Financial Report

Contents

Management's Discussion and Analysis of Financial Condition and Results of Operations

Introduction

The following management's discussion and analysis of financial condition and results of operations should be read in conjunction with our audited consolidated financial statements and the related notes. The discussion and analysis below covers the following:

- Main transactions from 1998 through 2000, highlighting changes in scope
- Impact of foreign currencies
- Selected financial figures
- Financial performance of the Group
- Operating activities by zone
- Liquidity position and capital resources of the Group
- Managing market risk

This management's discussion and analysis uses the same format as the prospectus communicated to investors in November 2000 and covers three years (1998, 1999 and 2000).

Main Transactions from 1998 through 2000

A number of acquisitions, divestitures and joint ventures have affected our results of operations and financial condition over the past three years.

TRANSACTIONS 1998-1999

	Date	Accounting treatment
- Stake in FEMSA Cerveza (Mexico) increased from 22% to 30%	May 1998	Change from cost method to equity method as from January 1998
- Acquisition of the Nanjing brewery in China	March 1998	Consolidated as from April 1998
- Formation of 50/50 joint venture in South Korea	September 1998	Consolidated as from September 1998
- Acquisition of the Rosar brewery in Russia	September 1998	Consolidated as from January 1999
- Acquisition of the Pleven brewery in Bulgaria	January 1999	Consolidated as from January 1999
- Increase of stakes in Mousel and Diekirch in Luxembourg	January 1999	Consolidated as from January 1999
- Establishment of a brewery in Bosnia-Herzegovina	March 1999	Consolidated as from August 1999
- Formation of SUN Interbrew joint venture in Russia and Ukraine	June 1999	Consolidated as from July 1999
- Formation of a joint venture in Romania	October 1999	Consolidated as from October 1999
- Acquisition of 74% interest in the Klin brewery near Moscow (contributed to Sun Interbrew as of January 2000)	October 1999	Consolidated as from November 1999
- Acquisition by SUN Interbrew of the Krym brewery in Ukraine	October 1999	Consolidated as from October 1999
- Acquisition by SUN Interbrew of the Yantar brewery in Ukraine	Ocotber 1999	Consolidated as from January 2000
- Acquisition of the Cass brewery by our South Korean joint venture	December 1999	Consolidated as from December 1999
- Sale of our minority interest in Spadel	December 1999	-

TRANSACTIONS 2000

Acquisition of Whitbread in May 2000 (Consolidated as from June 2000)
On 25 May 2000, the Group purchased substantially all the brewing assets and activities of Whitbread Plc. Prior to the above transaction, Whitbread was the third largest British brewer with brands such as Stella Artois (brewed under license from the Group).

Acquisition of Bass in August 2000 (Consolidated as from September 2000)
On 14 June 2000, Interbrew announced the acquisition of the brewing activities of Bass Plc. The transaction was completed on 24 August 2000 following the referral of the acquisition to the UK competition authorities by the European Union. Bass brewing activities comprised the following distinct operations:

- The number 2 UK brewer with Carling and Tennents as main brands;
- An export business with the USA as the main market; and
- A brewing business in the Czech Republic.

Acquisition of Rogan in December 2000 (Consolidated as from December 2000)
On 1 December 2000, the Group acquired Rogan, a company holding brewery activities in Ukraine. Prior to its sale to the Group, Rogan was the second largest brewer in Ukraine with a strong brand (Rogan) and located in Kharkiv.

Sale of Blue Jays in December 2000
In December 2000, we sold our equity stake in the Toronto Blue Jays.

IMPORTANT EVENT AFTER 31 DECEMBER 2000

On 3 January 2001, the UK Secretary of State for Trade and Industry denied to Interbrew the right to merge the UK brewing operations of Bass Brewing Ltd. and Whitbread Beer Company. He further decided that Interbrew should be required to divest the UK beer business of Bass Brewers. On 2 February 2001, Interbrew applied in the UK for a judicial review of the decision with the High Court of Justice Administrative Court.

MATURE MARKETS AND EMERGING MARKETS

The businesses we acquire in emerging markets typically have a lower net turnover per hectolitre and lower operating margins. The ratio of volume in mature and emerging markets was, respectively, 67% and 33% in 1998, and 57% and 43% in 1999. This 1999 ratio remained stable in 2000, with the volume from the UK acquisitions being offset by increased volume in emerging markets. The emerging market figures include 30% of the Mexican FEMSA volumes, in line with our stake.

Impact of foreign currencies

Foreign currency exchange rates have a significant impact on both our financial condition and results of operations. The most significant foreign currencies for us are the Canadian dollar, the US dollar, the South Korean won, the Mexican peso and, as a result of the UK acquisitions, the pound sterling. In 2000, turnover in these currencies contributed to our net turnover as follows: Canadian dollars 21.1%, US dollars 8.8%, South Korean won 9.3%, and pounds sterling 28.0%. The operating profit in Canadian dollars, which represented 40.7% of our operating profit in 2000, generated an important currency impact. Currency impacts on our net results of operations are generally mitigated by the fact that we incur the substantial majority of our operating expenses in the countries concerned and generally obtain financing in local currency. As a result of our large minority interest in FEMSA Cerveza, Mexican peso-denominated earnings accounted for 16.5% of our net profit (share of the group) in 2000, excluding the write-off of Bass goodwill.

Selected financial figures

We calculate 'net turnover' as turnover less excise taxes. It forms the largest component of operating revenue. In many jurisdictions, excise taxes make up a large portion of the cost of beer charged to our customers.

The table below sets out the components of our net operating revenue and our operating expenses, as well as certain other data.

	Year ended 31 December		
	1998	1999 (€ in millions)	2000
Turnover	3,478.5	4,346.4	7,999.6
Excise taxes	(763.5)	(1,102.6)	(2,343.0)
Net turnover	2,715.0	3,243.8	5,656.6
Other (1)	4.0	9.3	(10.3)
Other operating revenue	116.8	144.4	177.5
Net operating revenue	**2,835.8**	**3,397.5**	**5,823.8**
Net operating expenses	2,452.8	2,978.7	5,179.4
Raw material, consumables and goods for sale (excluding excise taxes)	799.0	1,014.7	1,937.7
Services and other goods	761.6	910.0	1,541.4
Payroll and benefits	581.6	635.9	1,010.0
Depreciation and amortisation	237.0	303.2	482.2
Other (2)	73.6	114.9	208.1
Operating profit	**383.0**	**418.8**	**644.4**
Other data:			
EBITDA	**650.9**	**755.7**	**1,198.5**
ROIC (3)	**12.6%**	**10.4%**	**11.7%**

(1) Consists of increase (decrease) in inventory of finished goods, work and contracts in progress and operating expenses capitalised to capital assets.
(2) Consists of inventory provisions and bad debt expenses, decrease in provisions for liabilities and expenses, other operating expenses and amortisation of goodwill.
(3) Operating profit (EBIT) on depreciated net assets, including goodwill.

The table below sets out the key income statement items as a percentage of net operating revenue.

	Year ended 31 December		
	1998	1999	2000
Net operating revenue	100.0%	100.0%	100.0%
Net operating expenses	86.5	87.7	88.9
Raw material, consumables and goods for sale (excluding excise taxes)	28.2	29.9	33.3
Services and other goods	26.9	26.8	26.5
Payroll and benefits	20.5	18.7	17.3
Depreciation and amortisation (including amortisation of goodwill)	9.4	9.9	9.5
Operating profit	**13.5**	**12.3**	**11.1**
Profit for the year before income taxes, equity income and minority interest (1)	9.1	7.7	4.5
Profit after taxes of the consolidated companies (1)	5.8	5.0	4.2
Net profit (share of the group) (1)	6.7	6.8	5.6

(1) Excluding the write-off of Bass goodwill in 2000 for €1,234.7 million.

Financial performance of the Group

2000 versus 1999

Operating revenue

Our net turnover increased by €2,412.8 million, or 74.4%, from €3,243.8 million in 1999 to €5,656.6 million in 2000. Of this increase, €1,924.5 million is attributable to businesses acquired in 2000, or the impact of including the full 12 months of operations for businesses acquired in 1999. Further, €306.0 million is attributable to fluctuations in foreign exchange rates, and €182.3 million, or 5.6%, to internal growth arising from increased volume and prices, the latter coming mainly from the Americas, Korea and Russia.

Operating expenses

Operating expenses (excluding excise taxes) increased by €2,200.7 million, or 73.9%, from €2,978.7 million (87.7% of net operating revenue) in 1999 to €5,179.4 million (88.9%) in 2000. Raw materials and consumables as a percentage of net revenues increased from 29.9 % in 1999 to 33.3% in 2000. This was due to three factors, the growing importance of the emerging markets, as these markets have to import most of their raw materials; the inclusion of the UK, which has a higher percentage cost of raw materials and consumables; and an overall increase of raw material prices. As a percentage of net revenues, marketing expenses increased, whereas other operating services and goods fell. Payroll and benefits continued to drop as a percentage of net operating revenue, as a result of the growing importance of emerging businesses in our portfolio. Depreciation and amortisation as a percentage of net operating revenue decreased as a result of the inclusion of the UK businesses. The lower depreciation in the UK more than offset the higher depreciation charges in the emerging markets, especially in Eastern Europe.

