

# Heineken Holding N.V.

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United States Securities & Exchange Commission  
Office of International Corporate Finance  
450 Fifth Street, N.W.  
Washington DC 20549  
USA



date 10 September 2003

SUPPL

**Re: File No. 82-5149**

Dear Sir/Madam,

Enclosed please find the following publications of Heineken Holding N.V.

- Press-information dated 5 September 2003
- Interim Dividend announcement dated 10 September 2003

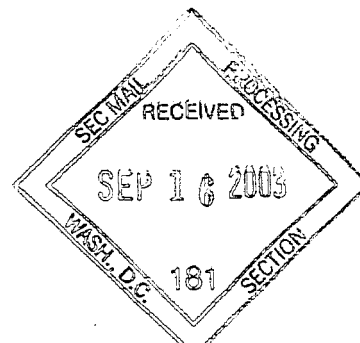
This publication is filed in relation with the exemption under Rule 12g3-2(b) of Heineken Holding N.V.

Should you have any questions, feel free to call.

Yours sincerely,  
HEINEKEN HOLDING N.V.

J. Buijs

Enclos.



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FINANCIAL

*JLB 9/22*

**PRESS RELEASE HEINEKEN HOLDING N.V.**

*Amsterdam, 5 September 2003*

**Reorganisation at Heineken in the Netherlands**

Today Heineken Holding N.V. announced that its 100% subsidiary Heineken Nederlands Beheer B.V., has stated that it will implement a number of reorganisational activities to safeguard its long-term business development.

As a result we expect that in two years time, 450 job functions will cease to exist. Agreement was reached with the trade unions on a 'social plan' at the end of 2002. To cover costs of reorganisation, Heineken Holding N.V. will make provisions of approximately € 70 million before tax and before minority interests, which will be charged to the 2003 Profit and Loss account. It is expected that these costs will be recovered in three years.

For further information, please find attached the Heineken Nederlands Beheer B.V. press statement.

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## **Heineken Holding N.V. reports solid 6% organic profit growth**

- The result of Heineken Holding N.V.'s participating interest in Heineken N.V. for the first half of 2003 turned out at €200 million. The increase in profit compared with 2002 mainly reflects the exceptional income from the sale of the interest in Quilmes.
- **Net profit of Heineken N.V. (excluding exceptional items and amortisation of goodwill)** amounted to €334 million, an increase of 1% on the 2002 figure. The effect of exchange rate movements on the result was negative. Net profit and operating profit recorded organic growth<sup>1</sup> of 6% and 7%, respectively.
- **Group volume**<sup>2</sup> in the first half of 2003 was 9% up on the same period in 2002, at 45.3million hectolitres.
- Sales of **Heineken beer** in the premium segment increased by 3% in the first six months of 2003, rising to 8.9 million hl. Poland, Italy and Spain accounted for most of this growth. Sales of **Amstel beer** remained stable at 5.1 million hl, with higher sales in Spain, South Africa and Cameroon offset by lower volumes in Greece and France.

Heineken Holding N.V. engages in no activities other than its participating interest in Heineken N.V. and the management and supervision of and provision of services to that company.

According to the statutes of Heineken Holding N.V. the two companies pay an identical dividend. An interim dividend of €0.16 per share of €2.00 nominal value will be paid on 22 September 2003. Heineken Holding N.V. shares will be quoted ex dividend from 11 September 2003.

*Amsterdam, 10 September 2003*

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<sup>1</sup> Organic profit growth is growth excluding exchange rate effects, changes in consolidation, amortisation of goodwill, exceptional items and changes in accounting policies.

<sup>2</sup> Group volume = volume sold by consolidated companies and sales of Heineken beers brewed under licence by third parties.

**Notes to Heineken Holding N.V.'s interim figures for 2003****Better sales mix and higher beer sales bring 5% organic turnover growth**

Net turnover (excluding excise duties<sup>1</sup>) increased by €243 million (6%) to €4,612 million in the first half of 2003. Organic growth, reflecting improvements in the sales mix, higher selling prices and volume growth, turned out at 5%. First-time consolidations, notably Al Ahram in Egypt, CCU in Chile, Karlsberg in Germany, Karlovacka in Croatia and a number of European beverage wholesalers, also contributed 5% to the growth in turnover. This was offset by a 4% decrease in turnover due to the strength of the euro against the US dollar, the Nigerian naira, the Polish zloty and the Singapore dollar in particular.

