

## Notes to the Consolidated Balance Sheet, Profit and Loss Account and Cash Flow Statement for 2002

### General

The financial statements and the report of the Executive Board have been prepared in accordance with the provisions of Part 9, Book 2, of the Netherlands Civil Code.

There were a number of changes in the scope of the consolidation during the year, the following being the more significant of these with regard to the financial statements.

The 49.9% participating interest in BrauHolding International, in Germany, has been proportionally consolidated with effect from 1 January 2002. In 2001, this participating interest was carried at net asset value. Bravo International in Russia has been fully consolidated with effect from 1 January 2002. In addition, Al Ahram in Egypt, Almaza in Lebanon and Barú in Panama have been included in the consolidation with effect from 1 October 2002. There was also a certain amount of expansion of existing interests and a number of beverage wholesalers were acquired. These changes in the consolidation led to an increase in net turnover of €468 million. The acquisitions also resulted in a goodwill charge to equity of €778 million.

From 2002 part of the costs of temporary point-of-sales activities were reclassified as marketing and selling expenses, whereas previously they were deducted from net turnover. To facilitate comparison, both net turnover and marketing and selling expenses in 2001 have been increased by €170 million.

The financial information relating to Heineken N.V. has been included in the consolidated balance sheet and profit and loss account. The abridged presentation permitted by Section 402, Part 9, Book 2, of the Netherlands Civil Code has accordingly been used for the Heineken N.V. profit and loss account.

The amounts disclosed in the notes are in millions of euros unless otherwise indicated.

### Consolidation

Heineken N.V. and the subsidiaries with which it forms a group are fully consolidated in the consolidated balance sheet and profit and loss account, with minority interests in group equity and group profits shown separately.

Proportional consolidation is applied in the case of companies in which the Heineken group has a direct interest and exercises a controlling influence on management decisions in partnership with other shareholders.

In the analyses of movements in various assets and liabilities, disclosures of 'changes in the consolidation' relate to increases or decreases in the group's interests in consolidated companies.

### Foreign currency

Hedging transactions to limit exchange risks are entered into only in respect of actual amounts receivable and payable and highly probable future cash flows in foreign currencies. The instruments used are forward contracts and options. Before such contracts are entered into, inward and outward cash flows in a particular currency are netted off at group level as far as possible. Where foreign currency balance sheet positions have been hedged, they are translated at the exchange rate of the hedge.

Recognition of results arising from hedging operations relating to future foreign currency cash flows is deferred until the relevant cash flows are accounted for. Other foreign currency transactions in the profit and loss account are recognised at spot rates unless forward contracts have been entered into in connection with these transactions, in which case the forward rate applies.

The financial statements of non-eurozone companies are translated into euros. Assets and liabilities are translated at exchange rates on the balance sheet date.

Profit and loss account items are translated at the average monthly exchange rates. The difference between the net profit based on average exchange rates and the net profit based on the exchange rates as at balance sheet date is accounted for in the revaluation reserve. The profit and loss accounts of companies in hyperinflation countries are translated at exchange rates prevailing on the balance sheet date.

Differences in book value arise on translation into euros of the opening balance of the shareholders' equity of the non-eurozone consolidated companies plus intra-group long-term loans granted to these companies. These differences are treated as revaluations and are credited or debited directly to group equity, with due allowance for taxation. Other differences due to exchange rate movements are accounted for directly in the profit and loss account.

### Valuation of assets and liabilities

#### *Intangible fixed assets*

Goodwill, the difference between the price paid for participating interests and their valuation according to Heineken accounting policies, is charged to shareholders' equity where the group exercises at least a significant influence on management decisions. In the case of acquisition of beverage wholesalers, the purchase price is almost entirely determined by the customer base and, that being the case, it is treated as goodwill.

When the relevant legal requirements are changed, goodwill will be capitalised and amortised over the expected economic life of the assets concerned.

