

# InBev

Dresdner Kleinwort  
Frankfurt  
April 2008



**!nBev**

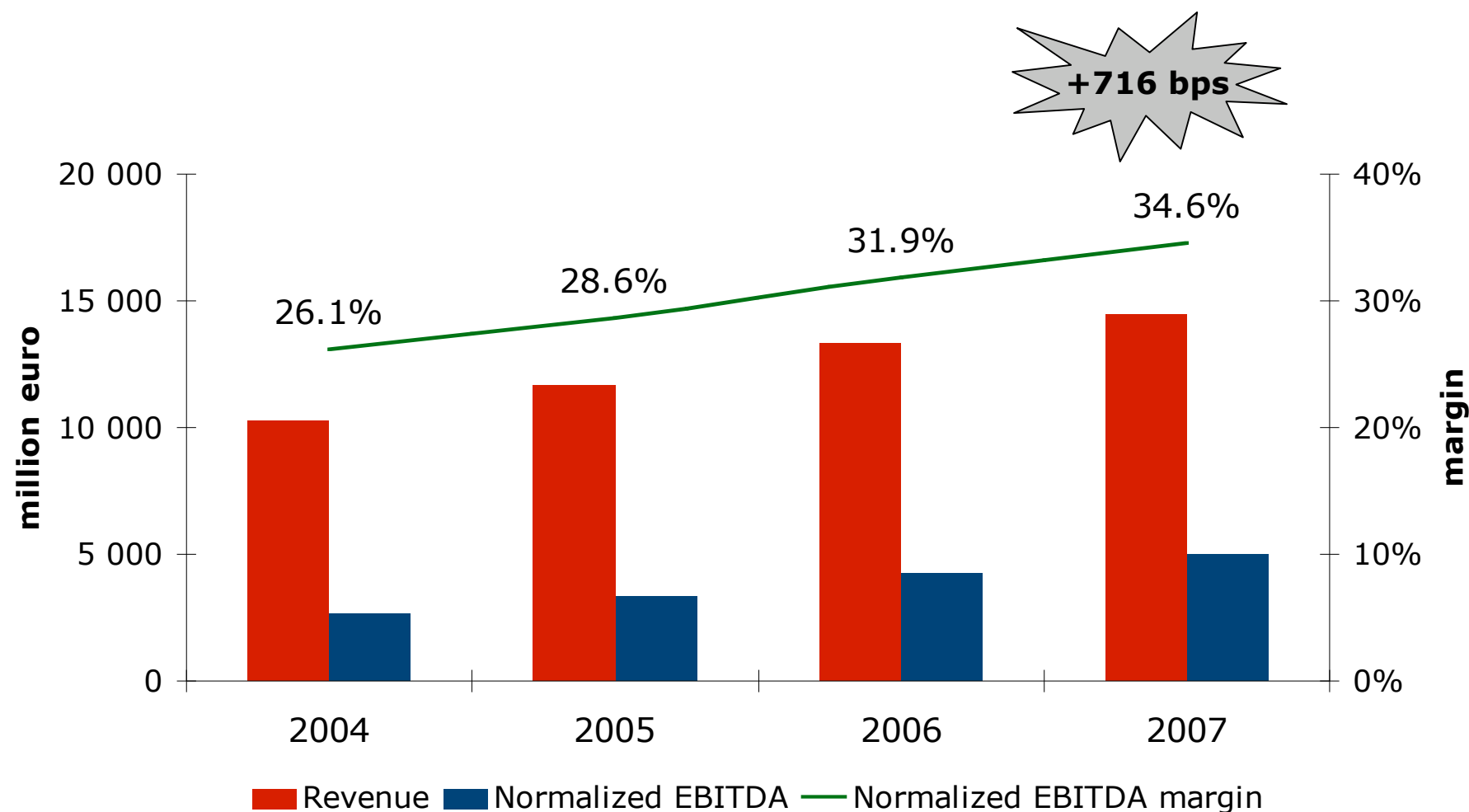
# InBev – the first 3 years

## Progress Update

- ✓ Consistent beer volume growth
- ✓ Revenue growth ahead of volume growth
- ✓ Improved cost management
- ✓ Margin expansion
- ✓ Enhanced cash flow management

