 369 kobo (2008: 340 kobo) and declared dividend per share of 180 kobo (2008: 485 kobo) are based on profit after taxation of ₦27,910,091,000 (2008: ₦25,700,593,000) and total declared dividend of ₦13,612,612,000 (2008: ₦36,678,428,000) (Note 6(a)) and on the 7,562,562,340 ordinary shares of 50 kobo each in issue during the current and preceding years.

Declared dividend represents the interim dividend declared during the year plus the final proposed for the preceding year but declared in the current year.

Notes to the Financial Statements (cont'd)

8. Fixed assets

(a) The movement on these accounts during the year was as follows:

	Land and buildings N'000	Plant and machinery N'000	Motor vehicles N'000	Furniture & equipment N'000	Computer software N'000	Capital work- in-progress N'000	Total N'000
Cost or Valuation							
At 1 st January, 2009	20,298,954	68,827,336	6,842,892	2,685,966	391,461	2,157,630	101,204,239
Additions	465,734	6,520,045	598,762	915,987	71,345	3,808,109	12,379,982
Disposals	(16,937)	(360,610)	(306,871)	(28,370)	-	-	(712,788)
Transfers	1,034,910	388,399	-	3,407	9,968	(1,436,684)	-
At 31 st Dec., 2009	21,782,661	75,375,170	7,134,783	3,576,990	472,774	4,529,055	112,871,433
Depreciation:							
At 1 st January, 2009	4,866,128	25,111,397	5,480,835	1,956,973	231,239	-	37,646,572
Charge for the year	704,954	4,742,607	984,094	341,780	21,223	-	6,794,658
Disposals	(9,878)	(239,582)	(298,357)	(25,003)	-	-	(572,820)
At 31 st Dec., 2009	5,561,204	29,614,422	6,166,572	2,273,750	252,462	-	43,868,410
Net Book Value:							
At 31 st Dec., 2009	16,221,457	45,760,748	968,211	1,303,240	220,312	4,529,055	69,003,023
At 31 st Dec., 2008	15,432,826	43,715,939	1,362,057	728,993	160,222	2,157,630	63,557,667

Plant, machinery and buildings were professionally re-valued as at 30th June, 1995, by Knight Frank (Nigeria) - Chartered Surveyors on the basis of open market values. The values were incorporated in the books at that date. The surplus that arose on the revaluation was credited to the fixed assets revaluation reserve. All subsequent additions are stated at cost.

The net book value of the re-valued assets included in the above is as shown below:

	2009 N'000	2008 N'000
Buildings	912,109	1,128,647
Plant and machinery	7,064	17,216
	919,173	1,145,863

(b) Capital commitments

Capital expenditure commitments at the year end authorised by the Board of Directors comprise:

	2009	2008
	N'000	N'000
Approved and contracted	1,123,337	3,183,087
Approved but not contracted	149,100	3,371,174
	1,272,437	6,554,261

9. Investment

Investment of ₦150,000,000 represents the cost of the Company's equity investment in Progress Trust (CPFA) Limited, incorporated in Nigeria. Progress Trust (CPFA) Limited is licensed by the National Pension Commission to conduct the business of a closed pension fund administrator and also manages the gratuity fund of employees of Nigerian Breweries. The activities of Progress Trust (CPFA) Limited are regulated by the National Pension Commission (Pencom). The benefits arising from its activities accrue principally to members of the pension and gratuity schemes and the Company's residual interest in Progress Trust is immaterial. The funds and assets of both the pension and defined contribution gratuity scheme are held by an Independent Licensed Pension Fund Custodian in line with the Pension Reform Act, 2004.

10. Long term debtors

Long term debtors represents loans granted to the Company's employees, which is backed by employees' retirement benefit obligations.

11. Stocks

	2009	2008
	N'000	N'000
Raw materials	5,532,058	2,608,775
Finished products and product in process	2,320,859	2,449,000
Returnable packaging materials	4,356,561	4,433,173
Non-returnable packaging materials	3,866,010	2,232,228
Spare parts	3,218,854	3,493,821
Sundry materials	306,702	186,473
Stock in transit	2,463,803	5,337,991
	22,064,847	20,741,461