EBITDA (Operating profit before depreciation and amortisation)

Operating profit before depreciation and amortisation increased by €442.8 million or 58.6%, from €755.7 million (22.2% of net operating revenue) to €1,198.5 million (20.6%). Of this increase, €296.2 million is attributable to businesses acquired in 2000, or the impact of including the full 12 months of operations for businesses acquired in 1999. Further, €70.7 million is attributable to fluctuations in foreign exchange rates, and €75.9 million, or 10.0%, to internal growth. Drivers for this growth are the same as for operating profit (see below).

Operating profit

Operating profit increased by €225.6 million, or 53.9%, from €418.8 million (12.3% of net operating revenue) in 1999, to €644.4 million (11.1%) in 2000. Of this increase, €147.4 million is attributable to businesses acquired in 2000, or the impact of including the full 12 months of operations for businesses acquired in 1999. Further, €37.4 million is attributable to fluctuations in foreign exchange rates and €40.8 million, or 9.7%, to internal growth, which is a result of strong volume and price growth, especially in the Americas, Western Europe, Korea and Eastern Europe.

Net financial income (expenses)

Net financial income (expenses) was €(112.3) million in 1999 and €(293.1) million in 2000. Net financial expenses rose as a result of the relative magnitude of acquisitions in 2000. During 2000 the additional debt for acquiring the Cass brewery impacted the financial expenses for 12 months versus only one month in 1999. In addition, both UK acquisitions were financed by debt, resulting in increased interest charges in 2000. Interest was paid on the Whitbread debt (€630.5 million consideration paid) as from 25 May and on the Bass debt (€3,753.7 million consideration paid) as from 22 August.

In December, Interbrew realised an IPO, resulting in gross proceeds of €3,204.8 million (including the green shoe option). This cash inflow influenced the net financial charges only marginally for the year 2000 (less than one month).

Extraordinary income (expenses)

Extraordinary items were €(43.3) million in 1999 and €(1,325.2) million in 2000. The main contributors in 1999 were extraordinary provisions for liabilities and expenses of €(58.9) million, which included provisions relating to the ongoing European Commission investigation, and other extraordinary expenses of €(9.9) million relating to restructuring projects, provisions for claims and provisions for businesses held for sale, offset by a gain on disposal of capital assets and investments of €16.6 million. The main contributors in 2000 were the write-off of goodwill of €(1,234.7) million due to the forced sale of Bass, the write-off of IPO expenses of €(117.4) million, and the extraordinary depreciation and provisions of €(92.9) million due to the impairment of installed capacity in China and Korea and the planned closing of our malting facilities in Belgium. Extraordinary income consisted of €113.4 million realised on the disposal of our own shares, €25.4 million on the sale of our interest in Spadel, and €10.4 million with respect to releasing a provision for liabilities on past Italian transactions.

Income taxes

Income taxes (current and deferred) were €93.4 million in 1999, or 35.5 % of the profit of the year before income taxes, equity income and minority income, and €16.3 million in 2000, or 6.3 % of the profit of the year before income taxes, equity income and minority income and before the goodwill write off of Bass. The decline in our effective tax rate was due to the recognition of €119.3 million deferred tax income (versus €8.3 million in 1999) related mainly to the IPO expenses, restructuring and other provisions and fixed asset valuation adjustments. It should be noted that the €1,234.7 million provision for the Bass sale has no impact on income taxes as this provision is not tax deductible. Nor did we record a deferred tax asset for the losses of Oriental Breweries, our South Korean joint venture.

Share in the results of associated companies

Our share in the results of the associated companies was €60.5 million in 1999 and €59.6 million in 2000. FEMSA Cerveza represents the main share of the equity pick-up, following the sale of our minority interest in Spadel. In 2000 FEMSA delivered stable net results and operating results compared to 1999, as a consequence of bad weather conditions and no build up of inventories by customers at the end of 2000 since no price increase was announced for January 2001. For 2000, our share in the results of associated companies also includes our minority positions in Tradeteam and Grolsch for €6.2 million, acquired via the Bass deal.

Net profit/loss (share of group)

Net profit (share of group) was €230.3 million in 1999 and net loss (share of group) was €(910.1) million in 2000. Excluding the Bass goodwill write off, the net profit (share of group) was €324.6 million in 2000, which represents an increase of 40.9%.

1999 versus 1998

Operating revenue

Our net turnover increased by €528.8 million, or 19.5%, from €2,715.0 million in 1998 to €3,243.8 million in 1999. Of the increase, €339.6 million is attributable to businesses acquired in 1999, or the impact of including the full 12 months of operations for businesses acquired in 1998. A further €49.2 million is attributable to changes in foreign exchange rates, and €140.0 million to internal growth as a consequence of increased volume and higher prices, mainly in North America. Other operating revenue increased by €27.6 million, or 23.6%, from €116.8 million in 1998 to €144.4 million in 1999, the increase resulting mainly from our newly acquired businesses. Growth in turnover (including excise taxes) was faster than growth in net turnover mainly due to our entry into South Korea, which has particularly high excise taxes.

Operating expenses

Our operating expenses (excluding excise taxes) increased by €525.9 million, or 21.4%, from €2,452.8 million (86.5% of net operating revenue) in 1998 to €2,978.7 million (87.7%) in 1999. Raw materials, consumables and goods for sale (excluding excise taxes) increased from 28.2% of net operating revenue in 1998 to 29.9% in 1999 due to the increased importance of operations in emerging markets. Services and other goods decreased from 26.9% of net operating revenue in 1998 to 26.8% in 1999.

As a percentage of net operating revenue, marketing expenses in all zones increased to achieve brand equity growth, while other expenses in the services and other goods category decreased. Payroll and benefits decreased from 20.5% of net operating revenue in 1998 to 18.7% in 1999, due to the increased importance of emerging markets. There we need larger numbers of employees for a given level of turnover, but total compensation drops due to lower levels of salary and benefits. Depreciation and amortisation (including amortisation of goodwill) increased by €69.0 million, or 25.8%, from €267.9 million in 1998 to €336.9 million in 1999, principally due to the inclusion of South Korea for the full year and the first-time consolidation of SUN Interbrew in 1999.

Operating profit

Operating profit increased by €35.8 million, or 9.3%, from €383.0 million (13.5% of net operating revenue) in 1998 to €418.8 million (12.3%) in 1999. Of this increase, €9.4 million is attributable to businesses acquired in 1999, or the impact of including the full 12 months of operations for businesses acquired in 1998. A further €5.8 million is attributable to changes in foreign exchange rates, with the remaining €20.6 million due to increased volume and higher prices, mainly in North America, offset by increases in some of our expenses. The decline as a percentage of net operating revenue results mainly from the inclusion of sizeable acquisitions in emerging markets, increased marketing expenditures in North America and reduced profitability in Central Europe due to integration costs and the price effects of decreased income per capita and currency fluctuations.

Net financial income (expenses)

Net financial income (expenses) was €(103.3) million in 1998 and €(112.3) in 1999. Net financial expenses rose since we carried the South Korean acquisition debt over the full year in 1999 and only for four months in 1998. The additional debt incurred to finance the Cass acquisition had little impact on 1999 net financial expense since this transaction took place in December. In 2000, this item will reflect the costs of financing the acquisitions of Cass and Oriental Breweries and also, for shorter portions of the year, the acquisitions of the UK businesses. Foreign exchange gains and losses make up a significant part of other financial expense. In 1999, foreign exchange gains of €66.5 million and foreign exchange losses of €61.4 million resulted in a net foreign exchange gain of €5.1 million compared with a net foreign exchange loss of €11.2 million in 1998.

Extraordinary income and expenses

Extraordinary items were €(21.1) million in 1998 and €(43.3) million in 1999. The main contributors in 1998 were extraordinary provisions for liabilities and expenses of €(13.3) million and other extraordinary expenses of €(28.8) million relating mainly to restructuring expenses and provisions relating to assets held for sale, offset by gains on disposal of capital assets and investments of €18.7 million.

Income taxes

Income taxes were €93.7 million in 1998, or 36.2% of profit for the year before income taxes, equity income and minority income, and €93.4 million in 1999, or 35.5%. The decline in our effective tax rate was due to recoveries from tax authorities relating to disputes over prior periods, partly outweighed by a significant increase in non tax-deductible expenses, particularly in Russia. We did not record a deferred tax asset for the losses of Oriental Breweries, our South Korean joint venture, in either 1998 or 1999.

Share in the results of associated companies

Our share in the results of associated companies was €30.3 million in 1998 and €60.5 million in 1999. Of this increase, €29.1 million resulted from our stake in FEMSA Cerveza. Strong operating performance contributed €16.8 million, the strength of the Mexican peso versus the euro contributed €9.8 million and the increase in our stake from 22% to 30% contributed €2.5 million. FEMSA Cerveza's net turnover increased from Mexican Ps. 14.9 billion (€1.9 billion) in 1998 to Mexican Ps. 16.0 billion (€2.0 billion) in 1999.

As FEMSA Cerveza is consolidated under the equity method, its turnover is not included in the consolidated financial statements of Interbrew. FEMSA Cerveza prepares its financial statements in accordance with generally accepted accounting principles in Mexico. FEMSA Cerveza has restated its 1998 figures to adjust for inflation.

Net profit (share of group)

Net profit (share of group) was €190.1 million in 1998 and €230.3 million in 1999. Increases in net profit of consolidated companies on a comparable scope basis were partly offset by net losses in newly-acquired companies.