**Group volume up 9% to 45.3 million hectolitres**

Group volume<sup>2</sup> increased by 9% in the first six months of 2003 compared with the corresponding period in 2002, rising to 45.3 million hl. Organic volume growth amounted to 1% and first-time consolidations increased sales volume by 8%. Substantial organic volume growth was recorded in Nigeria, Spain, Russia, Poland and Italy, but sales were down in France, Greece, the United States, Indonesia and the Netherlands.

Global sales of Heineken beer in the premium segment increased by 3% in the first six months of 2003, rising to 8.9 million hl. Poland, Italy and Spain accounted for most of this growth. The Heineken brand continued to advance its share of all the main markets. Sales of Amstel beer remained stable overall at 5.1 million hl, with higher sales in Spain, South Africa and Cameroon offset by lower volumes in Greece and France.

**Healthy 7% organic growth in operating profit**

Organic growth in operating profit for the first half of 2003 (excluding first-time consolidations, amortisation of goodwill, exchange effects and exceptional items) turned out 7% higher compared with the same period in 2002. With effect from 2003, goodwill in respect of acquisitions is capitalised and amortised over a maximum of 20 years. Amortisation of goodwill in the first half of 2003 amounted to €5 million. Operating profit excluding amortisation of goodwill turned out 2% higher, rising from €581 million to €593 million.

Marketing and selling expenses as a percentage of net turnover increased from 18.0% to 18.4%. Raw material and packaging prices rose by 4%, as did staff costs (on a like-for-like basis). Excluding amortisation of goodwill, depreciation and amortisation were 8% higher, mainly due to first-time consolidations.

Operating profit was 1% higher, rising from €581 million to €588 million. Operating profit excluding amortisation of goodwill as a percentage of net turnover decreased from 13.3% in the first half of 2002 to 12.9% in the same period this year, due to first-time consolidations and exchange rate movements.

EBITDA (earnings before interest, tax, depreciation and amortisation) increased by €33 million to €875 million. EBITA for the period amounted to €602 million, compared with €585 million in the first half of 2002.

<sup>1</sup> With the introduction of Annual Reporting Guideline 270 in the Netherlands with effect from 2003, excise duties are no longer included in net turnover. Excise duties in 2003 and 2002 amounted to €627 million and €641 million, respectively.

<sup>2</sup> Group volume = volume sold by consolidated companies and sales of Heineken beers brewed under licence by third parties.

The result on non-consolidated participating interests increased by €75 million to €91 million, mainly reflecting exceptional net income of €71 million from the sale of the 15% interest in Quilmes, the Argentinian brewing group.

Net interest charges increased from €15 million to €63 million, largely due to the reduction in interest income resulting from the decrease in cash in connection with the funding of acquisitions.

The average tax burden increased slightly in the first half of 2003, from 35.6% to 36.2%. Over the full year, the tax burden will be in line with the 2002 figure.

Net profit of Heineken Holding N.V. excluding exceptional items and amortisation of goodwill was 1.2% higher, up from €165 million to €167 million. Organic growth in net profit (excluding first-time consolidations, amortisation of goodwill, exchange differences and exceptional items), was 6%. Net profit of Heineken Holding N.V. was 21% higher compared with the same period in 2002, rising by €35 million to €200 million. Net profit per share increased from €0.84 to €1.02.

#### **Exceptional items**

Exceptional items in the first half of 2003 included the net book profit of €71 million realised by Heineken N.V. on the sale of its 15% interest in Quilmes.

A provision estimated at €70 million before tax will be formed by Heineken N.V. in the second half of 2003 in connection with reorganisation exercises in the Netherlands.

#### **Balance sheet**

Operating cash flow for the first six months of 2003 amounted to €706 million, as against €619 million in the first half of 2002. The increase is the combined effect of higher depreciation and amortisation charges and lower payments charged to provisions.

A net €380 million was invested in tangible fixed assets in the first half of 2003, compared with €335 million in 2002. Investments in the new brewery in Nigeria and in companies included in the consolidation for the first time accounted for most of this increase. A total of €599 million was spent on consolidated participating interests, in particular the acquisition of a 31% interest in Compañia Cervecerías Unidas S.A. in Chile via the IRSA joint venture, a 22.5% interest in Karlsberg in Germany via the BrauHolding International joint venture, a 68% interest in Karlovacka in Croatia and the acquisition of several European beverage wholesalers.

