

Auditor's Report

Introduction

We have audited the 2004 financial statements of Heineken N.V., Amsterdam, as included on pages 80-113 of this report. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Scope

We conducted our audit in accordance with auditing standards generally accepted in the Netherlands. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the company as at 31 December 2004 and of the result for the year then ended in accordance with accounting principles generally accepted in the Netherlands and comply with the financial reporting requirements included in Part 9, Book 2, of the Netherlands Civil Code.

Amsterdam, 21 February 2005
KPMG Accountants N.V.

Appropriation of Profit

Article 12, paragraph 4, of the Articles of Association stipulates:

'Of the profits, payment shall first be made, if possible, of a dividend of six per cent of the issued part of the authorised share capital. The amount remaining shall be at the disposal of the General Meeting of Shareholders.'

It is proposed to appropriate €196 million of the net profit for payment of dividend and to add €341 million to the retained profits.

Special rights pursuant to the Articles of Association

Article 7, paragraph 2, of the Articles of Association reads:

'The members of the Executive Board and of the Supervisory Board shall be appointed by the General Meeting of Shareholders from a binding nomination of at least two persons to be made by the Supervisory Board for each appointment.'

Heineken N.V. is not a 'structuurvennootschap' within the meaning of Sections 152-164 of the Netherlands Civil Code.

Heineken Holding N.V., a company listed on Euronext Amsterdam, holds 50.005% of the shares of Heineken N.V.

Authorised Capital

The company's authorised capital amounts to €2.5 billion.

Events after Balance Sheet date

On 20 January 2005 Heineken announced that Heineken Breweries in Russia and Diageo started a joint venture for the production and distribution of Guinness stout beer in Russia.

On 21 January 2005 Heineken announced that Kulmbacher Brauerei A.G., a subsidiary of Brau Holding International AG, the joint venture between Heineken (49.9%) and Schörghuber Group (50.1%), has made a binding offer for 90.7% of Würzburger Hofbräu AG at an amount of €34 million.

Information for Shareholders

Heineken N.V.

Heineken N.V. shares and options are traded on Euronext Amsterdam, where the company is included in the main AEX index. Prices for the ordinary shares may be accessed on Bloomberg under the symbols HEIA.NA and HEHN.NA and on the Reuters Equities 2000 Service under HEIA.AS and HEHN.AS. The ISIN code is NL000009165. Additional information is available on the homepage of Heineken International, www.heinekeninternational.com.

In 2004, the average daily volume of trade was 1,104,730 shares. Heineken N.V. is not a 'structuurenootschap' within the meaning of the Netherlands Civil Code. Consequently, decisions on all important matters are taken by the General Meeting of Shareholders.

Market capitalisation

On 31 December 2004, there were 489,974,594 shares of €1.60 nominal value in issue.

On 31 December 2003, there were 391,979,675 shares of €2.00 nominal value in issue.

At a closing price of €24.53 on 31 December 2004, the market capitalisation of Heineken N.V. on balance sheet date was €12.0 billion.

Year-end price	€24.53	31 December 2004
High	€28.47	5 May 2004
Low	€23.02	15 January 2004

Rules concerning insider dealing

Within Heineken N.V. there are established rules governing the disclosure of transactions in shares of Heineken N.V. and Heineken Holding N.V. that are applicable to the members of the Supervisory Board and the Executive Board, to other managers and staff who might be in possession of price-sensitive information and to a number of external parties.

Major Holdings in Listed Companies Disclosure Act

Pursuant to the Major Holdings in Listed Companies Disclosure Act, Heineken Holding N.V., Amsterdam, has disclosed an interest of 50.005% in Heineken N.V.

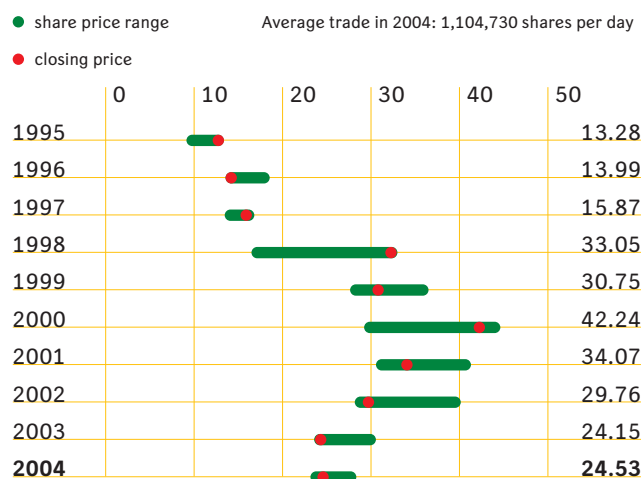
Dividend per share

in euro cents > after restatement for recapitalisation and share split

1995	16
1996	16
1997	16
1998	20
1999	26
2000	26
2001	32
2002	32
2003	32
2004	35

Heineken N.V. share price

in euros > Euronext Amsterdam > after restatement for recapitalisation and share split



