

> Profile

Heineken has the widest global presence of all the international brewers, operating in over 170 countries* and employing 48,237 people around the world. With total sales of 108.9 million hectolitres in 2002, Heineken is also among the largest. Beer is produced at over 110 breweries in more than 60 countries and by other brewers under licence. Heineken also has a strong export business. Europe accounts for over half of the sales volume.

Roots, aims and strategy

Heineken has its roots in Amsterdam, where Gerard Adriaan Heineken purchased a brewery in 1864. In the ensuing decades, under the leadership of three generations of the Heineken family and pursuing a policy of measured expansion and consistent brand development, Heineken has grown into one of the world's leading brewing groups. Core values within the company include respect, enjoyment and a passion for quality.

Heineken aims to defend and strengthen its global market position and preserve its independence by retaining its place among the largest brewing groups in the world in terms of beer sales and profitability, based on a portfolio of strong brands with Heineken as the leading international premium beer.

In many countries Heineken has secured strong market positions and an efficient cost structure by combining the production, marketing and sale of the international Heineken premium brand with that of a selection of prominent local brands. This generates above-average returns and creates added value for our shareholders. Heineken seeks long-term profit growth by expanding in existing markets and entering new markets. Heineken attaches great importance to having a responsible policy on alcohol abuse and good social and environmental policies.

Brands

Heineken has built its strong international and local market positions by developing and regularly updating its cohesive portfolio of strong brands which offer high added value for its customers and consumers.

The group's principal international brands are Heineken and Amstel. Heineken has the widest global presence of any international beer brand and is the leading brand in Europe. In virtually all markets, the Heineken brand's quality and image mean that it can be positioned in the premium

segment. Amstel, the second largest beer brand in Europe, is generally positioned in the mid-priced mainstream segment, the largest segment of the market. The Group's international brands are supplemented and supported by national and regional brands and a portfolio of speciality beers (which differ from lager in flavour, colour or brewing method), light beers (low-calorie beers) and alcohol-free beers. Heineken has a very limited presence in the low-priced segment.

Distribution

Heineken seeks to achieve comprehensive coverage in each market, through alliances with independent distributors or via our own beverage wholesalers. Heineken owns numerous wholesalers in Europe which, in addition to beer, also supply a supporting range of soft drinks, wines and spirits to the on-trade. Some of the soft drinks are produced by Heineken.

Research and development

Innovation is very important to a leading company like Heineken, especially in reinforcing the competitive position of the international Heineken and Amstel brands. In pursuit of its commitment to quality, lower cost, greater safety and lower environmental impact, Heineken works hard to improve all the technical processes involved in brewing, packaging and supply chain management. Work in these areas is coordinated by the Group's research and development centre in the Netherlands, which makes its services available to group companies and associated breweries all over the world.