Operating activities by zone

The table below shows our total worldwide sales volume by zone and country. Volumes include small amounts of beverages other than beer. Total volumes include not only brands that we own or licence, but also third party brands that we brew as a subcontractor and third party products that we sell through our distribution network, particularly in Western Europe and the UK. Volumes for Western Europe also include exports to countries where we do not operate breweries, as well as Interbrew brands brewed by third parties under licence. Volumes for the UK include the licence volumes of Whitbread before acquisition and the total volumes since acquisition. We also show our pro rata share of volume brewed by our Mexican affiliate, not including Mexican beer imported and sold in Canada and the United States by Labatt and Labatt USA.

INTERBREW WORLDWIDE SALES VOLUME
(Hectolitres in millions)

	1998	1999	2000
Western Europe (1)	**13.5**	**14.4**	**14.8**
Belgium	6.5	6.6	6.5
Netherlands	2.5	2.6	2.6
France	2.4	2.6	2.7
Luxembourg	0.0	0.2	0.3
Licenses	0.2	0.3	0.4
Export	1.9	2.1	2.3
UK (2)	**3.3**	**3.7**	**14.8**
Licenses (3)	3.3	3.7	1.4
Whitbread and Bass	-	-	13.4
The Americas	**13.3**	**13.7**	**14.2**
Canada	9.0	9.0	9.0
USA	3.8	4.2	4.6
Cuba	0.5	0.5	0.6
Emerging Markets	**8.5**	**17.2**	**26.0**
Central Europe	5.7	6.8	8.0
Hungary	1.9	2.0	2.1
Bulgaria	1.1	1.6	1.4
Croatia	1.3	1.4	1.6
Romania	0.9	1.2	1.4
Montenegro	0.5	0.6	0.6
Bosnia	-	-	0.1
Czech Republic	-	-	0.8
Eastern Europe	0.6	4.5	9.9
Russia	0.0	3.7	7.9
Ukraine	0.6	0.8	2.0
Asia Pacific (4)	2.2	5.9	8.1
South Korea	1.6	5.3	7.7
China	0.6	0.6	0.4
Total (excluding Mexico)	**38.6**	**49.0**	**69.8**
Mexico	6.5	6.7	6.6
TOTAL	**45.1**	**55.7**	**76.4**

(1) Includes Subcontracting/Commercial Products : 2.8 Mio Hl in 1998; 2.9 Mio Hl in 1999; 2.9 Mio Hl in 2000
(2) Includes Subcontracting/Commercial Products : 3.9 Mio Hl in 2000
(3) License volumes of Interbrew brands licensed by Whitbread before acquisition
(4) Includes Subcontracting/Commercial Products : 0.3 Mio Hl in 1999; 0.3 Mio Hl in 2000

We discuss below net turnover, EBITDA and operating profit for our operations in North America, Western Europe, the UK and emerging markets for the period 1998 – 2000. The amounts presented and discussed below do not reflect the operations of holding companies. For the years 1998, 1999 and 2000, holding companies accounted for €(9.1), €(21.6), €(9.7) million in EBITDA, respectively and €(11.7), €(15.3) and €(16.4) in operating loss respectively.

THE AMERICAS

The following table shows key financial statistics for the Americas for each of the past three years.

	1998	1999 (€ in millions)	2000	Change 1998/1999 %	1999/2000 %
Net turnover	1,263.0	1,357.3	1,689.3	7.5	24.5
EBITDA	307.5	323.6	412.2	5.2	27.4
Operating profit	201.5	210.3	279.6	4.4	33.0
ROIC (*)	13%	11.6%	15.5%	-	-
ROIC (excluding FEMSA stake)	18.2%	17.9%	23.1%	-	-

* The Americas ROIC includes the invested capital for the minority stake in FEMSA, but does not include the share in the related operating profit.

2000 versus 1999

Of the €332.0 million increase in net turnover, €237.6 million is attributable to changes in foreign exchange rates, due to the weakening of the euro versus the USD and the CAD. The remaining €94.3 million is almost fully attributable to internal growth, mainly fuelled by volume growth in US, and price increases in Canada and the US. It also includes a €(1.9) million variance in net turnover related to our divestment of the Dominican Republic in 1999.

Of the €69.3 million increase in operating profit, €37.7 million is attributable to changes in foreign exchange rates, and €31.6 million to internal growth fuelled by volume and price increases, partly reinvested in the markets as marketing support to the brands.

1999 versus 1998

Of the €94.3 million increase in net turnover, €33.9 million is attributable to changes in foreign exchange rates, particularly the strong Canadian dollar and, to a lesser extent, the US dollar. The remaining €60.4 million is attributable to internal growth due to improved volume and pricing.

Of the €8.8 million increase in operating profit, €4.9 million is attributable to changes in foreign exchange rates and €3.9 million to internal growth, mainly from increases in volume and higher prices. These factors were partly offset by an increase in operational expenses.

WESTERN EUROPE

The following table shows key financial statistics for Western Europe for each of the past three years.

	1998	1999 (€ in millions)	2000	Change 1998/1999 %	1999/2000 %
Net turnover	1,126.1	1,200.7	1,240.3	6.6	3.3
EBITDA	274.8	293.7	319.1	6.9	8.6
Operating profit	150.6	162.1	179.9	7.6	11.0
ROIC	25.8%	25.1%	34.3%	-	-

2000 versus 1999

The €39.6 million increase in net turnover is mainly attributable to increased prices, and partially to volume increases, especially in France where we continue to acquire distribution companies in order to strengthen our position. The €17.8 million increase in operating profit includes on the one hand the negative impact of the loss of €12.7 million licence income from UK volumes, and on the other hand an internal growth of €30.6 million, or 18.9%. This organic growth is fuelled by the above-mentioned price and volume evolution, and also a cost reduction programme.

1999 versus 1998

Of the €74.6 million increase in net turnover, €50.8 million is attributable to the first-time consolidation of our Luxembourg affiliates and the acquisition of distribution companies. A further €23.9 million is attributable to internal growth, with increases in volume outweighing decreases in pricing. Negative foreign currency effects offset these amounts by €0.1 million.

Of the €11.5 million increase in operating profit, €5.7 million is attributable to the first-time consolidation of our Luxembourg affiliates and the acquisitions of distribution companies and €5.8 million is attributable to internal growth mainly from higher volumes.

UNITED KINGDOM

The following table shows key financial statistics for the UK businesses acquired in 2000.

	1998	1999 (€ in millions)	2000
Net turnover	N/A	N/A	1585.3
EBITDA	N/A	N/A	196.2
Operating profit	N/A	N/A	94.6
ROIC	N/A	N/A	8.9%

This UK zone (a 100% scope increase) covers the Whitbread business for 7 months and the Bass business for 4 months.
On a comparable base (pro forma), net turnover grew, fuelled by volume increases (mainly Stella Artois) and some pricing upside.
The operating profit on a comparable base (pro forma) grew in the Whitbread business fuelled by volume growth for Stella Artois.
It remained stable in the Bass business as a result of volume growth in the off trade, offset by volume decline in the on trade.

EMERGING MARKETS

The following table shows key financial statistics for the emerging markets for each of the past three years.

	1998	1999 (€ in millions)	2000	Change 1998/1999 %	1999/2000 %
Net turnover	325.9	685.8	1,141.8	110.4	66.5
EBITDA	77.7	160.0	280.7	105.9	75.5
Operating profit	42.6	61.7	106.7	44.8	72.9
ROIC	5.1%	3.8%	6.6%	-	-

2000 versus 1999

Of the €456.0 million increase in net turnover, €339.9 million is attributable to businesses acquired in 2000, or the impact of including the 12 months of operations for businesses acquired in 1999. A further €68.4 million is attributable to changes in foreign exchange rates and €47.6 million to internal growth, thanks to both volume and price increases. In 2000, we consolidated the full year of Cass business (1 month in 1999), the full year of Sun Interbrew (6 months Sun Interbrew and 2 months Klin in 1999), and 4 months of Czech business, acquired in August 2000 as part of the Bass deal.

The €45.0 million increase in operating profit is attributable as follows: €27.0 million to new businesses acquired in 1999 and 2000, €(0.4) million to changes in foreign exchange rates, and €18.4 million to internal growth. The Eastern European and Asian markets enjoyed substantial volume and value increase.

1999 versus 1998

Of the €359.9 million increase in net turnover, €288.8 million is attributable to businesses acquired in 1999, or the impact of including the full 12 months of operations for businesses acquired in 1998. A further €15.4 million is attributable to changes in foreign exchange rates and €55.7 million to internal growth, mainly due to increases in volume.

Of the €19.1 million increase in operating profit, €3.7 million is attributable to businesses acquired in 1999 or the impact of including the full 12 months of operations for businesses acquired in 1998. A further €0.9 million is attributable to changes in foreign exchange rates and €14.5 million mainly to increased volumes.

Liquidity position and capital resources of the Group

We have generally funded our working capital and capital expenditure needs from our operations. From time to time, however, we have financed major acquisitions with loans from banks. Our expansion in emerging markets typically involved not only the acquisition of brewing assets and formation of joint ventures with local partners, but also substantial planned capital expenditures targeted at improving product quality and increasing capacity. Cash flow from operations in mature markets has generally enabled us to fund these capital expenditures in emerging markets. The IPO and our presence in the capital markets will facilitate the use of equity to finance further acquisitions, making us less reliant on debt financing. In 2000, we used the excess cash flow to reduce the debt we incurred to fund the UK aquisitions.