Shareholders' equity increased by €167 million, reflecting the balance of the net profit of €200 million and revaluations and exchange differences of €33 million. Shareholders' equity per share amounted to €7.34 as at 30 June 2003 (€6.49 as at 31 December 2002). Under the new regulations, with effect from 1 January 2003, dividends declared after the balance sheet date are no longer shown as liabilities in the balance sheet. On the same basis, shareholders' equity per share as at 31 December 2002 amounted to €6.89.

Interest-bearing debt increased from €1,811 million as at 30 June 2002 to €2,533 million as at 30 June 2003 and the net debt position on those dates was €906 million and €1,894 million, respectively.

#### **Dividend**

An interim dividend of €0.16 per share of €2.00 nominal value will be paid on 22 September 2003. The ex-dividend date for Heineken Holding N.V. shares is 11 September 2003.

**Full-year profit forecast for 2003**

Heineken is forecasting organic growth in net profit<sup>1</sup> for the second half of 2003 which will at least equal the first-half 2003 figure of 6%. With the strong euro continuing to exert pressure on profits in the second half, growth in net profit (excluding exceptional items and amortisation of goodwill) for 2003 as a whole will be in line with the figure for the first half of this year. This projection takes no account of the consolidation of BBAG or the possible introduction of the Dutch Annual Reporting Guideline 271 relating to pensions.

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The presentation for analysts by Heineken N.V. will be relayed live at [www.heinekeninternational.com](http://www.heinekeninternational.com), starting at 12:30 CET.

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<sup>1</sup> Organic profit growth is growth excluding exchange rate effects, changes in consolidation, amortisation of goodwill, exceptional items and changes in accounting policies.

**HEINEKEN HOLDING N.V.****Consolidated profit and loss account 1 January – 30 June\***  
in millions of euros

	<u>2003</u>	<u>2002</u>
<b>Net turnover</b>	<b>4,612</b>	<b>4,369</b>
Raw materials, consumables and services	2,892	2,738
Staff costs	845	789
Amortisation/depreciation and value adjustments	287	261
<b>Total operating expenses</b>	<u><b>4,024</b></u>	<u><b>3,788</b></u>
<b>Operating profit</b>	<b>588</b>	<b>581</b>
Results of non-consolidated participating interests	91	16
Interest	-63	-48
<b>Profit on ordinary operations before tax</b>	<u><b>616</b></u>	<u><b>549</b></u>
Taxation	-190	-190
<b>Group profit on ordinary operations after tax</b>	<u><b>426</b></u>	<u><b>359</b></u>
Minority interests in the profit of group companies of Heineken N.V.	-26	-29
<b>Net profit of Heineken N.V.</b>	<u><b>400</b></u>	<u><b>330</b></u>
Minority interests in the profit of Heineken N.V.	-200	-165
<b>Net profit</b>	<u><u><b>200</b></u></u>	<u><u><b>165</b></u></u>
<b>Net profit of Heineken Holding N.V. (excluding exceptional items and amortisation of goodwill)</b>	<u><u><b>167</b></u></u>	<u><u><b>165</b></u></u>

- \* The 2002 figures have been restated for comparison purposes.  
Excise duties are no longer included in net turnover.  
The figures are unaudited.

## HEINEKEN HOLDING N.V.

Segment information by region\*

in millions of euros

	<u>1<sup>st</sup> half 2003</u>	<u>1<sup>st</sup> half 2002</u>	<u>Full year 2002</u>
Sales proceeds			
Europe (including exports)	3,968	3,816	7,768
Western Hemisphere	614	598	1,348
Africa/Middle East	363	327	675
Asia/Pacific	163	162	329
Eliminations	-595	-615	-1,276
Total sales proceeds	<u>4,513</u>	<u>4,288</u>	<u>8,844</u>
Proceeds from services	<u>99</u>	<u>81</u>	<u>167</u>
<b>Net turnover</b>	<b><u>4,612</u></b>	<b><u>4,369</u></b>	<b><u>9,011</u></b>
Operating profit			
Europe (including exports)	460	442	996
Western Hemisphere	22	30	70
Africa/Middle East	81	85	169
Asia/Pacific	25	24	47
<b>Total operating profit</b>	<b><u>588</u></b>	<b><u>581</u></b>	<b><u>1,282</u></b>
Total assets			
Europe (including exports)	6,402	5,747	5,316
Western Hemisphere	1,092	589	659
Africa/Middle East	1,014	890	1,052
Asia/Pacific	360	404	379
	<u>8,868</u>	<u>7,630</u>	<u>7,406</u>
Invested cash	<u>104</u>	<u>284</u>	<u>375</u>
<b>Total assets as per balance sheet</b>	<b><u>8,972</u></b>	<b><u>7,914</u></b>	<b><u>7,781</u></b>

- \* The 2002 figures have been restated for comparison purposes.  
Excise duties are no longer included in net turnover.  
The figures are unaudited.