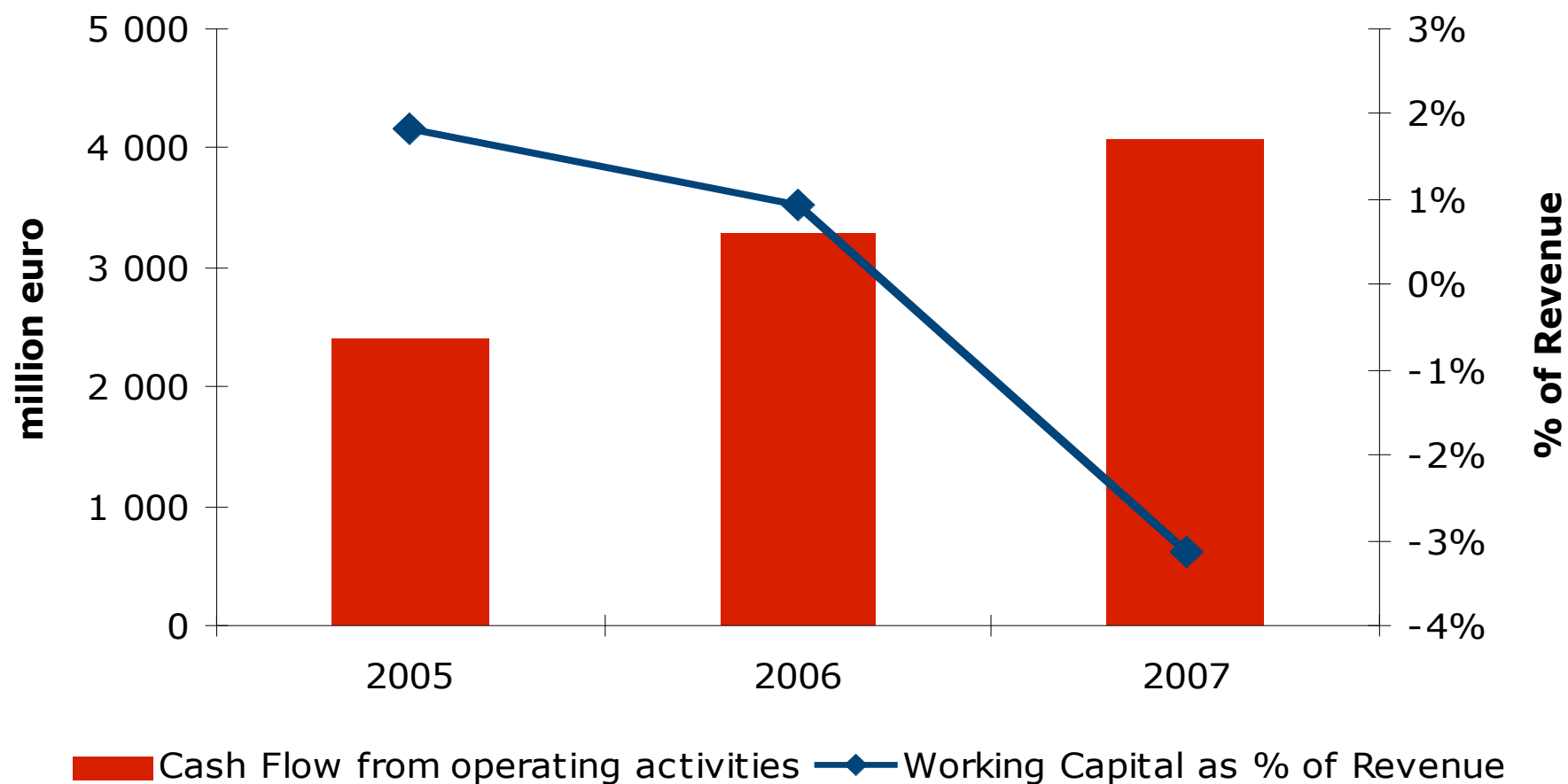
# InBev – the first 3 years

## Progress update - Income Statement



# InBev – the first 3 years

## Progress update – Cash Flow and Working Capital



# How was this achieved?

- Strong beer volume growth
  - growth of selected brands
  - leading sales execution in some markets
  - healthy geographic footprint
- Significant increase in efficiency
  - VPO drives lower cost of sales
  - ZBB mindset: achieve more with less
- Target setting and compensation
- Right people in the right places
- Shared dream
- One company one culture