	2009 N'000	2008 N'000
12. Debtors and prepayments		
Trade debtors	2,068,271	1,608,012
Other debtors	1,184,688	1,521,869
Advances and Prepayments	146,853	305,836
Due from group companies	189,626	414,233
	3,589,438	3,849,950
13. Bank and cash balances		
Cash at bank	8,033,946	7,966,956
Cash in hand	6,838	6,089
Short-term deposits	3,771,542	7,640,279
	11,812,326	15,613,324
14. Other current liabilities		
Bank overdrafts	502,196	-
Creditors and accruals/customer deposits	21,153,415	21,893,752
Due to group companies	2,634,404	3,969,209
	24,290,015	25,862,961
15. Deferred taxation		
At 1st January	14,109,681	11,360,359
Charge for the year (see Note 5(a))	212,534	2,749,322
At 31st December	14,322,215	14,109,681
16. Gratuity and other long term employee benefits		
At 1st January	3,298,327	6,591,350
Charge for the year (see Note 4(c)(i))	1,818,808	1,461,477
Payments during the year	(1,340,059)	(4,754,500)
At 31st December	3,777,076	3,298,327

17. Share capital	Notes	2009 N'000	2008 N'000
(a) Authorised			
At 1 st January		4,000,000	4,000,000
At 31 st December			
8,000,000,000 ordinary shares of 50k each		4,000,000	4,000,000
(b) Issued and fully paid ordinary shares of 50k each			
At 1 st January		3,781,282	3,781,282
At 31 st December			
7,562,562,340 ordinary shares of 50k each		3,781,282	3,781,282
18. Fixed assets revaluation reserve			
At 1 st January		7,240,108	7,324,530
Transfer to General Reserve in respect of disposals for the year	20	(144,745)	(84,422)
At 31 st December		7,095,363	7,240,108
19. Share premium			
At 1 st January		4,568,038	4,568,038
At 31 st December		4,568,038	4,568,038
20. General reserve			
At 1 st January		16,639,753	27,509,192
Transfer from profit and loss account		27,910,091	25,700,593
Interim dividend declared - current year	6(a)	(9,831,331)	(21,931,431)
Final dividend declared - previous year	6(a)	(3,781,281)	(14,746,997)
Transfer from unclaimed dividend	6(b)	43,434	23,974
Transfer from fixed assets revaluation reserve	18	144,745	84,422
At 31 st December		31,125,411	16,639,753

21. Notes to the statement of cash flows

The cash flow statement has been drawn up using the indirect method. Working capital changes comprises stocks, debtors, prepayments and current liabilities. The cash flows from investing activities relate to the net amount of investments and disposals. The cash flows from financing activities relate to the net amount of payments made for financing business activities in the year and changes in short term borrowings. The net cash position consists of cash in hand and at bank.

(a) Reconciliation of net profit to operating profit before working capital changes

	Notes	2009 N'000	2008 N'000
Net Profit after taxation		27,910,091	25,700,593
Taxation	5(a)	13,489,705	11,818,521
Net Interest	3	262,538	(741,254)
Operating profit		41,662,334	36,777,860
Adjustments for non-cash items:			
- Depreciation	8(a)	6,794,658	6,331,785
- Loss/ (profit) on assets disposed	4(a)	107,959	(27,674)
- Gratuity and other long term employee benefits	4(c), 16	1,818,808	1,461,477
Operating profit before working capital changes		50,383,759	44,543,448
(b) Working capital changes			
Increase in stocks		(1,323,386)	(4,584,673)
Decrease in debtors and prepayments		260,512	3,735,803
(Increase)/decrease in long term debtors		(125,959)	192,826
Decrease/ (increase) in foreign currencies purchased for imports		257,948	(27,724)
(Decrease)/increase in creditors and accrual/customer deposits		(740,337)	7,245,720
(Decrease)/increase in amount due to group companies		(1,334,805)	688,957
		(3,006,027)	7,250,909

22. Guarantees and other financial commitments

(a) Contingent liabilities

- Contingent liabilities in respect of guarantees given for staff loans amounted to ₦1,683,582,733 (2008: ₦1,768,706,623). This guarantee is backed by employees' retirement benefit obligations.

- ii. Bank guarantees and bonds granted to the Company in respect of Nigerian Customs duty and Nigerian Export Promotion Council duty amounted to ₦2,915,025,000. (2008: ₦2,575,025,000)
- iii. Bank guarantee granted to the Company in favour of the Chief Registrar of the Federal Court of Appeal in respect of the judgement sum of ₦11,233,213 (2008: ₦11,233,213) in a lawsuit being appealed by the Company.

(b) **Pending litigation**

There are law suits pending against the Company in various courts of law which are being handled by external legal counsels. The contingent liabilities in respect of pending litigation amounted to ₦2,423,023,391 (2008: ₦3,157,022,919) as at 31st December, 2009. In the opinion of the Directors and based on independent legal advice, the Company's liability is not likely to be significant, thus no provision has been made in these financial statements.

(c) **Financial commitments**

The Directors are of the opinion that all known liabilities and commitments, which are relevant in assessing the state of affairs of the Company, have been taken into consideration in the preparation of these financial statements.