Ownership structure and stock exchange listing

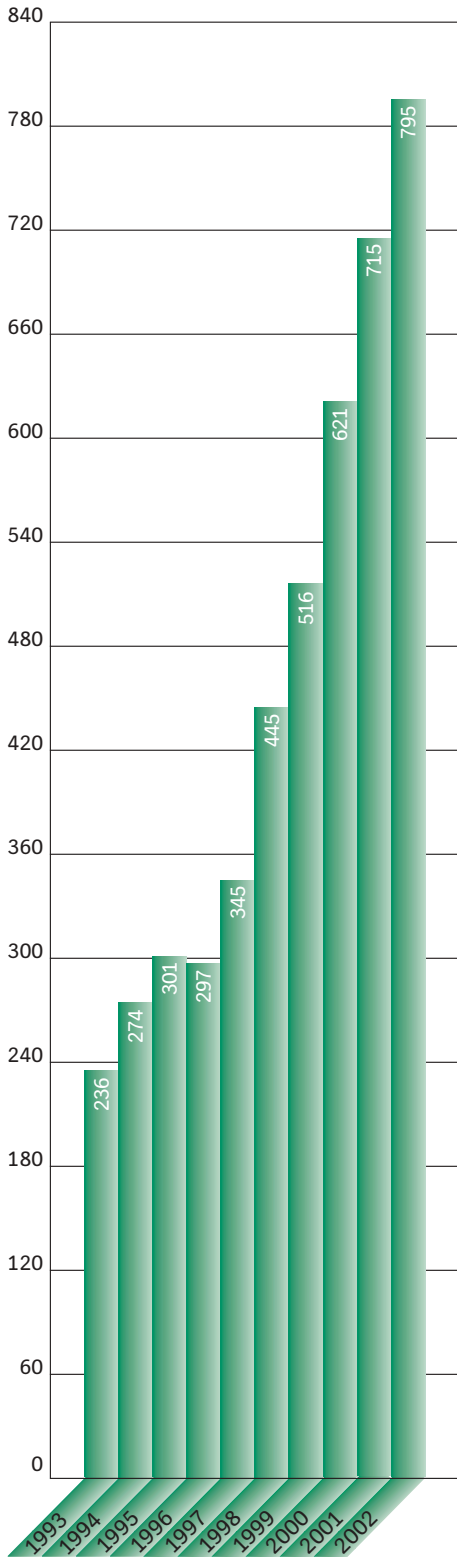
Heineken Holding N.V. holds 50.005% of the Heineken N.V. shares. Heineken Holding N.V. engages in no operational activities: these are carried on by Heineken N.V. and its related companies. Heineken N.V. is responsible for the development and implementation of strategy. Heineken Holding N.V. is concerned primarily with safeguarding the long-term continuity, independence and stability of Heineken's activities. The net asset values of both shares and the dividend policies of both companies are identical. Both shares are traded on Euronext Amsterdam, as are options on the shares.

* The full list of breweries and operating companies can be found on pages 76 - 79.

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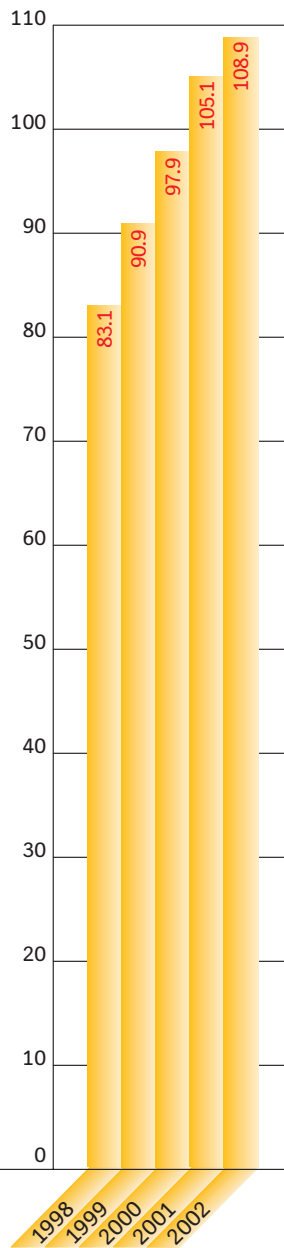
This is an English translation of the original Dutch language report.
Both can be downloaded from www.heinekeninternational.com

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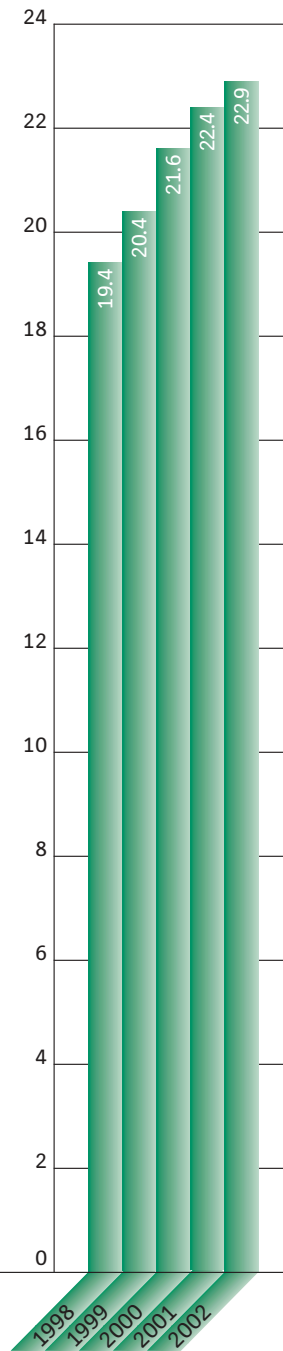
Net profit