# Where does InBev go from here?

- Strengthening our strengths

- Dream People Culture
- Further roll out of sales execution programs
- Continuous cost discipline

- Further address the top line

- Enhance brand building skills across the group
- Innovation supports volumes and mix
- Disciplined Execution
- Right level of commercial investment
- Margin pool

# Winning portfolios in our key markets

	Biggest brand	Favorite brand	Winning Portfolio
Argentina		✓	
Belgium		✓	  
Brazil		✓	
Canada			  
China			
Germany		✓	 
Russia			 
South Korea			 
UK		✓	
Ukraine			 



# Stella Artois and Beck's

**The number one German  
beer in the world**



**Beck's**  
has achieved  
premium growth  
of **13%**  
outside its  
home market

more than  
10 000 on-trade  
installations of  
Beck's Vier in  
the U.K.

**Distributed in more than  
80 countries**



**Stella  
Artois**  
has grown  
very strong  
in **6**  
significant  
premium  
markets  
worldwide



# Premium portfolio across continents

Expanding  
growth in  
the U.S.



A strong  
year in  
Western  
Europe



Growing by  
10 % in the Czech  
Republic,



and  
60 %  
in the  
Ukraine

Double Digit  
Growth  
in  
Russia

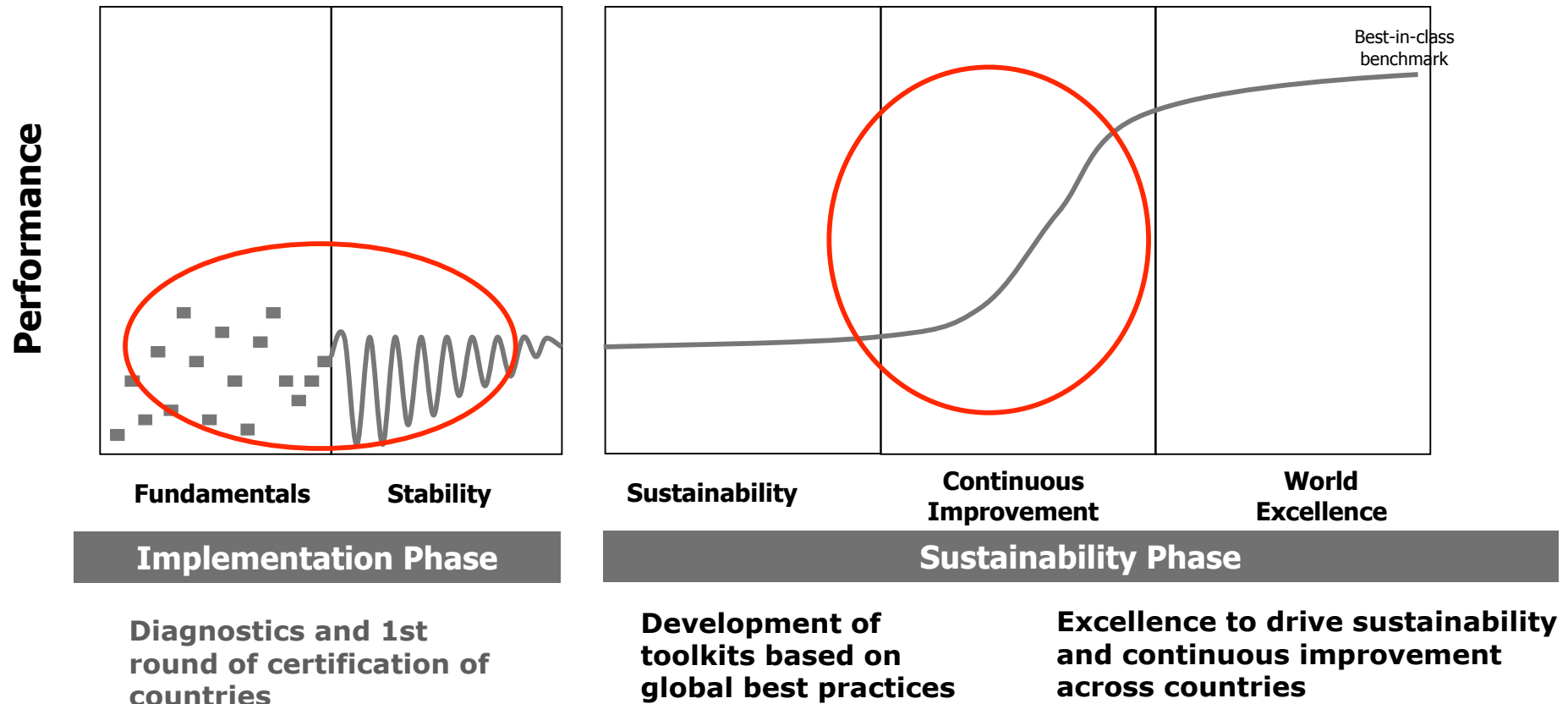


# Innovation as a top line driver

Track record so far

BRAND	COUNTRY	KEY STRATEGIES
	<b>Korea</b>	<ul style="list-style-type: none"><li>• Market share gains supported by successful line extensions</li><li>• Improved brand health</li></ul>
	<b>UK</b>	<ul style="list-style-type: none"><li>• Beck's Vier fastest growing brand in 2007</li><li>• Captured 2% share in only 2 years</li></ul>
	<b>Germany</b>	<ul style="list-style-type: none"><li>• Beck's Gold, Green Lemon line extensions with minimal cannibalization</li><li>• Impressive brand health improvement</li></ul>
	<b>Brazil</b>	<ul style="list-style-type: none"><li>• Developing the Premium segment in Brazil</li><li>• Driving revenue per Hl</li><li>• Steady brand health improvement</li></ul>
	<b>Argentina</b>	<ul style="list-style-type: none"><li>• From 0 to 28% Segment share in 2 years</li><li>• Leader in Supermarkets – beat Heineken in 2007</li></ul>

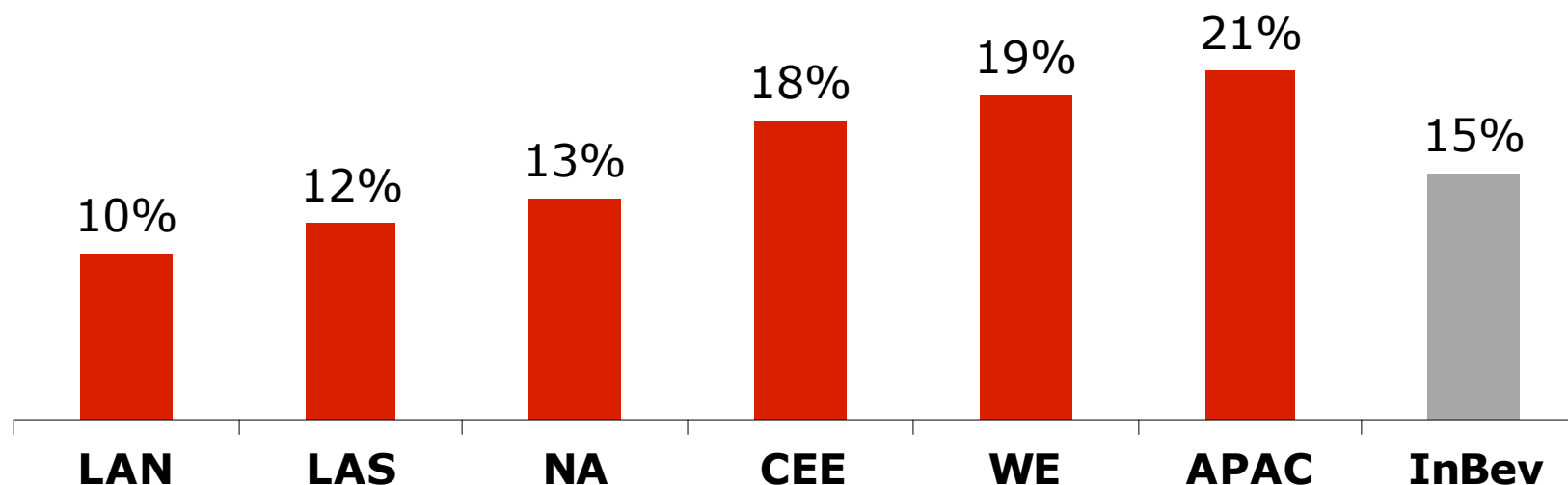
# Standard approach ensures fundamentals in place and continuous improvement