23. Post balance sheet events

On 14th January, 2010, the Company declared a dividend of ₦11,343,843,510 (eleven billion, three hundred and forty three million, eight hundred and forty three thousand, five hundred and ten naira only), that is, ₦1.50 (one naira fifty kobo) per ordinary share of fifty kobo each. This has since been paid. There were no significant post balance sheet events, which could have had a material effect on the financial position of the Company as at 31st December, 2009, which have not been adequately provided for or disclosed in these financial statements.

24. Related parties

The Company sources part of its raw materials and fixed assets through a company related to its ultimate holding company, Heineken N.V. incorporated in the Netherlands. The total amounts due from and to Heineken N.V. and other related companies at year end, have been shown in Notes 12 and 14 to the financial statements.

Additionally, the Company has a Technical Service & Know-How Agreement and Trademark Licence Agreements with its ultimate holding company Heineken N.V. and other related companies for which payments are made and/or provided for. The fees are computed as a percentage of net sales and profit before tax as applicable. Royalties payable are computed as a percentage of the net sales of the related product (see Note 4 (a)).

25. Segment reporting

Nigeria is the Company's primary geographical segment as over 99% of the Company's sales are made in Nigeria. Additionally, all of the Company's sales comprise of brewed products with similar risks and returns. Accordingly, no further business or geographical segment information is reported.

26. Comparative figures

Where necessary, certain comparative prior year figures have been reclassified in line with the presentation format adopted this year.

Value Added Statement

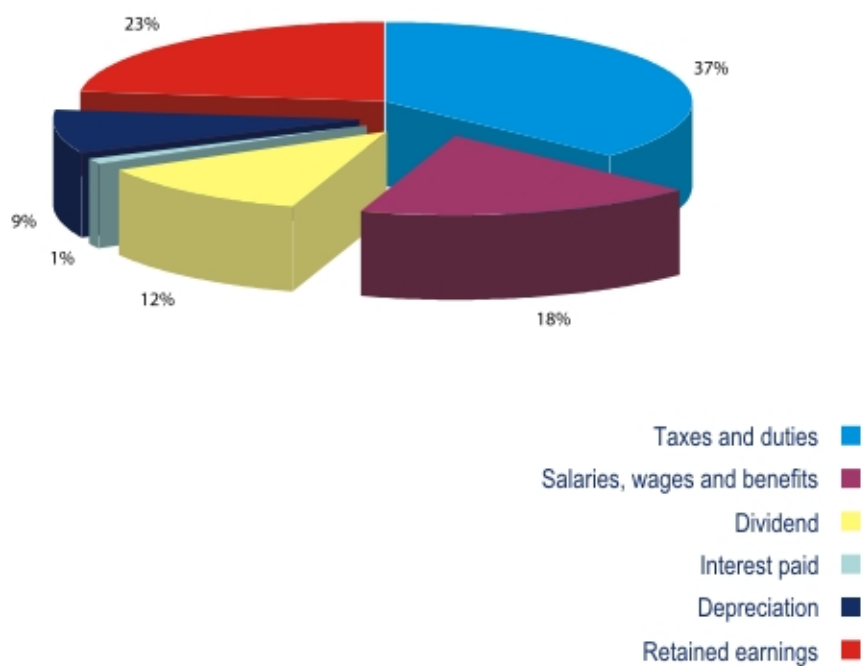
For the year ended 31st December, 2009

	2009		2008	
	N'000		N'000	
Turnover	164,206,848		145,461,762	
Bought in materials and services				
- Imported	(23,204,399)		(20,751,161)	
- Local	(62,858,805)		(54,484,040)	
	78,143,644		70,226,561	
Other Income	144,896		192,257	
Interest received	475,917		1,007,149	
Valued added	78,764,457		71,425,967	
Distribution of Value Added		%		%
To Government as:				
Taxes and duties	28,906,104	37	26,306,902	37
To Employees:				
Salaries, wages, fringe and end of service benefits	14,415,149	18	12,820,792	18
To Providers of Finance:				
Interim dividend to shareholders	9,831,331	12	21,931,431	31
Interest paid	738,455	1	265,895	0
Retained in the Business				
To maintain and replace fixed assets (depreciation)	6,794,658	9	6,331,785	9
To augment reserves	18,078,760	23	3,769,162	5
Value added	78,764,457	100	71,425,967	100