Right to add agenda items

Shareholders who, alone or together, represent at least 1% of Heineken N.V.'s issued capital or hold shares with a market value of €50 million have the right to request items to be placed on the agenda of the General Meeting of Shareholders. Requests to place items on the agenda must be received by Heineken N.V. at least 60 days before the date of the General Meeting of Shareholders. Heineken N.V. reserves the right to refuse to place an item on the agenda if its inclusion would be contrary to the company's material interest.

Bonds

Heineken N.V. bonds are listed at the Luxembourg Stock Exchange.

Two bond loans were issued on 4 November 2003. One was issued for €500 million with a coupon interest rate of 4.375%, maturing on 4 February 2010 and listed under ISIN code XS0179266597.

Another one was issued for €600 million with a coupon interest rate of 5.00%, maturing on 4 November 2013 and listed under ISIN code XS0179266753.

Heineken Holding N.V.

The A shares of Heineken Holding N.V. are traded on Euronext Amsterdam. The shares are listed under ISIN code NL0000008969. Options on A shares of Heineken Holding N.V. are traded on Euronext.Liffe. In 2004, the average daily volume of trade was 177,042 shares. Heineken Holding N.V. is not a 'structuurvennootschap' within the meaning of the Netherlands Civil Code. Consequently, decisions on all important matters are taken by the General Meeting of Shareholders.

Market capitalisation

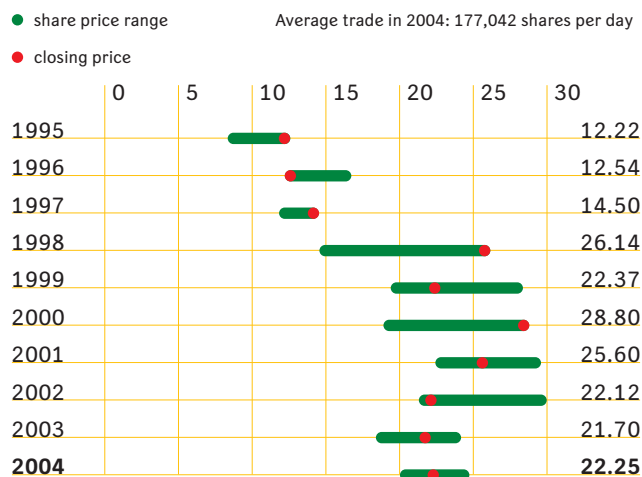
On 31 December 2004, the following numbers of shares were in issue:

241,730,598 A shares of €1.60 nominal value
3,281,250 B shares of €1.60 nominal value
250 priority shares of €2.00 nominal value.

The B shares confer the same voting rights as the A shares.

Heineken Holding N.V. share price

in euros > Euronext Amsterdam > after restatement
for recapitalisation and share split



On 31 December 2003, the following numbers of shares were in issue:

193,384,478 A shares of €2.00 nominal value
2,625,000 B shares of €2.00 nominal value
250 priority shares of €2.00 nominal value.

The B shares confer the same voting rights as the A shares.

At a closing price of €22.25 on 31 December 2004 the market capitalisation of Heineken Holding N.V. was €5.4 billion as at balance sheet date.

Year-end price	€22.25	31 December 2004
High	€24.72	7 May 2004
Low	€20.00	12 January 2004

Rules concerning insider dealing

Within Heineken Holding N.V. there are established rules governing the disclosure of transactions in shares of Heineken N.V. and Heineken Holding N.V. that are applicable to the members of the Board of Directors and to those directly involved in the company.

Major Holdings in Listed Companies Disclosure Act

Pursuant to the Major Holdings in Listed Companies Disclosure Act, L'Arche Holding S.A. has disclosed an interest of 50.005% and Greenfee B.V. has disclosed an interest of 6.8% in Heineken Holding N.V.