Other intangible fixed assets are capitalised and amortised by the straight-line method over three years. If the net realisable value of intangible fixed assets is less than the carrying amount, a diminution in value is applied. Costs of internally developed brands, patents and licences and research and development are expensed. Brands, patents and licences purchased with acquisitions are treated as part of the goodwill paid.

#### *Tangible fixed assets*

Except for land, which is not depreciated, tangible fixed assets are stated at replacement cost less accumulated depreciation. The following average useful lives are used for depreciation purposes:

Buildings	30-40 years
Plant and equipment	10-30 years
Other fixed assets	5-10 years

The replacement cost is based on appraisals by internal and external experts, taking into account technical and economic developments. Other factors taken into account include the experience gained in the construction of breweries throughout the world.

Grants received in respect of investments in tangible fixed assets are deducted from the amount of the investment.

Projects under construction are included at cost.

#### *Financial fixed assets*

Non-consolidated participating interests where the group has a significant influence are stated at the Heineken share of the net asset value, which is arrived at as far as possible on the basis of the Heineken accounting policies. Other non-consolidated participating interests are stated at cost less any necessary provisions.

Loans to non-consolidated companies and other financial fixed assets are carried at face value, less provisions for credit risks.

#### *Impairment of assets*

Regular assessments are made for any indications that intangible and tangible fixed assets might be impaired. If any such indications exist, the net realisable value of the assets concerned is determined. If the net realisable value of an asset is less than its book value, the difference

is deducted from the carrying amount as an impairment loss and charged to the profit and loss account.

#### *Current assets*

Stocks bought in from third parties are stated at replacement cost, arrived at on the basis of prices from current purchase contracts and latest prices as at balance sheet date. Finished products and work in progress are stated at manufactured cost based on replacement cost and taking into account the production stage reached. Stocks of spare parts are depreciated on a straight-line basis taking account of obsolescence. If the recoverable amount or net realisable value of stocks is less than their replacement cost, provisions are made in respect of the difference. Advance payments on stocks are included at face value.

Receivables are carried at face value less a provision for credit risks and less the amount of deposits on returnable packaging.

Securities are carried at the lower of historical cost and quoted price, or estimated market value in the case of unlisted securities.

Cash is included at face value.

#### *Revaluations*

Differences in carrying amounts due to revaluations are credited or debited to group equity, less an amount in respect of deferred tax liabilities where applicable.

#### *Provisions*

The provision for deferred tax liabilities is formed in respect of timing differences between the balance sheet for reporting purposes and the recognition of assets and liabilities for tax purposes as well as taxation on profit distributions borne by the group. The liabilities are calculated at the standard tax rates on balance sheet date and are stated at face value. Deferred tax assets are netted off against deferred tax liabilities of the same kind over matching periods. A net deferred tax asset is not recognised unless future realisation is reasonably certain.

The provisions for pension liabilities and similar schemes are calculated at net present value according to actuarial principles based on current pay levels. Full provision is made for pension liabilities in respect of accrued benefit rights. Prior-service liabilities resulting from improvements in remuneration packages and pension plans are added to the provision for pension liabilities and charged directly to the result.

Provisions connected with reorganisation plans are cal-

culated at the net present value of the benefit commitments in connection with early retirement, relocation and redundancy schemes. Where applicable, the expected degree of employee participation in the schemes concerned is taken into account.

#### *Liabilities*

Long-term borrowings and current liabilities are stated at face value.

#### **Determination of results**

Income and expenses are accounted for in the profit and loss account at the time of supply of the relevant goods or services.

Net turnover means the proceeds from sales of products and services supplied to third parties, net of sales taxes and customer discounts.

Raw materials and consumables are stated at replacement cost in the profit and loss account.

Excise duties are stated at the actual amounts payable.

Depreciation charges based on replacement cost are calculated on a straight-line basis according to the estimated useful lives of the assets concerned.

The results of non-consolidated participating interests

consist of dividends received during the year from companies carried at cost and Heineken's share of the net profits of companies carried at net asset value. The share of the results of companies carried at net asset value is calculated as far as possible in accordance with group accounting policies for the determination of results, taking account of taxation and minority interests.