CASH FLOWS

Our operating cash flow amounted to €522.9 million in 1999 and €715.3 million 2000. The increase reflects the growth in results before depreciation and amortisation, and before the non-cash gain on disposal of capital assets and investments and the movements in deferred taxes. The cash used for investments includes acquisition of investments and capital assets, and increase in term deposits totalling €(583.6) million in 1999, and totalling €(5,392.3) million in 2000, as described in more detail below. Proceeds on the disposals of capital assets and investments, and repayments of loans classified as investment assets contributed cash from investment activities of €186.6 million in 1999 and €409.5 million in 2000. Cash generated by (used in) financing activities in 2000 includes the proceeds of the IPO realised in December 2000, the increase in debt used for the financing of the acquisitions and finally, the payment of the dividend to our shareholders. This dividend increased as, due to the IPO, there is a significant increase in the number of shares on which dividend is paid.

CAPITAL EXPENDITURES AND INVESTMENTS

Capital expenditures represent the acquisition of specific assets which are intended to be used either directly in the brewing or distribution process or in an administrative or supportive role. Investments consist of acquisitions of all or part of another business.

We spent €289.7 million in 1999 and €487.0 million in 2000 on acquiring capital assets. The higher investment in quality and capacity in our Eastern European subsidiaries explains the increase, together with the impact of our newly acquired businesses. Out of the total capital expenditures, approximately 70% was used to improve our production facilities and/or the purchase of returnable packaging; while 20% was used for logistics and commercial investments reflecting mainly investment in our primary and secondary logistic facilities and outlet material for the on trade business. Finally, 10% was used for improving administrative capabilities and purchase of hardware and software.

We spent €301.0 million in 1999 and €4,511.2 million in 2000 on acquiring businesses (deal costs included). Our principal investments in 1999 included SUN Interbrew and Cass. The principal investments in 2000 included Whitbread and Bass in the UK and Rogan in Ukraine.

CAPITAL RESOURCES

Our net financial debt (long- and short-term debt less cash and deposits) at 31 December 2000 was €2,930.2 million, compared to €2,060.8 million at 31 December 1999. This reflects for the most part the €4,511.2 million needed to finance the acquisitions of Whitbread and Bass in the UK, and Rogan in the Ukraine, and the €3,204.8 million gross proceeds of the IPO in December 2000.

EQUITY

The consolidated equity (share of the group) amounts to €3,900.2 million or, an increase of €2,364.1 million versus 1999. The gross proceeds of the IPO increased the equity by €3,204.8 million, whereas the write-off of Bass goodwill reduced it by €1,234.7 million. Equity was further increased by the net result (share of the group), before the goodwill write-off of Bass, and the increase of cumulative translation differences, and reduced by the dividends to be paid.

Managing market risk

The principal categories of market risk we face are changes in interest rates, foreign exchange and commodity prices. Our risk management committee, which consists of our Chief Financial Officer, the Executive Vice President for Planning and Controlling, our internal audit director and other senior corporate officers, meets at least semi-annually and is responsible for reviewing the results of our risk assessment, approving recommended risk management strategies, monitoring compliance with our risk management policy and reporting to the audit committee. Our risk management committee also sets policy for our balance sheet structure and the investment of our short-term liquid funds.

INTEREST RATE RISK

We seek to manage our exposure to interest rate risk to minimise the impact of interest rate volatility on earnings and cash flow and to achieve a low funding cost on a long-term basis within acceptable risk parameters. Our objective is to fix at least 35% and not more than 70% of our total and to hedge at least 45% and not more than 80% of our total debt on a weighted average term of maturity basis. For this purpose, we consider fixed-rate debt as hedged. We hedge our entire portfolio rather than individual debt instruments. From time to time, the weighted average term to maturity of our hedging instruments may be shorter than the weighted average term to maturity of our total debt as a result of market conditions. The instruments we use for interest-rate hedging include swaps, forward rate agreements, options and futures contracts.

FOREIGN EXCHANGE RISK

We generally hedge net transactional exposures when transactions are certain. We do not ordinarily attempt to hedge the impact of foreign exchange rate fluctuations on anticipated cash flows or on our net investment in foreign operations. Nor do we hedge transactions where the net amount of the exposure is minimal and the probable changes in market rates would not have a material impact on earnings or cash flow, or the cost of hedging is prohibitive. Hedging our foreign exchange exposure in many emerging markets may be prohibitively expensive or impossible where markets are illiquid or non-existent. The instruments we use for foreign exchange hedging include forward foreign exchange contracts, cross-currency basis swaps and options.

COMMODITY RISK

The principal commodity risk to which our business is exposed relates to prices for agricultural products such as barley and hops. We seek to minimise our exposure to volatility in the prices of theses commodities through long-term contracts directly with our suppliers. For commodities that trade in volatile markets, we annually measure and hedge the price risk using a combination of fixed price contracts, options, futures and derivatives. Our contracts will always cover not less than three months' and not more than eighteen months' requirements through a combination of physical delivery contracts and hedges. We do not hold net short positions in trade instruments. We always close hedges when physical contracts are established for the same time period.

DERIVATIVES POLICY

Our policy on the use of derivatives products covers counterparty risk, liquidity risk, price volatility and other matters. We have limits on maximum exposure to any given counterparty, and enter into contract only with financial institutions having at least a long-term credit rating of A, or AA in the case of contracts with a term of over five years. At least a majority of transactions should be in widely-traded products to assure that there is an active market if and when we elect to terminate or unwind a contract. We use derivative products only to hedge natural exposures to the risks described above with respect to changes in interest and foreign currency exchange rates and commodity prices. The fair value of these instruments as of 31 December 2000 was €17.9 million euro. All use of derivative products is subject to approval by our group treasury department. We do not use derivative transactions to enhance profits or for speculative purposes.

EUROPEAN COMMISSION STATEMENT OF OBJECTIONS

On 29 September 2000, the European Commission issued a Statement of Objections with respect to the Belgian market addressed to five companies including Interbrew. In the Statement of Objections, the Commission found that between 1993 and 1998, Interbrew was involved in concerted practices regarding market sharing, price and tariff structure and exchange of information.We acknowledge that actions were taken in prior years that were incompatible with the European Commission competition rules prohibiting restrictive agreements and we are co-operating fully with the European Commission in its investigation. We have taken the necessary measures to ensure that our activities henceforth comply with the competition rules.

Financial Statements

Consolidated Balance Sheet

ASSETS		2000 mio euro	1999 mio euro	1998 mio euro
FIXED ASSETS		**7,313.3**	**4,590.5**	**3,352.5**
Intangible assets	note 3	58.7	49.4	26.2
Goodwill	note 4	2,737.8	1,368.0	1,038.3
Tangible assets	note 5	3,724.9	2,495.5	1,699.6
Land and buildings		1,209.9	859.1	581.9
Plant, machinery and equipment		1,889.8	1,271.4	805.2
Furniture and vehicles		350.4	129.9	105.7
Property under capital leases and other similar rights		34.0	32.4	41.9
Other tangible assets		130.4	130.4	123.4
Assets under construction & advance payments		110.4	72.3	41.5
Financial assets	note 6	791.9	677.6	588.4
Companies accounted for under the equity method		628.8	534.5	422.3
Shares		628.8	534.5	422.3
Other financial assets carried at cost		163.1	143.1	166.1
Shares		135.1	113.2	142.0
Receivables		28.0	29.9	24.1
CURRENT ASSETS AND LONG TERM RECEIVABLES		**3,845.4**	**1,662.0**	**1,135.7**
Receivables due after one year		741.9	80.9	58.6
Trade debtors		426.0	52.2	37.7
Other receivables		315.9	28.7	20.9
Inventory and contracts in progress		452.0	235.9	164.9
Inventory		452.0	235.9	164.9
Raw materials and consumables		238.2	130.7	86.0
Work in progress		66.5	33.7	21.1
Finished goods		71.0	32.7	24.2
Goods purchased for resale		74.7	35.6	33.6
Prepayments		1.6	3.2	0.0
Receivables due within one year		1,691.9	811.6	557.5
Trade debtors		1,317.2	547.1	416.6
Other receivables		374.7	264.5	140.9
Term deposits and marketable securities		399.6	163.3	194.0
Own shares	note 7	0.0	34.7	3.3
Other short term investments and deposits	note 8	399.6	128.6	190.7
Cash in bank and on hand		416.6	306.5	116.1
Deferred charges and accrued income		143.4	63.8	44.6
TOTAL ASSETS		**11,158.7**	**6,252.5**	**4,488.2**