Right to add agenda items

Shareholders who, alone or together, represent at least 1% of Heineken Holding N.V.'s issued capital or hold shares with a market value of €50 million have the right to request items to be placed on the agenda of the General Meeting of Shareholders. Requests to place items on the agenda must be received by Heineken Holding N.V. at least 60 days before the date of the General Meeting of Shareholders. Heineken Holding N.V. reserves the right to refuse to place an item on the agenda if its inclusion would be contrary to the company's material interest.

Financial calendar in 2005 for both Heineken N.V. and Heineken Holding N.V.

Announcement of 2004 results	22 February
Publication of annual report	25 March
Annual General Meeting of Shareholders, Amsterdam	20 April
Quotation ex final dividend	22 April
Final dividend payable	9 May
Announcement of half-year results	7 September
Quotation ex interim dividend	8 September
Interim dividend payable	21 September

Contacting Heineken N.V. and Heineken Holding N.V.

Further information on Heineken N.V. is obtainable from the Corporate Communication and/or Investor Relations Department, telephone +31 20 523 92 39, or by e-mail investors@heineken.com. Further information on Heineken Holding N.V. is obtainable by telephone +31 20 622 11 52, or fax +31 20 625 22 13. Information is also obtainable from the Investor Relations department, telephone 020-523 92 39 or by e-mail investors@heineken.com. The website www.heinekeninternational.com also carries further information about both Heineken N.V. and Heineken Holding N.V.

Historical Summary

Turnover and profit > in millions of euros	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995
Net turnover	10,005	9,255	8,482	7,637	6,766	5,973	5,347	5,174	4,646	3,830
Operating profit	1,248	1,222	1,282	1,125	921	799	659	546	459	457
Operating profit BEIA ¹	1,329	1,327	1,282	1,125	921	799	659	546	459	457
as % of net turnover	13.3	14.3	15.1	14.7	13.6	13.4	12.3	10.6	9.9	11.9
as % of the total assets	12.8	12.2	16.4	15.6	14.6	13.3	12.4	10.7	9.5	10.4
Interest cover ratio	11.2	13.3	16.6	22.5	21.0	30.1	92.7	72.1	62.0	–
Net profit including extraordinary income	537	798	795	767	621	516	445	345	297	301
Net profit BEIA ¹	791	806	795	715	621	516	445	345	297	301
as % of shareholders' equity	23.4	25.4	30.1	25.9	25.9	19.7	19.4	14.9	14.5	14.0
Dividend	173	157	157	157	125	125	100	80	80	80
as % of net profit	32.2	19.7	19.7	20.5	20.1	24.2	22.4	23.1	26.8	26.4

Bonus shares > in millions of euros

Increase in share capital	–	–	–	73	–	–	142	–	–	114
Cash payment	–	–	–	–	–	–	16	–	–	13
Distribution from reserves	–	–	–	73	–	–	158	–	–	127
Percentage increase	25	–	–	10	–	–	25	–	–	25

Per share of €1.60² > in euros

Cash flow from operating activities	3.10	3.34	2.42	2.38	2.11	1.91	1.80	1.54	1.10	1.30
Net profit BEIA ¹	1.61	1.65	1.62	1.46	1.27	1.05	0.91	0.70	0.61	0.62
Dividend (proposed)	0.40	0.32	0.32	0.32	0.26	0.26	0.20	0.16	0.16	0.16
Shareholders' equity	6.90	6.46	5.38	5.63	4.89	5.34	4.69	4.73	4.18	4.38
Bonus shares (par value)	–	–	–	0.23	–	–	0.57	–	–	0.57
Cash payment	–	–	–	–	–	–	0.06	–	–	0.06

Cash flow statement > in millions of euros

Cash flow from operating activities	1,520	1,638	1,184	1,165	1,035	935	882	753	539	640
Dividend	243	241	187	168	160	112	114	94	93	93
Investments	1,671	2,081	1,973	783	1,503	527	728	439	840	344
Financing	–125	1,233	427	–39	335	–13	80	36	111	–70
Net cash flow	–519	549	–549	175	–293	283	120	255	–283	133

¹ Before amortisation, extraordinary income and goodwill.

² Restated for the 5:4 share split in 2004.

All previous years have been restated using the current number of shares of 489,974,594.