Interest expenses are allocated to the periods to which they relate. Results arising from operations involving interest rate hedging instruments are also accounted for as interest. Such instruments are used to hedge the risk of a reduction in interest income on surplus funds temporarily invested in bank deposits due to falling interest rates and higher interest charges on interest-bearing liabilities due to interest rate rises. Interest rate hedging instruments are not used without a corresponding underlying position.

Taxation on profits is calculated on the profit shown in the financial statements by applying the standard tax rates, taking into account tax payable by the group on profit distributions by participating interests and applicable tax facilities. Differences between the amount thus calculated and the tax actually payable for the year are accounted for in the provision for deferred tax liabilities.

## ● Notes to the Consolidated Balance Sheet

### Intangible fixed assets

With effect from 2001, investments in major ICT projects and technical innovations satisfying the applicable criteria have been capitalised and amortised over three years.

In 2002, an amount of €35 million (2001: €17 million) was capitalised and an amount of €10 million (2001: €4 million) was amortised.

<b>Tangible fixed assets</b>	Total	Land and buildings	Plant and equipment	Other fixed assets	Projects under construction
Position as at 1 January 2002	3,592	1,135	1,500	716	241
Changes in the consolidation	378	137	149	77	15
Investments less disposals	696	40	264	182	210
Completed projects	–	28	142	69	– 239
Exchange differences	– 144	– 37	– 60	– 32	– 15
Revaluation	53	9	40	4	–
Depreciation and value adjustments	– 481	– 62	– 218	– 201	–
<b>Position as at 31 December 2002</b>	<b>4,094</b>	<b>1,250</b>	<b>1,817</b>	<b>815</b>	<b>212</b>
<i>This book value is made up as follows:</i>					
Replacement cost	9,897	2,790	4,781	2,114	212
Accumulated depreciation	– 5,803	– 1,540	– 2,964	– 1,299	–
	<b>4,094</b>	<b>1,250</b>	<b>1,817</b>	<b>815</b>	<b>212</b>
The aggregate amount of revaluations included in the book value as at 31 December 2002 is:	622	237	355	30	–

Other fixed assets includes vehicles, office equipment and returnable packaging. Projects under construction also includes advance payments on tangible fixed assets on order. With effect from 2002, investment grants have been deducted from the cost of the tangible fixed assets concerned.

• Notes to the Consolidated Balance Sheet

Financial fixed assets	Total	Non-consolidated participating interests		Other financial fixed assets
		Shares	Loans	
Position as at 1 January 2002	531	182	1	348
Changes in the consolidation	31	- 26	7	50
Additions/loans granted	601	433	1	167
Disposals/loan repayments	- 158	- 10	- 6	- 142
Revaluation	- 7	- 6	- 1	-
Goodwill	- 182	- 182	-	-
Other value adjustments	- 1	- 1	-	-
Share in net profit	26	26	-	-
Dividends received	- 6	- 6	-	-
Position as at 31 December 2002	835	410	2	423

Other financial fixed assets includes €295 million (2001: €270 million) in respect of loans to customers and €22 million (2001: €30 million) in respect of deferred tax assets.

2002

2001

Stocks	2002	2001
Raw materials	112	118
Work in progress	58	46
Finished products	184	167
Goods for resale	125	110
Non-returnable packaging	72	65
Other stocks	159	138
Advance payments on stocks	55	48
	765	692
<b>Receivables</b>		
<i>Amounts falling due within one year:</i>		
Trade debtors	1,111	1,070
Packaging deposits	- 266	- 256
	845	814
Non-consolidated participating interests	44	57
Other amounts receivable	221	171
Prepayments and accrued income	160	150
	1,270	1,192

2002

2001

**Securities**

Listed securities	83	16
Unlisted securities	15	13
	<b>98</b>	<b>29</b>

**Cash**

Cash in hand and at bank	324	362
Short-term cash deposits	356	784
	<b>680</b>	<b>1,146</b>

Total cash not freely disposable amounts to €121 million, mainly relating to letters of credit.