## HEINEKEN HOLDING N.V.

Consolidated balance sheet\*  
in millions of euros

	<u>30 June 2003</u>	<u>30 June 2002</u>	<u>31 December 2002</u>
<b>Assets</b>			
Fixed assets			
Intangible fixed assets	408	21	39
Tangible fixed assets	4,385	3,815	4,094
Financial fixed assets	850	777	835
	<hr/>	<hr/>	<hr/>
	5,643	4,613	4,968
Current assets			
Stocks	912	792	765
Receivables	1,778	1,604	1,270
Cash and securities	639	905	778
	<hr/>	<hr/>	<hr/>
	3,329	3,301	2,813
	<hr/>	<hr/>	<hr/>
	<b>8,972</b>	<b>7,914</b>	<b>7,781</b>
<b>Equity and liabilities</b>			
Group equity			
Shareholders' equity	1,439	1,339	1,272
Minority interests in Heineken N.V.	1,439	1,339	1,271
Minority interests in other Group companies	450	371	393
	<hr/>	<hr/>	<hr/>
	3,328	3,049	2,936
Provisions	958	963	981
Liabilities			
Long-term borrowings	1,529	1,039	1,215
Current liabilities	3,157	2,863	2,649
	<hr/>	<hr/>	<hr/>
	4,686	3,902	3,864
	<hr/>	<hr/>	<hr/>
	<b>8,972</b>	<b>7,914</b>	<b>7,781</b>

\* Unaudited.

**HEINEKEN HOLDING N.V.**Movements in shareholders' equity 1 January – 30 June\*  
in millions of euros

<b>Shareholders' equity</b>	<b>2003</b>	<b>2002</b>
Position as at 1 January	1,272	1,379
Revaluations/exchange rate movements	-33	-34
Goodwill	-	-140
Net profit for first half-year	200	165
Dividend	-	-31
	<hr/>	<hr/>
Position as at 30 June	1,439	1,339
	<hr/>	<hr/>
<b>Minority interests in Heineken N.V.</b>	<b>2003</b>	<b>2002</b>
Position as at 1 January	1,272	1,379
Revaluations/exchange rate movements	-33	-34
Goodwill	-	-140
Net profit for first half-year	200	165
Dividend	-	-31
	<hr/>	<hr/>
Position as at 30 June	1,439	1,339
	<hr/>	<hr/>

\* Unaudited.

## HEINEKEN HOLDING N.V.

Abridged consolidated cash flow statement 1 January – 30 June\*  
in millions of euros

	<u>2003</u>	<u>2002</u>
<b>Cash flow from operating activities</b>	706	619
Interest paid and received	-55	-34
Taxation paid on profits	-136	-144
<b>Cash flow from operating activities</b>	<u>515</u>	<u>441</u>
Dividends paid	<u>-136</u>	<u>-105</u>
<b>Cash flow from operating activities less dividends paid</b>	379	336
<b>Cash flow from investing activities</b>		
Intangible fixed assets	-8	-12
Tangible fixed assets	-380	-335
Consolidated participating interests	-599	-399
Non-consolidated participating interests	22	-212
Result on participating interests disposed of	71	-
Other financial fixed assets	<u>-31</u>	<u>-13</u>
	-925	-971
<b>Cash flow from financing activities</b>	<u>232</u>	<u>334</u>
<b>Net cash flow</b>	<u>-314</u>	<u>-301</u>
Other cash movements:		
Changes in the consolidation	71	-18
Exchange differences	<u>11</u>	<u>-29</u>
Movement in net cash	<u>-232</u>	<u>-348</u>
	<u>30 June 2003</u>	<u>31 December 2002</u>
The net cash position is made up of:		
Cash and securities	639	778
Bank overdrafts	<u>-666</u>	<u>-573</u>
	<u>-27</u>	<u>205</u>

\* Unaudited.