Consolidated Balance Sheet

LIABILITIES		2000 mio euro	1999 mio euro	1998 mio euro
CAPITAL AND RESERVES		**3,900.2**	**1,536.1**	**1,146.4**
Capital		329.4	252.1	248.4
Issued capital	note 9	329.4	252.1	248.4
Share premium account	note 9	3,194.9	48.3	40.0
Appraisal surplus		11.3	12.2	13.2
Retained earnings	note 10	-24.6	974.5	862.9
Cumulative translation adjustment	note 11	385.3	248.6	-18.6
Government grants		3.9	0.4	0.5
MINORITY INTEREST		**416.0**	**454.2**	**153.3**
Minority interest		416.0	454.2	153.3
PROVISIONS AND DEFERRED TAXES		**803.6**	**697.0**	**429.2**
Provisions for liabilities and charges	note 12	573.7	539.4	342.3
Pensions and similar obligations		315.6	327.9	146.9
Other liabilities and charges		258.1	211.5	195.4
Deferred taxes	note 13	229.9	157.6	86.9
CREDITORS		**6,038.9**	**3,565.2**	**2,759.3**
Amounts payable after one year	note 14	2,924.5	2,110.8	1,740.1
Financial debt		2,752.7	1,953.0	1,609.5
Unsubordinated debentures		21.5	0.3	0.3
Obligations under capital leases and other similar obligations		18.2	25.1	11.5
Credit institutions		2,687.1	1,926.3	1,597.5
Other loans		25.9	1.3	0.2
Trade debts		0.0	3.1	0.0
Suppliers		0.0	3.1	0.0
Other amounts payable		171.8	154.7	130.6
Amounts payable within one year		2,927.7	1,311.9	920.0
Current portion of amounts payable after one year	note 14	835.1	137.1	126.3
Financial debt		158.4	316.7	246.5
Credit institutions		149.9	298.7	236.6
Other loans		8.5	18.0	9.9
Trade debts		895.6	349.3	251.6
Suppliers		895.6	349.3	251.6
Taxes, payroll and related obligations		846.0	360.5	226.6
Income and other taxes and payroll withholdings		702.7	256.4	135.9
Payroll and social security		143.3	104.1	90.7
Other amounts payable		192.6	148.3	69.0
Accrued charges and deferred income		186.7	142.5	99.2
TOTAL LIABILITIES		**11,158.7**	**6,252.5**	**4,488.2**

Consolidated Income Statement

		2000 mio euro	1999 mio euro	1998 mio euro
OPERATING REVENUE		**8,166.8**	**4,500.1**	**3,599.3**
Turnover	note 15	7,999.6	4,346.4	3,478.5
(Decrease) increase in inventory of finished goods, work and contracts in progress		- 18.6	2.2	- 2.6
Operating expenses capitalized to fixed assets		8.3	7.1	6.6
Other operating revenues		177.5	144.4	116.8
OPERATING EXPENSES		**- 7,522.4**	**- 4,081.3**	**- 3,216.3**
Raw materials, consumables and goods for sale		4,280.7	2,117.3	1,562.5
Purchases		4,274.2	2,122.4	1,560.0
Decrease (Increase) in inventory		6.5	- 5.1	2.5
Services and other goods		1,541.4	910.0	761.6
Payroll and benefits	note 15	1,010.0	635.9	581.6
Depreciation and amortization		482.2	303.2	237.0
Inventory provisions and bad debt expense		23.3	14.6	6.3
Decrease in provisions for liabilities and expenses		- 29.8	- 28.5	- 34.7
Other operating expenses		142.7	95.1	71.1
Amortization of goodwill		71.9	33.7	30.9
OPERATING PROFIT		**644.4**	**418.8**	**383.0**
FINANCIAL INCOME		**291.8**	**109.7**	**65.6**
Income from financial fixed assets		10.0	8.1	4.2
Income from term deposits and marketable securities		19.8	19.3	18.2
Other financial income		262.0	82.3	43.2
FINANCIAL EXPENSES		**- 584.9**	**- 222.0**	**- 168.9**
Interest and other debt charges		282.8	134.2	114.8
Amounts written off other current assets		0.5	0.1	0.5
Other financial charges		301.6	87.7	53.6
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXES		**351.3**	**306.5**	**279.7**

		2000 mio euro	1999 mio euro	1998 mio euro
EXTRAORDINARY INCOME		**160.5**	**30.2**	**22.6**
Extraordinary income from amounts written off on financial assets		8.8	0.5	0.0
Extraordinary adjustments to provisions for liabilities and charges		10.7	0.6	1.1
Gain on disposal of fixed assets		139.8	16.6	18.7
Other extraordinary income		1.2	12.5	2.8
EXTRAORDINARY EXPENSES		**- 1,485.7**	**- 73.5**	**- 43.7**
Extraordinary depreciation and amortization		61.9	0.0	0.0
Extraordinary amortization of goodwill		1,241.7	0.0	0.0
Amounts written off financial assets		0.3	0.5	0.0
Extraordinary provisions for liabilities and expenses		49.9	58.9	13.3
Loss on disposal of fixed assets		3.3	4.2	1.6
Other extraordinary expenses		128.6	9.9	28.8
RESULT FOR THE YEAR BEFORE INCOME TAXES, EQUITY INCOME AND MINORITY INTEREST		**- 973.9**	**263.2**	**258.6**
INCOME TAXES		**- 16.3**	**- 93.4**	**- 93.7**
Current taxes		- 140.2	- 104.0	- 66.0
Adjustment of income taxes and write-back of tax provisions		4.6	2.3	0.1
Deferred income taxes	note 15	119.3	8.3	- 27.8
RESULT AFTER TAXES OF THE CONSOLIDATED COMPANIES		**- 990.2**	**169.8**	**164.9**
SHARE IN THE RESULTS OF ASSOCIATED COMPANIES		**59.6**	**60.5**	**30.3**
Profit		59.6	60.5	30.3
RESULT BEFORE MINORITY INTEREST		**- 930.6**	**230.3**	**195.2**
SHARE OF THE GROUP IN THE RESULT		**- 910.1**	**230.3**	**190.1**
SHARE OF MINORITY INTERESTS IN THE RESULT		**- 20.5**	**0.0**	**5.1**

Consolidated Cash Flow Statement

		2000 mio euro	1999 mio euro	1998 mio euro
OPERATING ACTIVITIES				
Net result		- 910.1	230.3	190.1
Minority interest		- 20.5	0.0	5.1
Equity income net of dividend received		- 41.6	- 52.2	- 22.6
Gain on disposal of fixed assets		- 152.0	- 17.7	- 18.7
Loss on disposal of fixed assets		12.7	5.1	1.6
Depreciation & amortization		1,857.7	336.9	268.0
Operating expenses capitalized to fixed assets		- 8.3	- 7.1	- 6.6
Amounts written off		29.1	29.6	33.0
Movements on provisions		9.4	29.8	- 22.5
Movements on deferred taxes		- 119.3	- 8.3	27.8
Amortization of government grants/appraisal surplus		- 0.5	- 0.1	- 0.9
CASH GENERATED BY OPERATIONS		656.6	546.3	454.3
CHANGES IN WORKING CAPITAL AND OTHERS		58.7	- 23.4	- 16.0
OPERATIONAL CASH FLOW	note 16	**715.3**	**522.9**	**438.3**
INVESTMENT ACTIVITIES				
Acquisition of capital assets		487.0	289.7	188.5
Operating expenses capitalized to fixed assets		- 8.3	- 7.1	- 6.0
Acquisition of financial assets		4,511.2	301.0	677.7
New deposits		402.4	0.0	0.0
SUB-TOTAL INVESTMENTS		5,392.3	583.6	860.2
Proceeds on disposal of capital assets		61.9	58.2	34.2
Proceeds on disposal of financial assets		347.6	2.5	37.2
Repayment of loans		0.0	125.9	93.5
SUB-TOTAL DISPOSALS		409.5	186.6	164.9
CASH (USED IN) INVESTMENT ACTIVITIES	note 16	**- 4,982.8**	**- 397.0**	**- 695.3**
FINANCING ACTIVITIES				
Capital increase subscribed by third parties		3,223.9	80.6	1.0
Capital reduction		0.0	0.0	- 0.5
Capital reduction of equity accounted affiliates		0.0	50.0	0.0
Gross dividend to be paid to shareholders		- 89.8	- 58.0	- 47.9
Gross dividend paid to minority shareholders		- 21.8	- 33.5	- 9.1
Repayment of loans		- 4,223.3	- 236.3	- 119.0
New loans		5,646.8	191.6	458.5
CASH GENERATED BY (USED IN) FINANCING ACTIVITIES	note 16	**4,535.8**	**- 5.6**	**283.0**
INCREASE IN CASH DEPOSITS AND CASH		**268.3**	**120.3**	**26.0**
Cash deposits and cash at the beginning of the year (1)		- 10.1	- 130.4	50.0
Cash deposits and cash at the end of the year		258.2	-10.1	76.0

(1) The difference between the 1998 ending cash position and the 1999 opening cash position is due to the reclassification of a USD loan from long term to short term.

Notes to the Consolidated Financial Statements

Interbrew NV is a company domiciled in Belgium. The consolidated financial statements of the Company for the year ended 31 December 2000 comprise the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interest in associates. The financial statements were prepared by the Board of Directors on 13 March 2001.

1. Significant Accounting Policies

(A) BASIS OF PREPARATION

The consolidated financial statements are prepared in accordance with the requirements of the Belgian Royal Decree of 8 October 1976, and its subsequent amendments and with the requirements of the Belgian Royal Decree of March 6, 1990. The aforementioned Royal Decrees incorporate the requirements of the 4th and 7th Directives of the European Union.

In general the Group’s accounting policies comply with International Accounting Standards. The consolidated financial statements are not, however, prepared in accordance with International Accounting Standards as they do not comply with all the requirements of each applicable Standard and each applicable Interpretation of the Standing Interpretations Committee of the IASC and as, at the same time, their presentation and the contents of the notes to the accounts are solely based on the prescriptions of the Belgian accounting legislation. As from the year 2001 onwards, Interbrew will prepare its consolidated financial statements in accordance with International Accounting Standards issued by the International Accounting Standards Committee (IASC) and interpretations issued by the Standing Interpretations Committee of the IASC.