**Shareholders' equity**

Position as at 1 January	2,758	2,396
Exchange differences	- 107	16
Revaluation	32	56
Goodwill	- 778	- 320
Net profit for the year	795	767
Dividend for the year	- 157	- 157
	<b>2,543</b>	<b>2,758</b>

For an analysis of shareholders' equity, reference is made to the balance sheet of Heineken N.V. as at 31 December 2002 on page 66.

**Minority interests**

Position as at 1 January	381	124
Changes in the consolidation	25	156
Exchange differences	- 55	-
Revaluation	12	5
Minority interests in group profit	62	57
Dividends payable to minority shareholders	- 31	- 20
Share issue	- 1	59
	<b>393</b>	<b>381</b>

• Notes to the Consolidated Balance Sheet

Provisions	Deferred tax	Pension	Other	Total
	liabilities	liabilities	provisions	
<i>The movements were:</i>				
Position as at 1 January 2002	357	338	329	1,024
Changes in the consolidation	27	21	3	51
Revaluation/exchange differences	-7	-4	-3	-14
Added/released	-3	96	5	98
Utilised	-	-33	-73	-106
Other movements	7	-66	-13	-72
Position as at 31 December 2002	381	352	248	981

The provision for pension liabilities relates to pensions and annuities which have not been insured with third parties. With effect from 2002, the provisions for early retirement and other schemes under which people are laid off with pension-like arrangements have been included in this item. In 2002 additional pension charges amounted to €70 million, although half of this amount could be set off against existing provisions for staff costs. The average rate of interest used in calculating the net present value of the provision for pension liabilities, based on current applicable interest rates in the countries concerned,

is 4% (2001: 4%). The other provisions comprise reorganisation provisions, provisions formed for receivables from participating interests, for contracts of suretyship provided and for current lawsuits. Additions due to planned and announced restructuring programmes are charged to the profit and loss account, with the exception of restructuring programmes relating to recently acquired companies, which are taken into account in the calculation of goodwill. €939 million of the provisions (2001: €933 million) has a term in excess of one year.

2002

2001

**Long-term borrowings**

	Total	More than 5 years	Total	More than 5 years
<i>Amounts falling due after more than one year relate to:</i>				
Loans from credit institutions, in EUR, average effective interest rate 5.2%	337	110	264	150
Loans from credit institutions, in PLN, average effective interest rate 3.62% (2001: 15.8%)	1	–	61	–
Loans from credit institutions, in EUR, average effective interest rate 4.0% (2001: 5.0%)	162	–	16	–
Loans from credit institutions, in EUR, average effective interest rate 4.3% (2001: 5.0%)	427	–	278	278
Private loan, in EGP, interest rate 11.9%	37	37	–	–
Private loan, in EUR, interest rate 5.8%	68	–	68	68
Other private loans, in various currencies, average interest rate 5.2% (2001: 5.45%)	118	20	72	16
Other loans, interest-free	65	26	38	21
	<b>1,215</b>	<b>193</b>	<b>797</b>	<b>533</b>

Security in the form of mortgages totalling €116 million (2001: €113 million) has been provided in respect of the other private loans.

**Current liabilities**

<i>Amounts falling due within one year relate to:</i>				
Repayment commitments on long-term borrowings in 2003	205		32	
Bank overdrafts	573		297	
Suppliers	629		620	
Taxation and social security contributions	322		335	
Dividend	105		107	
Short-term deposits	261		241	
Amounts owed to non-consolidated participating interests	1		3	
Other creditors	250		242	
Accruals and deferred income	303		358	
		<b>2,649</b>		<b>2,235</b>

Tangible fixed assets totalling €140 million (2001: €205 million) have been pledged to the authorities in a number of countries as security for the payment of taxation, particularly excise duties and import duties.