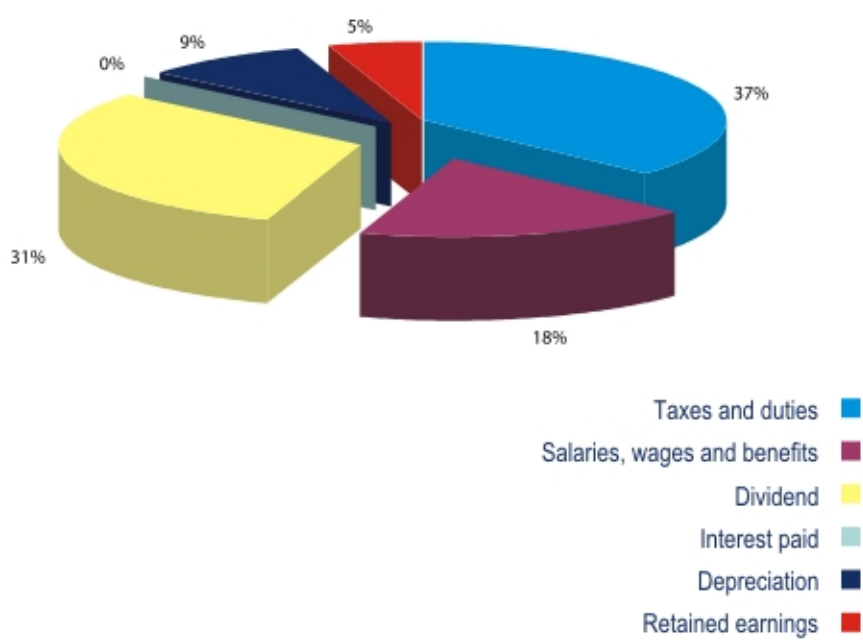
The Directors propose a final dividend of 89 kobo per share (2008: 50 kobo per share) on the issued share capital of 7,562,562,340 ordinary shares of 50 kobo each subject to approval by the shareholders at the next Annual General Meeting.

Value added represents the additional wealth which the Company has been able to create by its own employees' efforts. This statement shows the allocation of that wealth between government, employees, providers of capital and that retained for future creation of more wealth.