Financing > in millions of euros	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995
Share Capital	784	784	784	784	711	711	711	569	569	569
Reserves	2,595	2,383	1,853	1,974	1,685	1,907	1,588	1,747	1,479	1,579
Shareholders' equity	3,379	3,167	2,637	2,758	2,396	2,618	2,299	2,316	2,048	2,148
Minority interest	483	732	393	381	124	248	256	182	186	157
Group equity	3,862	3,899	3,030	3,139	2,520	2,866	2,555	2,498	2,234	2,305
Provisions	568	1,367	981	1,024	976	770	733	769	734	637
Employee benefits	680	-	-	-	-	-	-	-	-	-
Long-term debts	2,642	2,721	1,215	797	875	490	522	412	359	192
Current liabilities	2,666	2,910	2,555	2,235	1,892	1,860	1,460	1,384	1,462	1,187
Liabilities	5,308	5,631	3,770	3,032	2,767	2,350	1,982	1,796	1,821	1,379
Total equity and liabilities	10,418	10,897	7,781	7,195	6,263	5,986	5,270	5,063	4,789	4,321
Group equity/borrowed capital	0.59	0.56	0.64	0.77	0.67	0.92	0.94	0.97	0.87	1.14
Employment of capital > in millions of euros										
Intangible fixed assets	1,720	1,151	39	13	-	-	-	-	-	-
Tangible fixed assets	5,127	4,995	4,094	3,592	3,250	2,964	2,605	2,521	2,452	2,086
Financial fixed assets	779	1,122	835	531	615	422	490	429	380	335
Fixed assets	7,626	7,268	4,968	4,136	3,865	3,386	3,095	2,950	2,832	2,421
Stocks	779	834	765	692	550	490	452	466	447	360
Account receivable	1,309	1,379	1,270	1,192	1,024	903	775	799	771	563
Cash and securities	704	1,416	778	1,175	824	1,207	948	848	739	977
Current assets	2,792	3,629	2,813	3,059	2,398	2,600	2,175	2,113	1,957	1,900
Total assets	10,418	10,897	7,781	7,195	6,263	5,986	5,270	5,063	4,789	4,321
Group equity/fixed assets	0.51	0.54	0.61	0.76	0.65	0.85	0.83	0.85	0.79	0.95
Current assets/current liabilities	1.05	1.25	1.10	1.37	1.27	1.40	1.49	1.53	1.34	1.60

Operating Companies and Participating Interests

as at 1 January 2005 > export offices are not shown

Europe

Country	Company	Location	Brands
Austria	Brau Union Österreich (100%)	Göss, Puntigam, Schladming, Schwechat, Wieselburg, Zipf	Heineken, Edelweiss, Gösser, Kaiser, Puntigamer, Schlossgold, Schwechater, Wieselburger, Zipfer
Belgium	Affligem Brouwerij BDS (100%)	Opwijk	Affligem
Bulgaria	Zagorka Brewery (49%)	Stara Zagora	Heineken, Amstel, Ariana, Stolichno, Zagorka
Croatia	Karlovacka Pivovara (94.4%)	Karlovac	Heineken, Desperados, Karlovačko
Czech Republic	Starobrno (97.6%)	Brno, Znojmo	Heineken, Hostan, Starobrno, Zlatý Bažant
France	Heineken France (100%)	Marseilles, Mons-en-Baroeul, Schiltigheim, St. Omer	Heineken, Adelscott, Amstel, Buckler, Desperados, Dorelei, "33" Export, Fischer tradition, Kriska, Murphy's Irish Stout, Pelforth, St. Omer
Germany	Paulaner Brauerei (25%)	Munich, Rosenheim	Hacker-Pschorr, Paulaner, Paulaner Weissbier
	Kulmbacher Brauerei (31%)	Chemnitz, Kulmbach, Plauen	Kulmbacher, Mönchshof, Sternquell-pils
	Karlsberg (22.5%)	Homburg, Koblenz	Desperados, Karlsberg, Mixery, UrPils
	Fürstlich Fürstenbergische Brauerei (49.9%)	Donaueschingen	Bären Pilsner, Fürstenberg, Riegeter, QOWAZ
	Hoepfner Brauerei (49.9%)	Karlsruhe	Arnegger, Edel-Weizen, Export, Goldköpfe, Grape, Hefe Weißbier, Hoepfner Pilsner, Judelbier, Keller- Weißbier, Kräusen, Leicht, Maibock, Porter, Radler
Greece	Athenian Brewery (98.8%)	Athens, Patras, Thessaloniki	Heineken, Alfa, Amstel, Buckler, Desperados, Fischer McFarland, Murphy's Irish Stout, Zorbas
Hungary	Brau Union Hungaria (85.3%)	Martfü, Sopron	Heineken, Amstel, Buckler, Gösser, Kaiser, Schlossgold, Soproni Ászok, Talléros, Zlatý Bažant
Ireland	Heineken Ireland (100%)	Cork	Heineken, Amstel, Coors Light, Murphy's Irish Stout
Italy	Heineken Italia (100%)	Aosta, Bergamo, Cagliari, Massafra, Messina, Pedavena	Heineken, Amstel, Birra Messina, Birra Moretti, Budweiser, Classica von Wunster, Dreher, Ichnusa, McFarland, Murphy's Irish Stout, Prinz, Sans Souci
Kazakhstan	Dinal (99.9%)	Almaty	Heineken, Amstel, Tian Shan
Macedonia	Pivara Skopje (27.6%)	Skopje	Heineken, Amstel, Gorsko, Skopsko
Netherlands	Heineken Nederland (100%)	's-Hertogenbosch, Zoeterwoude	Heineken, Amstel, Lingen's Blond, Murphy's Irish Red, Vos, Wieckse
	Brand Bierbrouwerij (100%)	Wijlre	Brand