The consolidated financial statements are prepared as of and for the period ending on 31 December 2000.

They are presented after the effect of the profit appropriation of the parent company proposed to the General Assembly of Shareholders.

(B) PRINCIPLES OF CONSOLIDATION

Subsidiaries are those companies in which the Group, directly or indirectly, has an interest of more than one half of the voting rights or otherwise has power to exercise control over the operations. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Associates are undertakings over which the Group has between 20 % and 50 % of the voting rights and over which the Group exercises significant influence, but which it does not control. They are accounted for by the equity method of accounting, from the date that significant influence commences until the date that significant influence ceases. When the Group’s share of losses exceeds the carrying amount of the associate, the carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that the Group has incurred obligations in respect of the associate.

Investments over which the Group has less than 20 % of the voting rights and over which the Group does not exercise significant influence are accounted for under the historical cost method.

All intercompany transactions, balances and unrealised gains and losses on transactions between group companies have been eliminated. Where necessary, accounting policies for subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

A listing of the Group’s significant subsidiaries and associated undertakings is set out in note 2.

(C) SCOPE OF CONSOLIDATION

The following major companies have been included for the first time in the Group’s consolidated financial statements as of and for the period ending on December 31, 2000:
- Interbrew UK Ltd. (United Kingdom)
- Bass Holding Ltd. (United Kingdom)
- Bass Beers Worldwide Ltd. (United Kingdom)
- Prazske Pivovary (Czech Republic)
- Rogan (Ukraine)

(D) FOREIGN CURRENCIES

(1) Foreign currency transactions
Foreign currency transactions in Group companies are accounted for at the exchange rates prevailing at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the balance sheet date at the foreign exchange rates ruling at that date. Gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognised in the income statement. Non-monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rate prevailing at the date of the transaction.

(2) Financial statements of foreign operations
Assets and liabilities of foreign entities are translated to euro at foreign exchange rates prevailing at the balance sheet date. Income statements of foreign entities are translated to euro at average exchange rates for the year. The components of shareholders' equity are translated at historical rates. Exchange differences arising from the translation of shareholders' equity to euro at year-end exchange rates are taken to "Cumulative translation adjustment" in shareholders' equity.

The financial statements of foreign operations in hyperinflationary economies are remeasured into the reporting currency (USD or euro) as if it was the operation's functional currency. As a result, nonmonetary assets, liabilities and related income statement accounts are remeasured using historical rates in order to produce the same result in terms of the reporting currency that would have occurred if the underlying transaction was initially recorded in this currency. In some hyperinflationary economies remeasurement of the local currency denominated non-monetary assets, liabilities, related income statement accounts as well as equity accounts is made by applying a general price index. For subsidiaries and associated companies in countries where such method is stabilized and provides reliable results, these remeasured accounts are used for conversion into euro at the closing exchange rate instead of using a remeasurement into a reporting currency first.

(3) Exchange rates
The following exchange rates have been used in preparing the financial statements:

CURRENCY		CLOSING RATE			AVERAGE RATE		
		2000	1999	1998	2000	1999	1998
Canadian Dollar	CAD	0.716080	0.684556	0.553670	0.729643	0.626146	0.612039
Pound Sterling	GBP	1.602307	1.608493	1.417529	1.646297	1.510223	1.501516
US Dollar	USD	1.074690	0.995421	0.857092	1.083363	0.933997	0.904748
Korean Won	KRW	0.000849	0.000876	0.000713	0.000967	0.000783	0.000656
Mexican Pesos	MXN	0.112220	0.104700	0.086400	0.114419	0.097547	0.100354
Russian Rouble	RUB	0.038260	0.036765	0.039772	0.038532	0.038217	0.089481
Ukrainian Hryvnia	UAH	0.198179	0.190830	0.249606	0.199752	0.233184	0.400947
Hungarian Forint	HUF	0.003774	0.003926	0.003914	0.003851	0.003951	0.004224
Bulgarian Lev	BGN	0.511300	0.511300	0.511300	0.511300	0.511300	0.511355
Romanian Lei	ROL	0.000041	0.000055	0.000078	0.000051	0.000063	0.000104
Yugoslav Dinar	YUM	0.022230	0.085215	0.085226	0.023062	0.085215	0.108597
Chinese Yuan	CNY	0.129800	0.120200	0.103520	0.130752	0.112747	0.109307
Croatian Kuna	HRK	0.131610	0.130220	0.136693	0.130396	0.132485	0.141700

(E) INTANGIBLE ASSETS

Intangible assets are amortised using the straight line method over their useful lives with a maximum of 5 years. The carrying amount of each intangible asset is reviewed annually and adjusted for impairment where it is considered necessary.

(F) GOODWILL

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net assets of the acquired subsidiary/associate at the date of acquisition.

Goodwill is amortised using the straight line method over its estimated useful life. Goodwill arising on the acquisition of breweries is generally amortised over 20 years. Goodwill arising on the acquisition of distribution companies is generally amortised over 5 years. The goodwill which arose from the acquisitions of Labatt Brewing Company Ltd., Interbrew UK Ltd. (ex-Whitbread) and Bass Holding Ltd./Bass Beers Worldwide Ltd. (ex-Bass) are amortised over 40 years due to the strategic importance of these acquisitions to the long term development of the Group, the nature and stability of the markets in which these companies operate and their position on these markets.

Goodwill is expressed in the currency of the subsidiary to which it relates (except for subsidiaries operating in highly inflationary economies) and is translated to euro using the year-end exchange rate.

The carrying amount of goodwill is reviewed annually and written down for impairment when it is considered necessary.

Negative goodwill represents the excess of the fair value of the Group's share of the net assets acquired over the cost of acquisition. To the extent that negative goodwill relates to an expectation of future losses and expenses that are identified in the plan of acquisition and can be measured reliably, but which have not yet been recognised, it is recognised in the income statement when the future losses and expenses are recognised.

(G) PROPERTY, PLANT AND EQUIPMENT

All property, plant and equipment is recorded at historical cost less accumulated depreciation and impairment losses. Cost includes the purchase price and other direct acquisition costs (e.g. taxes, transport). Depreciation is calculated from the date of acquisition using the straight line method over the estimated useful life of the assets.

The rates used are as follows:

Industrial buildings	20 years
Production plant and equipment:	
- Production equipment	10 or 15 years
- Storage and packaging equipment	6 or 8 years
- Handling and other equipment	5 years
- Duotanks	6 years
Identified reusable packaging:	
- Kegs	10 years
- Bottles	5 years
- Crates	5 or 10 years
Point of sale furniture and equipment	5 years
Vehicles	5 years
Information processing equipment	3 or 5 years
Other real estate properties	33 years

Land is not depreciated as it is deemed to have an infinite life.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Repairs and maintenance which do not increase the future economic benefits of the asset to which they relate, are expensed as incurred.

(H) ACCOUNTING FOR LEASES

Leases of property, plant and equipment where the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of fair value and the estimated present value of the minimum lease payments at inception of the lease, less accumulated depreciation (see G) and impairment losses.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant periodic rate of interest on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance charge is charged to the income statement over the lease period. The property, plant and equipment acquired under finance leasing contracts is depreciated over the useful life of the asset (see G).
Leases of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the term of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

(I) INVESTMENTS

Investments comprise non-consolidated associated companies and companies in which the Company holds less than 20% of the voting rights. The investments are carried at cost less any amounts written off to recognise other than temporary declines in the value of the investment. On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to income.

Receivables classified as other investments represent receivables from non-consolidated investments and are written off when there is doubt as to their recoverability.

(J) INVENTORIES

Inventories are valued at the lower of cost and net realisable value. Cost is determined by the weighted average method.

The cost of finished products and work in progress comprises raw materials, other production materials, direct labour and other direct cost but excludes overhead. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling costs.

(K) TRADE RECEIVABLES

Trade receivables are carried at cost less impairment losses. An estimate is made for doubtful receivables based on a review of all outstanding amounts at the year-end. Bad debts are written off during the year in which they are identified.

(L) INVESTMENTS AND DEPOSITS

Investments and deposits include term deposits with credit institutions, marketable securities and investment assets held for sale. They are valued at the lower of acquisition cost and market value. Listed securities are valued at quoted market prices, unlisted securities at estimated value (approaching “mark to market”) and investment assets held for resale are valued at estimated realisable value. Both realised and unrealised gains and losses are recognised in the income statement. Investments taken up as a hedge instrument are carried at acquisition cost.

(M) SHARE CAPITAL

Repurchase of share capital
Repurchased shares are classified as treasury shares.

(N) GOVERNMENT GRANTS

Government grants are not recognised until there is reasonable assurance that the grants will be received and that the Group will comply with conditions applying to them. Grants are recognised in the income statement on a systematic basis matching them with the related costs for which the grants are intended to compensate.

(O) PROVISIONS

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.

A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan, and the restructuring has either commenced or has been announced publicly. Costs relating to the ongoing activities of the Group are not provided for.

(P) PENSION OBLIGATIONS

The Group operates a number of defined benefit and defined contribution plans throughout the world, the assets of which are generally held in separate trustee-administered funds. The pension plans are generally funded by payments from employees and by the relevant Group companies, taking account of the recommendations of independent qualified actuaries.