2002

2001

**Off-balance-sheet commitments**

Tenancy and operating leases	48	56
Capital expenditure commitments, unless already included in tangible fixed assets	53	84
Long-term raw material purchase contracts	176	186
Declarations of joint and several liability	398	286
Other off-balance-sheet commitments	29	12
Loan to Stichting Heineken Pensioenfond	150	–

In 2003, a subordinated loan of €150 million will be granted to Stichting Heineken Pensioenfond to satisfy the more stringent minimum reserves requirements of the Pensions and Insurance Supervisory Board in the Netherlands.

**Financial instruments**

*Contract value as at 31 December*

Currency hedging instruments in US dollars	904	1,321
Currency hedging instruments in other currencies	114	206
Interest-hedging instruments	1,029	925

Financial instruments are used in the normal course of business to hedge the effects on results of fluctuations in exchange rates and interest rates. The most important foreign currency inflow is denominated in US dollars and is generated by export activities. The expected net cash flow in US dollars, which amounts to around USD 760 million per annum, is hedged well in advance by means of a combination of forward contracts and options. This policy reduces the volatility of export sales proceeds and results due to short-term fluctuations in the value of the US dollar against the euro and delays the impact of long-term fluctuations on results. The financial instruments used to hedge foreign exchange fluctuations, with a term of longer than one year, amount to €190 million. As far as possible, temporary cash surpluses are held centrally and invested in bank deposits in euros with maximum terms of

one year. Approximately 60% of the risk of a reduction in interest income on these deposits due to a fall in the interest rate or an increase in interest charges due to a rise in the interest rate on interest-bearing liabilities is hedged with interest rate instruments. These interest-hedging instruments include interest rate swaps, forward rate agreements and caps and floors. The interest-hedging instruments with a term of more than one year amount to €1,005 million. As at 31 December 2002, the aggregate market value of the various financial instruments used amounted to €83 million. Currency and interest rate risk management is governed by a stringently defined policy and strict rules. Only a limited number of counterparties are used, all with excellent credit ratings. The activities are closely monitored, independently of implementation.

## Notes to the Consolidated Profit and Loss Account

### Information by geographical area

As almost the entire net turnover of the group is accounted for by just one product group, namely beer, the financial information is segmented by geographical area only. The remaining activities are not reported on a segmented basis. The following four regions are distinguished:

Europe, Western Hemisphere, Africa/Middle East and Asia/Pacific. Since nearly all export production facilities are located in Europe, the results of these activities are reported under Europe. The results and assets, analysed by region, are presented below.

Results	Europe (incl. exports)		Western Hemisphere		Africa/ Middle East		Asia/Pacific		Eliminations		Consolidated	
	2002	2001*	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001*
Net turnover												
Third-party sales proceeds	7,488	6,824	1,372	1,176	795	747	471	465	–	–	10,126	9,212
Interregional sales proceeds	1,276	1,127	–	–	–	–	–	–	–1,276	–1,127	–	–
Total sales proceeds	8,764	7,951	1,372	1,176	795	747	471	465	–1,276	–1,127	10,126	9,212
Proceeds from services	156	126	1	–	40	29	5	7	–35	–41	167	121
Net turnover	8,920	8,077	1,373	1,176	835	776	476	472	–1,311	–1,168	10,293	9,333
Excise duty	889	831	131	107	120	144	142	144			1,282	1,226
Operating profit	996	881	70	55	169	129	47	60	–	–	1,282	1,125
Results of non-consolidated participating interests	12	6	23	20	6	5	7	14	–	–	48	45
Interest											–109	–71
Taxation											–364	–327
Minority interests											–62	–57
Net profit on ordinary activities											795	715
Extraordinary result after tax											–	52
Net profit											795	767

\* The 2001 figures have been restated for comparison purposes.