2009 Distribution of Value Added



2008 Distribution of Value Added

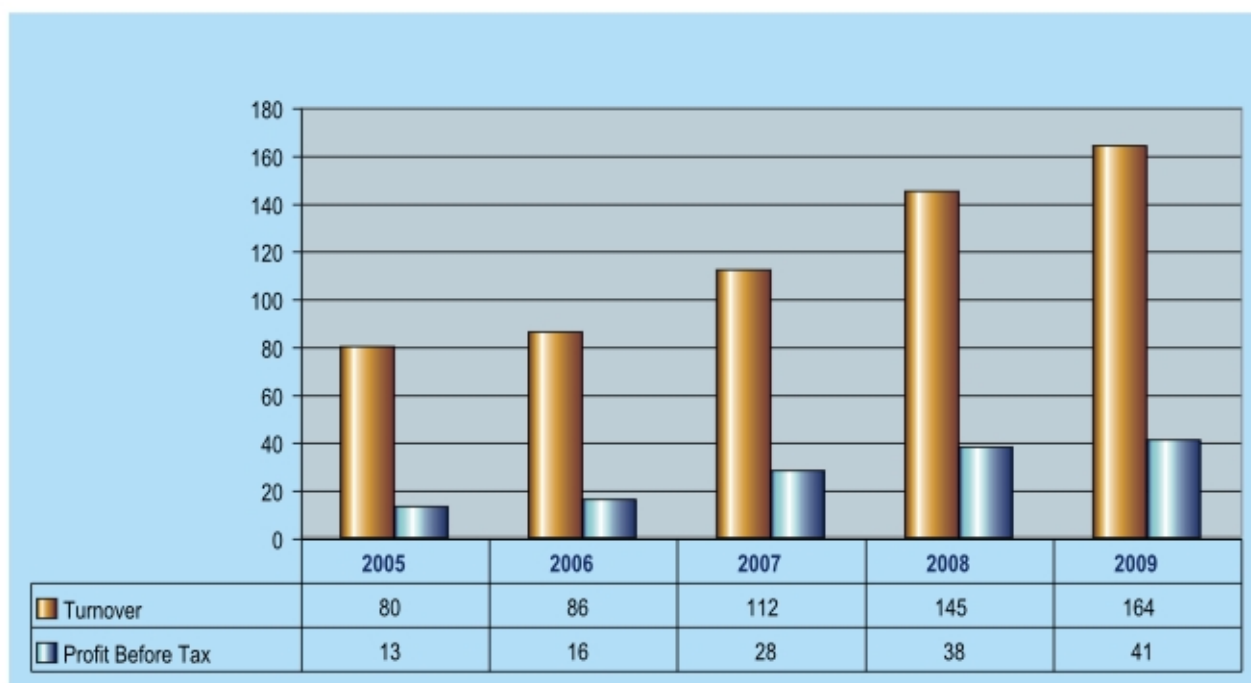


Five Year Financial Summary

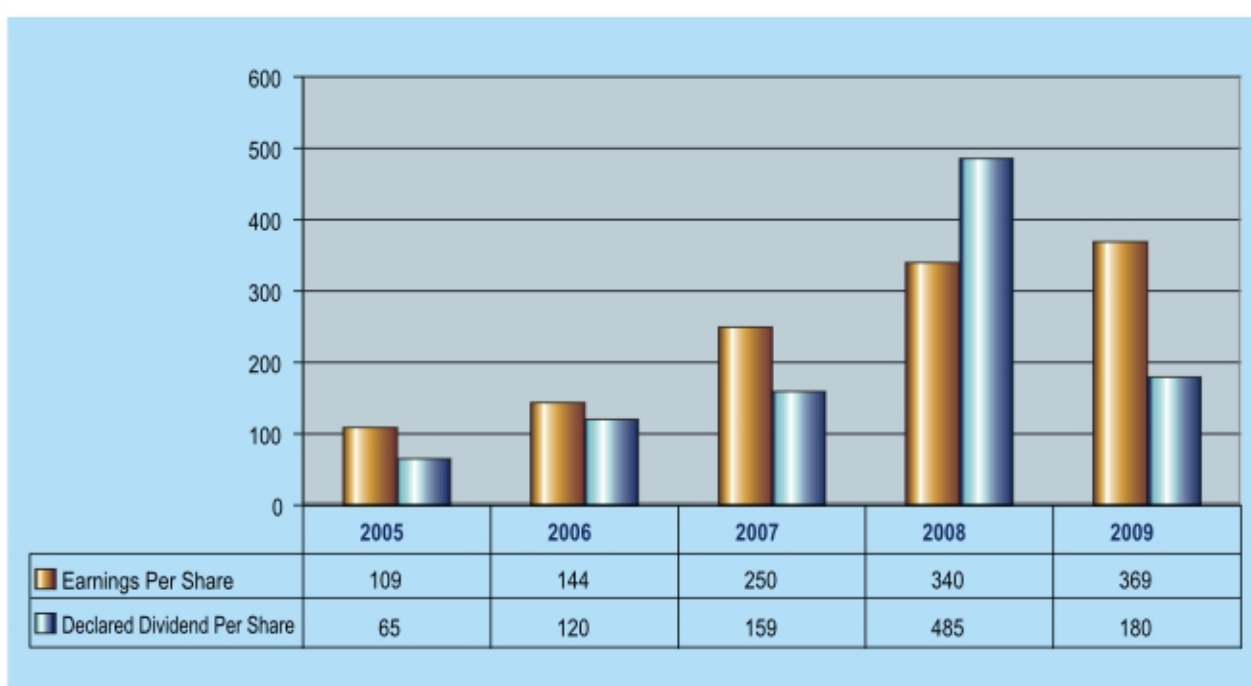


	2009	2008	2007	2006	2005
	N'000	N'000	N'000	N'000	N'000
Results					
Turnover	164,206,848	145,461,762	111,748,297	86,322,075	80,130,968
Operating profit	41,662,334	36,777,860	27,357,040	16,948,433	15,453,895
Profit before taxation	41,399,796	37,519,114	27,876,336	16,436,255	12,897,746
Profit after taxation	27,910,091	25,700,593	18,942,856	10,900,524	8,254,557
Declared dividend	(13,612,612)	(36,678,428)	(12,024,474)	(9,075,075)	(4,915,666)
Employment of Funds					
Fixed assets	69,003,023	63,557,667	50,194,644	49,677,917	52,428,880
Investment	150,000	150,000	150,000	150,000	-
Long term debtors	205,516	79,557	272,383	911,935	1,393,442
Net current (liabilities)/assets	(4,689,154)	(14,150,035)	10,517,724	1,041,735	(7,391,506)
Deferred taxation	(14,322,215)	(14,109,681)	(11,360,359)	(8,784,716)	(7,373,907)
Gratuity and other long term employee benefits	(3,777,076)	(3,298,327)	(6,591,350)	(6,747,478)	(4,332,668)
Total Net Assets	46,570,094	32,229,181	43,183,042	36,249,393	34,724,241
Funds Employed					
Share capital	3,781,282	3,781,282	3,781,282	3,781,282	3,781,282
Fixed assets revaluation reserve	7,095,363	7,240,108	7,324,530	7,353,600	7,504,208
Share premium	4,568,038	4,568,038	4,568,038	4,568,038	4,568,038
General reserve	31,125,411	16,639,753	27,509,192	20,546,473	18,870,713
Shareholders' Funds	46,570,094	32,229,181	43,183,042	36,249,393	34,724,241
Statistics					
Share price at year end (Naira)	53.02	40.85	49.00	37.25	38.80
Market capitalisation (Billion Naira)	401	309	371	282	293
Earnings per share (kobo)	369	340	250	144	109
Declared dividend per share (kobo)	180	485	159	120	65
Dividend cover (times)	2.05	0.7	1.58	1.2	1.7
Net assets per share (kobo)	616	426	571	479	459