For defined benefit plans, the pension accounting costs are assessed using the projected unit credit method. Under this method, the cost of providing pensions is charged to the income statement so as to spread the regular cost over the service lives of employees in accordance with the advice of qualified actuaries who carry out a full valuation of the plans each year. The pension obligations are measured as the present value of the estimated future cash outflows using interest rates of high quality corporate bonds which have terms to maturity approximating the terms of the related liability. All actuarial gains and losses exceeding a corridor of 10 % of the higher of the fair value of plan assets and the present value of the defined benefit obligations are recognised in the income statement over the average remaining service lives of employees with a maximum of 5 years. In 1999 the Group implemented IAS 19 (revised 1998) Employee Benefits and accounted for the transitional liability by adjusting retained earnings at 1 January 1999.

The Group’s contributions to the defined contribution pension plans are charged to the income statement as incurred.

(Q) OTHER POST-RETIREMENT OBLIGATIONS

Some Group companies provide post-retirement healthcare benefits to their retirees. The entitlement to these benefits is usually based on the employee remaining in service up to retirement age. The expected costs of these benefits are accrued over the period of employment, using an accounting methodology similar to that for defined benefit pension plans. Valuations of these obligations are carried out by independent qualified actuaries.

(R) EQUITY AND EQUITY-RELATED COMPENSATION BENEFITS

The stock option programme allows Group employees to acquire shares of the Company. The option exercise price equals the market price of the underlying shares at the date of the grant and no compensation cost or obligation is recognised. When the options are exercised, equity is increased by the amount of the proceeds received.

(S) TRADE AND OTHER PAYABLES

Trade and other payables are stated at cost.

(T) INCOME TAXES

Income tax on the profit or loss for the year comprises current and deferred tax.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred income taxes are provided, using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes. Currently enacted tax rates are used to determine deferred income tax.

Under this method the Group is required to make a provision for deferred income taxes on the revaluation of certain non-current assets and, in relation to an acquisition, on the difference between the fair values of the net assets acquired and their tax base.

The principal temporary differences arise from depreciation on property, plant and equipment, revaluations of certain non-current assets, provisions for pensions and other post retirement benefits and tax losses carried forward.

No deferred taxes are provided on the following items:
- the undistributed tax-exempted reserves;
- the monetary corrections on assets of subsidiaries operating in highly inflationary countries;
- the undistributed earnings of subsidiaries.

(U) REVENUE RECOGNITION

In relation to the sale of goods, revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, and no significant uncertainties remain regarding recovery of the consideration due, associated costs or the possible return of goods.

Interest, royalties and dividends arising from the use by others of the Company's resources are recognised when it is probable that the economic benefits associated with the transaction will flow to the Company and the revenue can be measured reliably. Interest income is recognised as it accrues (taking into account the effective yield on the asset) unless collectibility is in doubt. Royalty income is recognised on an accrual basis in accordance with the substance of the relevant agreement.

(V) RESEARCH AND DEVELOPMENT, ADVERTISING AND PROMOTIONAL COSTS AND SYSTEMS DEVELOPMENT COSTS

Research and development, advertising and promotional costs and systems development costs are expensed in the year in which these costs are incurred.

(W) DERIVATIVE FINANCIAL INSTRUMENTS

The Group uses derivative financial instruments primarily to reduce the exposure to adverse fluctuations in interest rates, foreign exchange rates, commodity prices and other market risks. The Group's policy prohibits the use of derivatives for speculation.
The Group does not hold or issue financial instruments for trading purposes.
The derivatives used for hedging purposes are accounted for in the same way as the hedged item. As a result, offsetting gains and losses are reported in income in the same period.

(1) Hedging of foreign exchange exposure
Gains and losses from forward exchange contracts and currency swaps used to hedge anticipated future currency transactions are deferred until the forecasted transaction occurs. Where the hedged item is a recognised asset or liability, the exchange adjustment to the derivative is matched with the exchange adjustment to the hedged item. Exchange rate adjustments to loans in foreign currency and to derivatives hedging the net investment in foreign entities are taken directly to equity.

(2) Hedging of interest rate exposure
Interest differentials under swap arrangements are accrued and recorded as adjustments to interest expenses of the hedged loans.

2. Companies included in the financial statements

Listed below are the most important Group companies. A complete list of the Group's investments is available at Interbrew S.A., Vaartstraat 94, B-3000 LEUVEN (BELGIUM). The total number of companies (fully consolidated and accounted for under the equity method) is 256.

(A) LIST OF MOST IMPORTANT FULLY CONSOLIDATED COMPANIES

NAME, registered office and, for the companies governed by Belgian law, the V.A.T. number

Name and registered office	V.A.T. No	% of shareholding
BELGIUM		
INTERBREW S.A. Grand'Place 1 Bruxelles	BE 417.497.106	Consolidating Company
BRASSERIE DE L'ABBAYE DE LEFFE S.A Place de l'Abbaye 1 - 5500 Dinant	BE 402.531.885	98.54
BROUWERIJ VAN HOEGAARDEN N.V Stoopkensstraat 46 - 3320 Hoegaarden	BE 421.085.413	100
COBREW N.V. Vaartstraat 98 - 3000 Leuven	BE 428.975.372	100
DE WOLF-COSYNS MALTINGS N.V. Gentsestraat 80 - Aalst	BE 400.291.482	100
IMMOBREW N.V. Industrielaan 21 - 1070 Brussel	BE 405.819.096	99.88
INTERBREW BELGIUM N.V. Industrielaan 21 - 1070 Brussel	BE 433.666.709	99.98
BOSNIA-HERZEGOVINA		
UNILINE d.o.o. Ivana Gundulica b.b. - Grude		51
BULGARIA		
ASTIKA Severna Industrialna Zona - 6300 Haskovo		82
BURGASKO - K-S Slavelkov 70 - Bourgas		86.7
KAMENITZA LTD. Karp. Raitcho Street 95 - Plovdiv		82.8
PLEVENSKO PIVO AD 5 Vit St - 5800 Pleven		62.6
CANADA		
LABATT BREWING COMPANY LTD 181 Bay Street, Ste. 200 - M5J2T3 Toronto		100
CHINA		
JINLING BREWERY COMPANY LTD Qi Li Street 20 - Nanjing		60
NANJING BREWERY CO. LTD Qi Li Bridge Jian Pu - 211800 Nanjing		80
CROATIA		
ZAGREBACKA PIVOVARA D.D. Ilica 224 - 10000 Zagreb		72
CZECH REPUBLIC		
PRAZSKE PIVOVARY A.S. Nadrazni 84 - 150 54 Praha 5		96.78

Name and registered office	% of shareholding
FRANCE	
AUXINDAL S.A. 14, Avenue Pierre Brossolette BP 9 - 59426 Armentières Cedex	100
INTERBREW FRANCE S.A. 14, Avenue Pierre Brossolette BP 9 - 59426 Armentières Cedex	100
GERMANY	
STAROPRAMEN PRAGER BIER GmbH Schwesswitzer Strasse - 06686 Lützen	96.78
GRAND DUCHY OF LUXEMBURG	
BRASSERIE DE LUXEMBOURG MOUSEL - DIEKIRCH Rue Emil Mousel - Luxembourg	26.5
HUNGARY	
BORSODI SORGYAR Rt. Rackoczi UT 81 - Böcs	98.7
MONTENEGRO	
TREBJESA BREWERY 29 Novembra 18 - 81400 Niksic	70.1
ROMANIA	
BIANCA INTERBREW BERGENBIER S.A. Str. Gh. Baritiu 30b - 3175 Blaj, Jud. Alba	51
CDN S.A. Av. M. Zorileanu Street 18 - District 1 - Bucarest	50
INTERBREW EFES BREWERY BLVD Basarabiei nr 250, Sector 3 - Ploiesti	50
PROBERCO S.A. Str. Fabricii 7 - 4800 Baia Mare	77.42
RUSSIA	
SUN INTERBREW LIMITED 6 Vorontsovsky Park - Moscow	66
CJSC KLIN BREWING COMPANY 28 Moscowskaya Street, Moscow region - 141600 Klin	66
ZAO ROSAR 27a Solnechnaya Street - 644073 Omsk	52.8
SLOVAK REPUBLIC	
STAROPRAMEN SLOVAKIA s.r.o. Nitrianska 3 - 821 08 Bratislava	96.78
SOUTH KOREA	
CASS BREWERY CO. LTD 52 Jungsam-Ri, HyunDo-Myun,ChungWon-Kun	50
ORIENTAL BREWERY CO. LTD 27 ShinHa-Ri, BooBal-Eup, I-Cheon-Si - KyungKi-Do	50
THE NETHERLANDS	
INTERBREW NEDERLAND N.V. Ceresstraat 13 - 4811 CA Breda	100
INTERBREW INTERNATIONAL B.V. Ceresstraat 19 - 4811 CA Breda	100
U.S.A.	
LABATT USA INC. 101 Merritt 7, PO Box 5075, CT, 06856-5075 - Norwalk	70
LATROBE BREWING COMPANY 101 Merritt 7, PO Box 5075, CT, 06856-5075 - Norwalk	70