*on ordinary activities
in millions of euros*



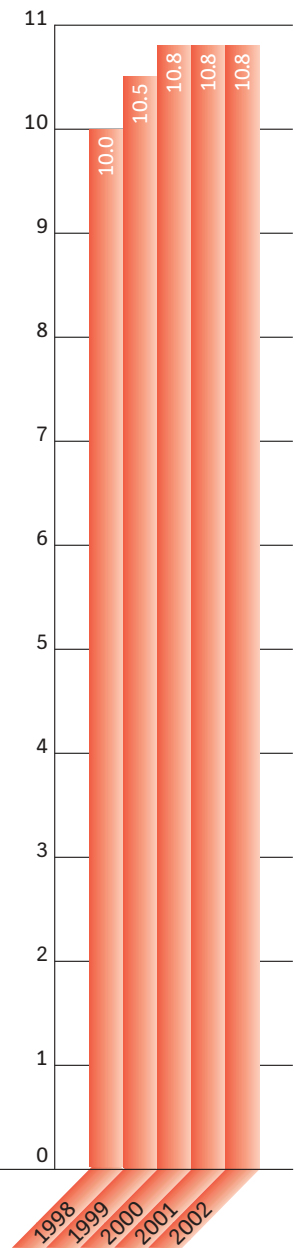
Total beer sales

in millions of hectolitres



Heineken sales

in millions of hectolitres



Amstel sales

in millions of hectolitres

● Key Figures 2002

	2002	2001	Change (%)
Results in millions of euros			
Net turnover (incl. excise duties)	10,293	9,333	10.3
Operating profit	1,282	1,125	14.0
EBITDA	1,811	1,601	11.3
Net profit excl. extraordinary result	795	715	11.2
Net profit incl. extraordinary result	795	767	3.7
Dividend	157	157	–
Cash flow from operating activities	1,184	1,165	1.6
Balance sheet in millions of euros			
Total assets	7,781	7,195	8.1
Group equity	2,936	3,139	– 6.5
Shareholders' equity	2,543	2,758	– 7.8
Issued capital	784	784	–
Per share of €2.00			
Number of shares issued	391,979,675	391,979,675	–
Cash flow from operating activities	3.02	2.97	1.6
Net profit on ordinary activities	2.03	1.82	11.2
EBITDA	4.62	4.08	11.3
CEPS	2.05	1.83	12.0
Dividend	0.40	0.40	–
Shareholders' equity	6.49	7.04	– 7.8
Net turnover in millions of euros			
(incl. interregional sales)			
Europe (incl. Exports)	8,920	8,077	10.4
Western Hemisphere	1,373	1,176	16.8
Africa/Middle East	835	776	7.6
Asia/Pacific	476	472	0.8
Tangible fixed assets in millions of euros			
Investments less disposals	696	578	20.4
Depreciation and value adjustments	481	465	3.4
Staff in numbers			
Average number of employees	48,237	40,025	20.5
of which employed by Dutch operating companies	5,527	5,620	– 1.7
Ratios			
Operating profit as % of net turnover	12.5	12.1	
Operating profit as % of total assets	16.4	15.6	
Net profit as % of shareholders' equity	31.3	25.9	
Dividend as % of net profit on ordinary activities	19.7	22.0	
Group equity/other borrowed capital	0.61	0.77	
Group equity/fixed assets	0.59	0.76	
Current assets/current liabilities	1.06	1.37	
Interest cover ratio	12.2	16.5	