# Right level of Sales and Marketing expenses

Sales and Marketing as % of Revenue

## Geographic split by Operating Zone

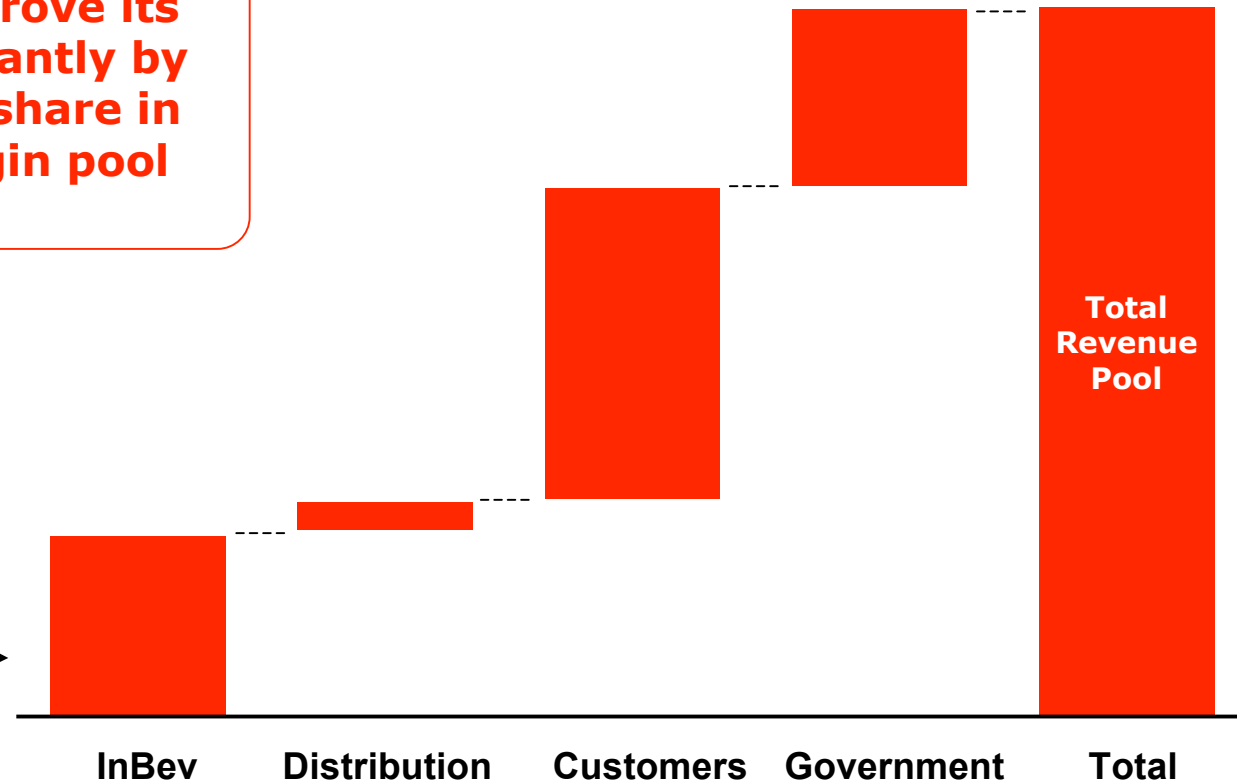


# Addressing the margin pool

**InBev can improve its results significantly by increasing its share in the total margin pool**

## Sources of opportunities:

- Fixed costs efficiency (ZBB)
- CoS efficiency (VPO)
- Procurement



# Summary

- InBev remains committed to deliver **EBITDA margin expansion** through a combination of top line growth and continued disciplined cost management
- **Top line growth** will remain our priority as we are linking a more significant part of our variable compensation program to improved market share performance
- Operating **efficiency** also remains high on the agenda
- We will maintain cost of sales per Hl growth in line with the 4% weighted average country inflation to which we are exposed
- Change towards more pro-active approach of **managing capital structure**, as dividend policy of 33% maximum payout is removed
- Strong growth in 1H 2007 presents **challenging comparables for 1H08, especially in 1Q08 for volumes and EBITDA**

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