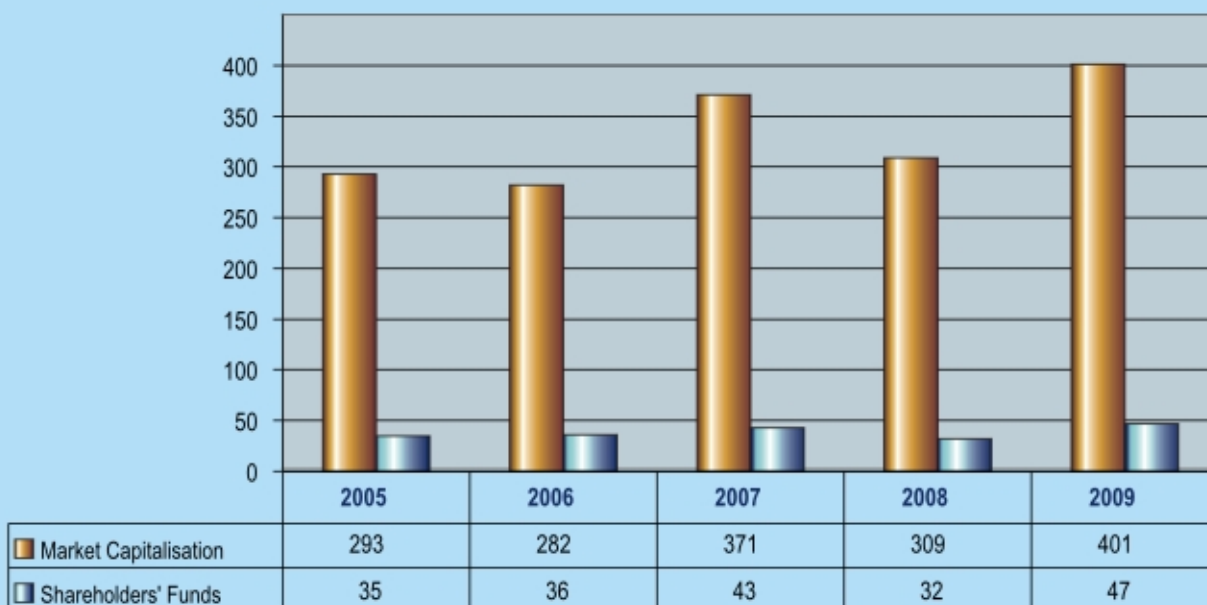
Turnover vs Profit Before Tax (Billion Naira)



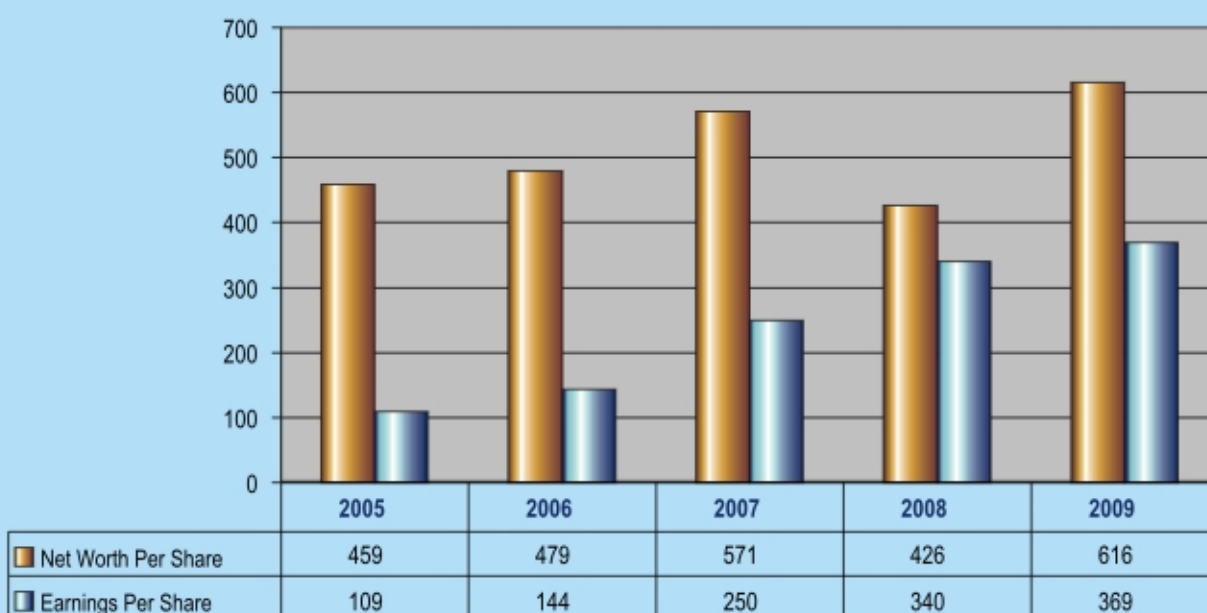
Earnings Per Share vs Declared Dividend Per Share (Kobo)