● Executive Board

A. Ruys (1947)

Dutch nationality

Chairman

1993 Member

1996 Vice-Chairman

2002 Chairman

S.W.W. Lubsen (1944)

Dutch nationality

1995 Member¹

M.J. Bolland (1959)

Dutch nationality

2001 Member

J.F.M.L. van Boxmeer (1961)

Belgian nationality

2001 Member

D.R. Hooft Graafland (1955)

Dutch nationality

2002 Member²

¹ until 31 December 2002

² from 1 May 2002

Supervisory Board

(as at 25 February 2003)

J.M. de Jong (1945)

Dutch nationality
Appointed in 2002
Chairman
Chairman of the Preparatory
Committee
Profession: Banker

M. Das (1948)

Dutch nationality
Appointed in 1994
Last reappointed in 2001
Delegated Member
Secretary of the Preparatory
Committee
Profession: Lawyer
Partner in Loyens & Loeff
Management Board:

- Heineken Holding N.V.

J. Loudon (1936)

Dutch nationality
Appointed in 1978
Last reappointed in 2000
Member of the Audit Committee
Profession: Banker
Chairman of Caneminstor Limited,
United Kingdom

H. de Ruiter (1934)

Dutch nationality
Appointed in 1993
Last reappointed in 2001
Chairman of the Audit Committee
Profession: Engineer
Supervisory Directorships:

- Koninklijke Ahold N.V.
- Aegon N.V.
- N.V. Koninklijke Nederlandsche
Petroleum Maatschappij
- Wolters Kluwer N.V.
- Univar N.V.

M.R. de Carvalho (1944)

British nationality
Appointed in 1996
Last reappointed in 2000
Member of the Preparatory
Committee
Profession: Banker
Vice-Chairman/Investment Banking
Citigroup Inc., United Kingdom

A.H.J. Risseeuw (1936)

Dutch nationality
Appointed in 2000
Member of the Audit Committee
Profession: Company Director
Supervisory Directorships:

- KPN N.V.
- Samas-Groep NV
- AOT NV

J.M. Hessels (1942)

Dutch nationality
Appointed in 2001
Member of the Audit Committee
Profession: Company Director
Supervisory Directorships:

- Euronext N.V.
- Laurus N.V.
- Schiphol Groep N.V.
- Koninklijke Vopak N.V.
- Royal Philips Electronics N.V.
- Fortis N.V.

C.J.A. van Lede (1942)

Dutch nationality
Appointed in 2002
Member of the Preparatory
Committee
Profession: Company Director
Chairman and CEO of Akzo Nobel N.V.
Supervisory Directorships:

- De Nederlandsche Bank N.V.
- Sara Lee Corp. (USA)
Sara Lee/DE N.V. (Netherlands)
- Scania AB (Sweden)
- Member of the Netherlands Pensions
and Insurance Supervisory Authority

Two members of the Supervisory Board retire each year in accordance with a rota which is determined annually.

Only supervisory directorships and positions with large quoted Dutch companies and/or Heineken operating companies are listed here. A complete list of the other positions held is given when members of the Supervisory Board are nominated for (re)appointment.

● Report of the Supervisory Board

To the shareholders

We were greatly saddened to learn of the death of Mr. A.H. Heineken on 3 January 2002, at the age of 78. His memory was celebrated at the Annual General Meeting of Shareholders on 25 April 2002.

The Executive Board has submitted its financial statements for 2002 to the Supervisory Board. These financial statements, which can be found on pages 45 to 70 of this annual report, have been audited by KPMG Accountants N.V., whose report appears on page 71.

Dividend proposal

The Supervisory Board recommends that you adopt these financial statements and, as proposed by the Executive Board, appropriate €157 million of the profit as dividend and add the remainder, amounting to €638 million, to the general reserve. The proposed dividend amounts to €0.40 per share of €2.00 nominal value, of which €0.16 was paid as interim dividend on 23 September 2002. The dividend for 2001 was €0.40.