Country	Company	Location	Brands
Poland	Grupa Żywiec (61.8%)	Bydgoszcz, Cieszyn, Elbląg, Leżajsk, Warka, Żywiec	Heineken, Królewskie, Kujawiak, Leżajsk, Specjal, Strong, Tatra, Warka Jasne Pelne, Żywiec
Romania	Brau Union Romania (96.3%)	Bucuresti, Constanta, Craiova, Hateg, Miercurea Ciuc	Heineken, Bucegi, Ciuc, Gambrinus, Golden Brau, Gösser, Schlossgold, Silva
Russia	Heineken Brewery LLC (100%)	St. Petersburg	Heineken, Botchkarov, Löwenbräu, Ochota
	Sobol Beer LLC (100%)	Novosibirsk	Sobol, Zhigulevskoye
	Shikhan Brewery OAO (95.1%)	Sterlitamak	Sedoy Ural, Shikan, Solyanaya Pristan
	Volga Brewery ZAO (100%)	Nizhnyi Novgorod	Okskoye, Rusich, Volga
Slovakia	Heineken Slovensko (100%)	Hurbanovo, Rimavska Sobota	Heineken, Amstel, Corgon, Gemer, Kelt, Martiner, Zlatý Bažant
Spain	Heineken España (98.2%)	Arano, Jaen, Madrid, Seville, Valencia	Heineken, Amstel, Buckler, Cruzcampo, Guinness, Kaliber, Legado de Yuste, Murphy's Irish Red
Switzerland	Heineken Switzerland (100%)	Chur	Heineken, Amstel, Calanda, Haldengut, Murphy's Irish Stout

The Americas

Country	Company	Location	Brands
Argentina	Companias Cervecerias Unidas Argentina (27.5%)	Salta, Santa Fe	Heineken, Budweiser, Cordoba, Rosario, Salta, Santa Fe, Schneider
Bahamas	Commonwealth Brewery (53.2%)	Nassau	Heineken, Guinness, Kalik, Vitamalt
● Brazil	Cervejarias Kaiser Brasil (20%)	Araraquara, Cuiabá, Feira de Santana, Gravatá, Jacarei, Manous, Pacatuba, Ponta Grossa, Preto, Ribeirão	Heineken, Bavaria, Kaiser, Santa Cerva, Summer, Xingu
Chile	Companias Cervecerias Unidas (30.8%)	Antofagasta, Santiago, Temuco	Heineken, Cristal, Escudo
● Costa Rica	Cervecería Costa Rica (25%)	San José	Heineken, Bavaria, Imperial, Pilsen, Rock Ice
● Dominican Republic	Cervecería Nacional Dominicana (9.3%)	Santo Domingo	Heineken, Presidente
● Haiti	Brasserie Nationale d'Haïti (22.5%)	Port-au-Prince	Guinness, Malta, Prestige
● Jamaica	Desnoes & Geddes (15.5%)	Kingston	Heineken, Dragon Stout, Guinness, Red Stripe
Martinique	Brasserie Lorraine (83.1%)	Lamentin	Lorraine, Malta, Porter
Netherlands Antilles	Antilliaanse Brouwerij (56.8%)	Willemstad	Amstel, Amstel Bright, Malta
● Nicaragua	Consortio Cervezero Centroamericano (12.5%)	Managua	Bufalo, Tona, Victoria
Panama	Cervecerias Barú-Panama (74.8%)	Panama City	Cristal, Guinness, Panama, Soberana
St. Lucia	Windward & Leeward Brewery (72.7%)	Vieux-Fort	Heineken, Guinness, Piton
Surinam	Surinaamse Brouwerij (76.1%)	Paramaribo	Heineken, Parbo