Market Capitalisation vs Shareholders' Funds (Billion Naira)



Net Assets Per Share vs Earnings Per Share (Kobo)



**Real
whichever
way you
see it.**



Legend, the real deal.





Substantial Interest in Shares:

According to the Register of Members, the following persons held more than 5% of the issued share capital of the Company on 31st December, 2009.

Shareholders	Number of Shares	Percentage
Heineken Brouwerijen BV	2,853,760,692	37.74
Distilled Trading International BV	1,237,500,160	16.36

Statistical Analysis of Shareholding

- (a) The issued and fully paid-up Share Capital of the Company is 7,562,562,340 Ordinary Shares of 50 kobo each. According to the Register of Members, only companies within the Heineken N.V. Group, having 4,091,260,852 shares (representing 54.10%), held more than 10% of the Issued Share Capital as at 31st December, 2009. The remaining 3,471,301,488 shares (representing 45.90%) were held by Nigerian and foreign individuals and institutions.
- (b) The Registrars advised that the range of shareholding as at 31st December, 2009 was as follows:

Range	No. of Shareholders within range	%	No. of shares	% Shareholding
1 - 1,000	42,713	33.82	21,686,841	0.29
1,001 - 5,000	36,332	28.77	93,632,676	1.24
5,001 - 10,000	12,214	9.67	91,172,880	1.21
10,001 - 50,000	24,540	19.43	613,803,074	8.12
50,001 - 100,000	6,886	5.45	494,703,020	6.54
100,001 - 500,000	3,072	2.43	595,261,205	7.87
500,001 - 1,000,000	270	0.22	186,243,564	2.45
1,000,001 and above	262	0.21	5,466,059,080	72.28
Total	126,289	100.00	7,562,562,340	100.00

Scrip Issues

Date Issued	Ratio
19 th June, 1976	One for two
26 th February, 1977	One for one
25 th February, 1978	One for five
11 th June, 1979	One for three
28 th June, 1980	One for four
19 th June, 1981	One for four
29 th June, 1983	One for four
25 th June, 1986	One for two
27 th June, 1990	One for three
30 th June, 1993	One for one
28 th June, 1995	One for one
30 th June, 1999	Two for three
27 th June, 2002	One for one
30 th June, 2004	One for one



Dividend Overview

Members are hereby informed that Nigerian Breweries Plc declared the following dividends in the last twelve years:

<u>Year</u>	<u>Dividend No.</u>	<u>Profit after taxation N'000</u>	<u>Dividend N'000</u>	<u>Dividend per share Kobo</u>	<u>Date approved</u>
1997	75	1,594,219	915,000	100	13 th July, 1998
1998	76	2,135,038	1,235,250	135	30 th June, 1999
1999	77	3,476,976	2,287,500	150	28 th June, 2000
2000	78	4,254,776	2,985,330	158	20 th June, 2001
2001	79	4,535,044	4,253,827	225	27 th June, 2002
2002	80	7,296,446	7,940,528	210	25 th June, 2003
2003	81	7,352,287	4,159,409	110	30 th June, 2004
2004	82	5,086,403	3,025,025	40	6 th July, 2005
2005	83 (Interim)		1,890,641	25	23 rd November, 2006
2005	84	8,254,557	6,050,050	80	3 rd May, 2006
2006	85 (Interim)		3,025,025	40	3 rd October, 2006
2006	86	10,900,524	7,865,065	104	23 rd May, 2007
2007	87 (Interim)		4,159,409	55	19 th September, 2007
2007	88	18,942,856	14,746,997	195	28 th May, 2008
2008	89 (Interim)		7,562,562	100	16 th September, 2008
2008	90 (Interim)		14,368,868	190	4 th December, 2008
2009	91	25,700,593	3,781,281	50	20 th May, 2009
2009	92 (Interim)		9,831,331	130	20 th May, 2009

Unclaimed dividend warrants and share certificates

We hereby notify our numerous shareholders that some dividends arising from the list above have remained unclaimed as per our records. Also, a number of share certificates have been returned to us as unclaimed because the addresses on them could not be traced or the shareholders did not collect them from the Post Office in good time. The affected shareholders are hereby requested to contact the Registrars, First Registrars Nigeria Limited, Plot 2, Abebe Village Road, Iganmu, P.M.B. 12693, Marina, Lagos, Nigeria.