Board changes

Messrs. J.M. de Jong and C.J.A. van Lede were appointed to the Supervisory Board of the company and Mr. De Jong was appointed chairman at the Annual General Meeting of Shareholders on 25 April 2002. Messrs. R. Hazelhoff and L. van Vollenhoven retired by rotation and, having reached the age limit laid down in the Articles of Association, were not eligible for reappointment. Mr. A. Maas stood down from the Supervisory Board at his own request. The Supervisory Board thanks all of them for their service to the Board.

Mr. A. Ruys was appointed Chairman of the Executive Board, of which he has been a member since September 1993 and Vice-Chairman since 1996, to succeed Mr. K. Vuursteen who stood down at the same meeting. We thank Mr. Vuursteen for his leadership and for the invaluable contribution he made to the company's growth.

Mr. D.R. Hooft Graafland was appointed to the Executive Board by the Annual General Meeting with effect from 1 May 2002.

Mr. S.W.W. Lubsen, who had been a member of the Executive Board since 1995, retired from the Board at his own request with effect from 31 December 2002. The Supervisory Board thanks Mr. Lubsen for all his work on behalf the company and his contribution to its success. Mr. Lubsen will continue to be involved with the company

as a member of the Supervisory Board of Heineken Netherlands Beheer B.V.

Messrs. J. Loudon and M.R. de Carvalho are due to retire by rotation from the Supervisory Board of the company. A binding nomination for the -appointment of Mr. de Carvalho, who is eligible for immediate re-election, will be submitted to the Annual General Meeting on 24 April 2003. Mr. Loudon has announced that, having been a member of the Supervisory Board for 25 years, he would not seek re-election again. The Supervisory Board thanks Mr. Loudon for active contribution and long service to the Board.

Corporate governance

The Supervisory Board is aware of the higher standards of corporate governance which are now required and devoted some time last year to the consideration, in dialogue with the Executive Board, of its own operating procedures and the way in which supervision and support of the Executive Board are organised and function within the Company. Since there is a conflict between exercising supervision, which obliges the Supervisory Board to keep some distance from the Executive Board, and providing expert advice, which requires close involvement, it is essential that decision-making procedures are properly structured and transparent. Against this background, the procedures for the notification of plans to, and evaluation of plans by, the Supervisory Board were examined and found to be adequate. The Supervisory Board also discussed the Sarbanes-Oxley Act, a piece of US legislation which is not applicable to Heineken N.V. because the Company is exempt under Rule 12g3-2b of the US Securities Exchange Act.

Consultation and decision-making

The Supervisory Board held six joint meetings with the Executive Board in 2002. The agenda of these meetings included a number of regular items, including consideration of the company's strategy, financial position and results, the operating companies' policies and business plans, acquisitions and other investment proposals and management development. Other items on the agenda included evaluation of completed investment projects, interest-rate and exchange-rate risks, financing, pensions and internal control systems. Meetings convened to consider the results were attended by the external auditors.

Strategy and acquisitions policy were discussed at length at two of the meetings. One meeting was devoted

• Report of the Supervisory Board

to a presentation on and discussion of the 'Taking Heineken to the Next Level' reorganisation programme initiated by the Executive Board. The Supervisory Board also discussed developments in the field of information and communications technology.

At three of the meetings, the Executive Board withdrew while the Supervisory Board discussed its functioning and composition and that of the Executive Board.

The Preparatory Committee, which is responsible for preparing decision-making by the Supervisory Board, including decisions relating to the remuneration of the Executive Board, met six times.

The Audit Committee held two meetings last year, one of

which was attended by the external auditors.

The Supervisory Board takes this opportunity to thank the Executive Board and all the staff for their continued commitment in 2002.

Amsterdam, 25 February 2003

Supervisory Board

De Jong	de Carvalho
Das	Risseeuw
Loudon	Hessels
De Ruiter	Van Lede