• Notes to the Consolidated Profit and Loss Account

Balance sheet	Europe		Western Hemisphere		Africa/Middle East		Asia/Pacific		Consolidated	
	(incl. exports)									
	2002	2001*	2002	2001	2002	2001	2002	2001	2002	2001*
Operating assets	5,280	4,726	328	308	1,027	768	361	397	6,996	6,199
Non-consolidated participating interests	36	53	331	87	25	23	18	20	410	183
Total assets	5,316	4,779	659	395	1,052	791	379	417	7,406	6,382
Invested cash									375	813
Total assets as per balance sheet									7,781	7,195
Total provisions and liabilities	3,651	3,207	334	236	729	469	131	144	4,845	4,056
Total liabilities as per balance sheet									4,845	4,056
Group equity									2,936	3,139
Investments in intangible fixed assets	34	17	1	–	–	–	–	–	35	17
Investments in tangible fixed assets	461	442	10	17	208	103	17	16	696	578
Amortisation of intangible fixed assets	10	4	–	–	–	–	–	–	10	4
Depreciation of and value adjustments to tangible fixed assets	420	403	10	10	33	35	18	17	481	465

2002

2001\*

**Raw materials, consumables and services**

Raw materials	525	507
Packaging	949	873
Goods for resale	1,080	978
Marketing and selling expenses	1,585	1,451
Transport costs	402	357
Energy and water	147	138
Repair and maintenance	185	161
Other expenses	685	624
	5,558	5,089

The movement in work in progress and finished products (increase of €29 million, excluding revaluations and changes in the consolidation) is included in the appropriate component of production costs, i.e. raw materials, packaging materials, excise duties and, with regard to the fixed cost element of stocks, other expenses.

\* The 2001 figures have been restated for comparison purposes.

2002

2001\*

**Staff costs**

Salaries and wages	1,069	994
Pension costs	111	41
Other social security costs	275	207
Other staff costs	193	187
	<b>1,648</b>	<b>1,429</b>
Staff costs capitalised in connection with production of tangible fixed assets for use by the group	- 6	- 12
	<b>1,642</b>	<b>1,417</b>

Other staff costs includes amounts added to other provisions in respect of reorganisations.

**Number of employees**

*The average number of employees was:*

Netherlands	5,527	5,620
Rest of Europe	22,440	20,646
Western Hemisphere	1,451	839
Africa/Middle East	10,462	6,700
Asia/Pacific	1,377	1,308
Heineken N.V. and fully consolidated participating interests	<b>41,257</b>	<b>35,113</b>
Rest of Europe	2,877	947
Africa/Middle East	631	537
Asia/Pacific	3,472	3,428
Proportionally consolidated participating interests	<b>6,980</b>	<b>4,912</b>
Heineken N.V. and consolidated participating interests	<b>48,237</b>	<b>40,025</b>

**Amortisation/depreciation and value adjustments**

Depreciation of tangible fixed assets	476	444
Other value adjustments to tangible fixed assets	5	21
Amortisation of intangible fixed assets	10	4
	<b>491</b>	<b>469</b>
Value adjustments to other assets	38	7
	<b>529</b>	<b>476</b>

Other value adjustments to tangible fixed assets include the balance of reductions in the book values of production assets to their net realisable value and reversals of exceptional losses from impairment of these assets. The value adjustments to other assets relate mainly to provisions for stocks of finished products and spares held by operating companies.

\* The 2001 figures have been restated for comparison purposes.

2002

2001

**Results of non-consolidated participating interests**

Share in net result of participating interests carried at net asset value	15	17
Dividends received from participating interests carried at cost	33	28
	<b>48</b>	<b>45</b>

**Interest**

Interest paid	- 146	- 118
Interest received on cash deposits etc.	37	47
	<b>- 109</b>	<b>- 71</b>

**Taxation**

The taxation amounts to 31.0% (2001: 31.0%) of the profit before tax, excluding the results of non-consolidated participating interests.