Notes

E-DIVIDEND FORM

To:

The Registrar
First Registrars Nigeria Ltd
Plot 2, Abebe Village Road, Iganmu
P. M. B. 12692
Lagos, Nigeria.

Only Clearing Banks are acceptable

I/We hereby request that from now on, all dividend warrant(s) due to me/us from my/our holding(s) in **NIGERIAN BREWERIES Plc**, be paid directly to my/our Bank named below.

Shareholder's Full Name:

Surname first

Shareholder's Address:

Shareholder's E-mail:

Shareholder's GSM Number:

Single Shareholder's Signature: _____

Joint Shareholders'/Company Signatures:

(1) _____

(2) _____

Company Seal: _____

Name of Bank:

Branch Address of Bank :

Bank Account No.

Bank Sort Code:

Bank Authorised Signatures & Stamp:

(1) _____

Please include Page No.

(2) _____

Please include Page No.



PROXY FORM



Nigerian Breweries Plc
RC: 613

64th Annual General Meeting to be held in the Grand Banquet Hall, Civic Centre, Ozumba Mbadiwe Road, Opposite 1004 Estates, Victoria Island, Lagos on Wednesday, 19th May, 2010 at 10.00 a.m.

I/WE*
of
.....being a member/members of
NIGERIAN BREWERIES Plc hereby appoint**

or failing him **CHIEF KOLA B. JAMODU**, OFR or failing him **MR. OLUSEGUN S. ADEBANJI** as my/our proxy to act and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Wednesday, 19th May, 2010.

Dated this.....day of.....2010.

Shareholder's signature

*Delete as necessary.

This Proxy Form should NOT be completed and sent to the address overleaf if the member will be attending the meeting.

Notes:

- A member (shareholder) who is unable to attend an Annual General Meeting is allowed by law to vote by proxy and this Proxy Form has been prepared to enable such shareholder exercise the right to vote despite not physically present at the meeting.
- The names of two Directors of the Company have been entered on the form to ensure that someone will be at the Meeting to act as your proxy, but if you wish, you may insert in the blank space on the form (marked**) the name of any person, whether member (shareholder) of the Company or not who will attend the Meeting and vote on your behalf instead of one of the Directors.
- Please sign this Proxy Form and post or deliver it to reach the address overleaf not later than 10.00 a.m. on the 17th of May, 2010. If executed by a Corporation, the form must be sealed with the Common Seal or under the hand of an officer or attorney duly authorised.

iv. The proxy must produce the Admission Card (below) to obtain entry to the meeting.

No. of Shares:

Resolutions	For	Against
To declare a dividend.		
To re-elect Dr. Oladele O. Ajayi as a Director.		
To re-elect Mr. Laurent Le Couedic as a Director.		
To re-elect Mr. Tom A. de Man as a Director.		
To re-elect Mr. Ishmael E. Yamson as a Director.		
To authorise the Directors to fix the remuneration of the Independent Auditors.		
To elect members of the Audit Committee.		
To fix the remuneration of the Directors.		
Please indicate with an "x" in the appropriate box how you wish your votes to be cast on the resolutions referred to above. Unless otherwise instructed, the proxy will vote or abstain from voting at his discretion.		

ADMISSION CARD



Nigerian Breweries Plc
RC: 613

Please admit the shareholder named on this Admission Card or his duly appointed proxy to the 64th Annual General Meeting of Nigerian Breweries Plc which will be held in the Grand Banquet Hall, Civic Centre, Ozumba Mbadiwe Road, Opposite 1004 Estates, Victoria Island, Lagos on Wednesday, 19th May, 2010, at 10.00 a.m.

Name of shareholder Number of shares held
Address of shareholder
Signature of shareholder or proxy

NOTES

- This Admission Card must be produced by the shareholder or his proxy in order to obtain entry to the meeting. Thus, tear off and retain it for admission to the meeting.
- Shareholders or their proxies are requested to sign the Admission Card before attending the meeting.

Uaboi G. Agbebaku, Esq.
Company Secretary/Legal Adviser

SECOND FOLD HERE

FIRST FOLD HERE



First Registrars Nigeria Limited
Plot 2, Abebe Village Road
Iganmu
P.M.B. 12692
Marina, Lagos

THIRD FOLD HERE AND INSERT