- Affiliated company (non-consolidated)

Africa and the Middle East

Country	Company	Location	Brands
Burundi	Brarudi (59.3%)	Bujumbura, Gitega	Amstel, Primus
● Cameroon	Brasseries du Cameroun (8.8%)	Bafoussam, Douala, Garoua, Yaoundé	Amstel, Dynamalt, Mützig
Congo	Brasseries du Congo (50%)	Brazzaville, Pointe Noire	Amstel, Guinness, Malta, Mützig, Ngok, Primus, Turbo King
Democratic Republic of Congo	Bralima (95%)	Boma, Bukavu, Kinshasa, Kisangani, Lubumbashi, Mbandaka	Amstel, Guinness, Malta, Mützig, Primus, Turbo King
Egypt	Al Ahram Beverages Company (99.9%)	Badr, El Obour, Sharkí	Heineken, Birell, Fayrouz, Meister, Sakara, Stella
● Ghana	Guinness Ghana Breweries Ltd. (20%)	Accra, Kumasi	Amstel Malta, Guinness, Gulder, Malta, Star
● Israel	Tempo Beer Industries (17.8%)	Netanya	Heineken, Gold Star, Maccabee, Malt Star, Nesher
● Jordan	General Investment (10.8%)	Zerka	Amstel
Lebanon	Almaza (67%)	Beirut	Almaza, Amstel, Laziza
● Morocco	Brasseries du Maroc (2.2%)	Casablanca, Fès, Tanger	Heineken, Amstel
● Namibia	Namibia Breweries (14.5%)	Swakopmund, Windhoek	Heineken, Beck's, Guinness, Killkenny, Windhoek
Nigeria	Nigerian Breweries (54.1%)	Aba, Ama, Ibadan, Kaduna, Lagos	Heineken, Amstel Malta, Gulder, Legend, Malta, Star
● Nigeria	Consolidated Breweries (24.8%)	Ijebu Ode, Owe Omamma	"33" Export, Hi-malt
Réunion	Brasseries de Bourbon (85.6%)	Saint Denis	Bourbon, Dynamalt
Rwanda	Bralirwa (70%)	Gisenyi, Kigali	Amstel, Guinness, Mützig, Primus
● Sierra Leone	Sierra Leone Brewery (42.1%)	Freetown	Heineken, Guinness, Malta, Star

● Affiliated company (non-consolidated)

Asia Pacific

Country	Company	Location	Brands
Cambodia	Cambodia Brewery (33.7%)	Phnom Penh	ABC Stout, Anchor, Gold Crown, Tiger
China	Shanghai Asia Pacific Brewery (44.7%)	Shanghai	Heineken, Reeb, Tiger
	Hainan Asia Pacific (46.1%)	Haikou	Anchor, Aoke, Tiger
	Kingway Brewery (9.9%)	Shantou, Shenzhen	Kingway
Indonesia	Multi Bintang Indonesia (84.5%)	Sampang Agung, Tangerang	Bintang, Guinness, Bintang Zero, Fit 'n fun
● Malaysia	Guinness Anchor Berhad (10.7%)	Kuala Lumpur	Heineken, Anchor Ice, Baron's, Guinness, Kilkenny, Tiger
New Caledonia	Grande Brasserie de Nouvelle Calédonie (87.3%)	Noumea	Havannah, Number One
New Zealand	DB Breweries (42.1%)	Greymouth, Mangatainoka, Otahuhu, Timaru	Heineken, Amstel, DB Draft, Export Gold, Monteith's, Tui
Papua New Guinea	SP Brewery (31.9%)	Lae, Port Moresby	Niugini Ice Beer, South Pacific Export Lager, SP Lager
Singapore	Asia Pacific Breweries (42.1%)	Singapore	Heineken, ABC Stout, Anchor, Baron's, Tiger
● Thailand	Thai Asia Pacific Brewery (14.8%)	Bangkok	Heineken, Tiger
Vietnam	Vietnam Brewery (25.3%)	Ho Chi Minh City	Heineken, Bivina, Tiger
	Hatay Brewery (42.1%)	Hatay	Heineken, Anchor Draft, Tiger
●	Affiliated company (non-consolidated)		