Taxation	- 364	- 327
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*The main components of the taxation charge are:*

Profit before taxation excluding the results of non-consolidated participating interests	1,173	1,054
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Taxation charge at the statutory tax rate in the Netherlands	34.5%	405	35.0%	369
Effect of tax rates outside the Netherlands	- 0.9%	- 11	- 0.5%	- 5
Non-allowable expenses	1.7%	20	1.6%	17
Utilisation of tax losses carried forward	- 1.2%	- 14	- 2.6%	- 28
Tax losses not recognised	- 0.1%	- 1	1.4%	15
Underprovided in prior years	- 0.8%	- 9	- 0.9%	- 9
Tax incentives and other differences	- 2.2%	- 26	- 3.0%	- 32
Effective tax burden	<b>31.0%</b>	<b>364</b>	<b>31.0%</b>	<b>327</b>

## 2002

### Tax losses

As at 31 December 2002, the group had tax losses totalling €134 million, expiring as follows:

2003	20
2004	29
2005	21
2006	12
2007	21
Later than 2007 but not indefinite	31
	<b>134</b>

An amount of €22 million of these tax losses has been recognised as a deferred tax asset and included in financial fixed assets. Owing to the uncertainty regarding the ability to realise other tax losses, they have not been recognised.

## 2002

## 2001

### Extraordinary result after tax

Extraordinary result after tax	–	52
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The extraordinary result after tax in 2001 relates to the book profit of €35.5 million on the disposal of the 2% interest in the Spanish hotel group NH Hoteles SA and an exceptional cash dividend of €16.3 million distributed by Whitbread Plc. following the disposal of its Pubs & Bars Division.

## ● Notes to the Consolidated Cash Flow Statement

The consolidated cash flow statement has been drawn up using the indirect method. The various consolidated profit and loss account and balance sheet items have been adjusted for changes which have no effect on the receipts and payments during the year. Working capital comprises stocks, receivables and current liabilities (excluding bank

overdrafts and repayment commitments on long-term borrowings in 2003). The cash flow from investing activities relates to the net amount of investments and disposals. The net cash position consists of cash in hand and at bank, securities and bank overdrafts.

	Provisions	Long-term borrowings	Repayment commitments
Position as at 1 January 2002	1,024	797	32
Revaluation/exchange differences	- 14	- 11	- 1
Changes in the consolidation	51	81	11
Other non-cash-flow movements	- 72	- 136	220
Cash flow movements	- 8	484	- 56
Position as at 31 December 2002	981	1,215	206

### Working capital

Position as at 1 January 2002	- 22
Movements in balance sheet items in connection with dividends, interest and taxation	- 2
Revaluation/exchange differences	- 49
Changes in the consolidation	57
Other non-cash-flow movements	- 42
Cash flow movements	223
Position as at 31 December 2002	165

## Participating Interests

of significance for the true and fair view required by law

A declaration of joint and several liability pursuant to the provisions of Section 403, Part 9, Book 2, of the Netherlands Civil Code has been issued with respect to the legal entities established in the Netherlands marked with a • below.

Fully consolidated participating interests		% interest
• Heineken Nederlands Beheer B.V.	Amsterdam	100.0
• Heineken Brouwerijen B.V.	Amsterdam	100.0
• Heineken Nederland B.V.	Amsterdam	100.0
• Heineken International B.V.	Amsterdam	100.0
• Heineken Technical Services B.V.	Amsterdam	100.0
• Amstel Brouwerij B.V.	Amsterdam	100.0
• Amstel Internationaal B.V.	Amsterdam	100.0
• Vrumona B.V.	Bunnik	100.0
• Invebra Holland B.V.	Amsterdam	100.0
• Brouwerij de Ridder B.V.	Maastricht	100.0
• B.V. Beleggingsmaatschappij Limba	Amsterdam	100.0
• Brand Bierbrouwerij B.V.	Wijlre	100.0
• Beheer- en Exploitiemaatschappij Brand B.V.	Wijlre	100.0
Sogebra S.A.	Paris (France)	100.0
Heineken España S.A.	Seville (Spain)	97.8
Heineken Italia S.p.A.	Pollein (Italy)	100.0
Athenian Brewery S.A.	Athens (Greece)	98.8
Grupa Żywiec S.A.	Żywiec (Poland)	61.8
Heineken Ireland Ltd.*	Cork (Ireland)	100.0
Amstel Brewery Hungary Inc.	Komárom (Hungary)	100.0
Heineken Slovensko A.S.	Nitra (Slovakia)	91.6
Heineken Switzerland A.G.	Chur (Switzerland)	100.0
Mouterij Albert N.V.	Ruisbroek (Belgium)	100.0
Ibecor S.A.	Brussels (Belgium)	100.0
Affligem Brouwerij BDS N.V.	Opwijk (Belgium)	100.0
Bravo International	St. Petersburg (Russia)	100.0
Dinal LLP	Almaty (Kazakhstan)	51.0
Heineken USA Inc.	White Plains (United States)	100.0
Antilliaanse Brouwerij N.V.	Willemstad (Netherlands Antilles)	56.8
Commonwealth Brewery Ltd.	Nassau (Bahamas)	53.2
Windward & Leeward Brewery Ltd.	Vieux Fort (St. Lucia)	72.7
Nigerian Breweries Plc.	Lagos (Nigeria)	54.2
Al Ahram Beverages Company	Cairo (Egypt)	98.7
Brasseries, Limonaderies et Malteries 'Bralima' S.A.R.L.	Kinshasa (R.D. Congo)	94.3
Brasseries et Limonaderies du Rwanda 'Bralirwa' S.A.	Kigali (Rwanda)	70.0
Brasseries et Limonaderies du Burundi 'Brarudi' S.A.	Bujumbura (Burundi)	59.3
Brasseries de Bourbon S.A.	St. Denis (Réunion)	85.4
Ghana Breweries Ltd.	Kumasi (Ghana)	75.6
Brasseries du Logone S.A.	Moundou (Chad)	100.0
P.T. Multi Bintang Indonesia Tbk.	Jakarta (Indonesia)	84.5

\* In accordance with the provisions of Section 17 of the Republic of Ireland Companies (Amendment) Act 1986, Heineken N.V. has given irrevocable guarantees for the financial year from 1 January 2002 to 31 December 2002 in respect of the liabilities, as referred to in Section 5(c) of that Act, of the subsidiary companies Heineken Ireland Limited and Heineken Ireland Sales Limited.

- Participating Interests

#### Proportionally consolidated participating interests

The companies listed below are proportionally consolidated because control of these companies is exercised jointly and directly by virtue of an agreement with the other shareholders.

		% interest
BrauHolding International AG	Munich (Germany)	49.9
Zagorka Brewery A.D.	Stara Zagora (Bulgaria)	48.0
Ariana Brewery A.D.	Sofia (Bulgaria)	47.5
Pivara Skopje A.D.	Skopje (Macedonia)	27.3
Brasseries du Congo S.A.	Brazzaville (Congo)	50.0
Asia Pacific Breweries (Singapore) Pte. Ltd.	Singapore	42.5
Shanghai Asia Pacific Brewery Co. Ltd.	Shanghai (China)	44.9
Hainan Asia Pacific Brewery Ltd.	Haikou (China)	42.5
SP Holdings Ltd.	Port Moresby (Papua New Guinea)	32.1
Vietnam Brewery Ltd.	Ho Chi Minh City (Vietnam)	25.5
Cambodia Brewery Ltd.	Phnom Penh (Cambodia)	34.0
DB Group Ltd.	Auckland (New Zealand)	32.7

#### Non-consolidated participating interests carried at net asset value

Guinness Anchor Berhad	Petaling Jaya (Malaysia)	10.8
Thai Asia Pacific Brewery Co. Ltd.	Bangkok (Thailand)	14.9
Florida Bebidas S.A.	San José (Costa Rica)	25.0

#### Other non-consolidated participating interests carried at cost

Quilmes International (Bermuda) Ltd.	Hamilton (Bermuda)	15.0
Cervejarias Kaiser Brasil S.A.	Rio de Janeiro (Brazil)	20.0