Name and registered office	% of shareholding
UKRAINE	
CJSC CHERNIHIV BREWERY DESNA 20 Instrumentalnaya Street - Chernigiv	47.6
OJSC "MYKOLAIV" BREWERY "YANTAR" 320 Yantarna Street - 327050 Nykolayev	35
OJSC BREWERY ROGAN 161 Roganskaya str. 61161 Kharkiv	57
OJSC KRYM BEER AND SOFT DRINK PLANT 12 Geroi Stalingrada Street - Sympheropol	54.7
UNITED KINGDOM	
BASS BEERS WORLDWIDE LIMITED 14 Dominion Street - EC2M 2TQ London	100
BASS HOLDINGS LTD New Bass House, 137 High Street - DE 14 1JZ Burton-on-Trent	100
INTERBREW UK LTD Porter Tun House, 500 Capability Green - Luton	100

(B) LIST OF MOST IMPORTANT COMPANIES CONSOLIDATED UNDER THE EQUITY METHOD

Name and registered office	% of shareholding
MEXICO	
FEMSA CERVEZA S.A. de C.V. Eve. Alfonso Reyes 2202 - Monterrey	30
UNITED KINGDOM	
GROLSCH UK LIMITED 137 High Street - DE14 1JZ Burton-on-Trent	49
TRADETEAM LIMITED The Merton Centre, 45 St. Peter's Street - MK40 2UB Bedford	49

3. Intangible assets

mio euro	Research & development	Concessions, patents, licenses, etc.	Goodwill	Down payments	TOTAL
ACQUISITION COST					
As at the end of the previous year	0.0	108.7	16.8	0.1	125.6
Movements during the year					
Consolidation scope	0.0	12.1	0.2	0.1	12.4
Additions	0.0	19.5	2.3	0.4	22.2
Sales and disposals	0.0	- 4.5	- 0.2	0.0	- 4.7
Transfers between asset categories	0.0	- 6.5	9.0	- 0.2	2.3
Translation adjustments	0.0	1.0	0.0	0.0	1.0
Others	0.0	1.3	9.2	0.0	10.5
As at the end of the year	0.0	131.6	37.3	0.4	169.3
DEPRECIATION AND AMOUNTS WRITTEN OFF					
As at the end of the previous year	0.0	67.7	8.5	0.0	76.2
Movements during the year					
Consolidation scope	0.0	2.5	0.0	0.0	2.5
Charge for the year	0.0	20.7	7.7	0.0	28.4
Disposals	0.0	- 2.6	- 0.2	0.0	- 2.8
Transfers between asset categories	0.0	- 3.7	4.9	0.0	1.2
Translation adjustments	0.0	0.2	0.0	0.0	0.2
Others	0.0	0.8	4.1	0.0	4.9
As at the end of the year	0.0	85.6	25.0	0.0	110.6
THE NET BOOK VALUE					
At the beginning of the year	0.0	41.0	8.3	0.1	49.4
At he end of the year	0.0	46.0	12.3	0.4	58.7

Intangible assets include mainly supply rights and computer software. Since 1999, this caption also included the consideration paid to acquire the internet domain “Beer.com”. This cost was originally to be amortised over 5 years. All subsequent re-design and development costs were expensed as incurred.This year, following large losses in the “.com” sector, we took a more conservative approach and completely amortized the remaining book value, amounting to approximately 6 mio euro. This amortization is shown under the operational depreciation charges for the year.

The increase in the net book value compared to 1999 is mainly explained by scope changes (9.9 mio euro).

4. Goodwill

mio euro	Consolidated companies	Equity accounted	Total
Net book value at the end of the previous year	1,368.0	0.0	1,368.0
Movements during the year :			
Acquisitions	2,605.0	0.0	2,605.0
Amortization	- 1,313.6	0.0	- 1,313.6
Translation adjustments	78.4	0.0	78.4
Net book value at the end of the year	2,737.8	0.0	2,737.8

The net increase of the goodwill in 2000, after an amortisation charge of 1,313.6 mio euro, is 1,369.8 mio euro.

The goodwill increased significantly due to the following factors :
- The UK acquisitions
- Increase in the value against the Euro of the Canadian dollar and the pound sterling.

The main components of our goodwill are linked to the acquisitions of Labatt, Bass Brewers and Whitbread Beer Company. This goodwill is amortised over 40 years, although we recorded an exceptional write-off on the Bass goodwill, amounting to 1,234.7 mio euro, as the result of the decision of the UK Secretary of State for Trade and Industry regarding the Bass acquisition, as explained in note 20 (Important subsequent events to December 31, 2000).

5. Tangible assets

mio euro	Land and buildings	Plant, machinery and equipment	Furniture and vehicles	Property under capital leases and other similar rights	Other tangible assets	Assets under construction and advance payments	Total
ACQUISITION COST							
As at the end of the previous year	1,257.2	2,944.9	507.0	41.6	240.8	73.3	5,064.8
Movements during the year :							
Consolidation scope	340.8	1,140.1	609.2	11.7	10.8	8.0	2,120.6
Acquisitions including own construction	32.6	250.8	84.6	3.3	9.0	83.8	464.1
Sales and disposals	- 8.1	- 48.8	- 22.6	- 3.6	- 6.8	- 1.8	- 91.7
Transfers between asset categories	- 9.0	49.2	- 1.8	0.2	- 4.9	- 52.3	- 18.6
Translation adjustments	0.6	40.0	3.0	- 0.1	- 0.2	0.3	43.6
Others	- 1.3	14.6	0.0	0.0	0.1	- 0.8	12.6
As at the end of the year	1,612.8	4,390.8	1,179.4	53.1	248.8	110.5	7,595.4
REVALUATIONS							
As at the end of the previous year	48.6	13.9	0.1	0.0	27.1	0.0	89.7
Movements during the year							
Consolidation scope	63.6	63.2	0.0	0.0	0.1	0.0	126.9
Reversals	- 1.0	0.0	0.0	0.0	- 0.2	0.0	- 1.2
Transfers between asset categories	0.0	0.0	0.0	0.0	- 0.1	0.0	- 0.1
As at the end of the year	111.2	77.1	0.1	0.0	26.9	0.0	215.3
DEPRECIATION AND AMOUNTS WRITTEN OFF							
As at the end of the previous year	446.7	1,687.4	377.2	9.2	137.5	1.0	2,659.0
Movements during the year :							
Consolidation scope	38.2	528.1	379.4	6.5	2.9	0.0	955.1
Charge for the year	56.1	359.1	89.2	4.6	8.7	0.0	517.7
Written back	0.0	- 2.0	- 0.4	0.0	- 0.2	0.0	- 2.6
Disposals	- 4.1	- 17.9	- 11.5	- 0.4	- 3.4	0.0	- 37.3
Transfers between asset categories	- 20.1	10.3	- 6.0	- 0.3	- 0.2	- 0.9	- 17.2
Translation adjustments	2.0	18.2	1.0	- 0.5	0.0	0.0	20.7
Others	- 4.7	- 5.1	0.2	0.0	0.0	0.0	- 9.6
As at the end of the year	514.1	2,578.1	829.1	19.1	145.3	0.1	4,085.8
NET BOOK VALUE							
At the beginning of the year	859.1	1,271.4	129.9	32.4	130.4	72.3	2,495.5
At the end of the year	1,209.9	1,889.8	350.4	34.0	130.4	110.4	3,724.9

Tangible assets increased by 1,229.4 mio euro in 2000 after deducting depreciation charges of 517.7 mio euro. This very significant net increase can be explained by :

- Scope changes following the acquisition of the U.K. affiliates. The net impact of the scope changes amounts to 1,292.4 mio euro.
- Currency movements which had a net positive impact of 22.9 mio euro on the value of the assets.

6. Financial assets

mio euro	Companies accounted for under the equity method	Other investments carried at cost	Total
SHARES			
As at the end of the previous year :	534.5	113.2	647.7
Movements during the year :			
• Acquisitions	25.4	15.5	40.9
• Divestments	- 32.8	- 3.6	- 36.4
• Equity income for the year	59.5	0.0	59.5
• Dividends on equity accounted investments	- 1.6	0.0	- 1.6
• Change from the cost method or equity accounting to consolidation (or vice versa)	- 3.8	0.0	- 3.8
• Transfers	0.0	7.7	7.7
• Revaluation/write-offs	0.0	- 5.8	- 5.8
• Translation adjustments	63.8	4.6	68.4
• Others	- 16.2	3.5	- 12.7
Net book value at the end of the year	628.8	135.1	763.9
RECEIVABLES			
Net book value at the end of the previous year	0.0	29.9	29.9
Movements during the year :			
• Companies entering the Group	0.0	0.0	0.0
• Additions	0.0	1.3	1.3
• Reimbursements	0.0	- 2.6	- 2.6
• Translation adjustments	0.0	- 0.4	- 0.4
• Others	0.0	- 0.2	- 0.2
Net book value at the end of the year	0.0	28.0	28.0

The main component of this caption is our investment in Femsa Cerveza. The Femsa results and the revaluation of the Mexican Peso against the Euro are the main components of the increase in this caption. Another factor is the entry of Tradeteam Ltd. and Grolsh UK Ltd., joint ventures in the UK acquired through the Bass acquisitions (23.4 mio euro of the increase).

The goodwill relating to the acquisition of Femsa Cerveza is shown as a component of the companies accounted for under the equity method and is amortised over 40 years. The amortisation charge is recorded in the Income Statement on the line "Share in the results of associated companies".

The Group's "Other investments carried at cost" increased by 21.9 mio euro compared to 1999 mainly due to scope changes and currency evolutions.

7. Own shares

As part of the IPO, the Group sold its treasury shares (representing 1.3 % of the outstanding shares before IPO) to the stock market, realising a profit on this transaction of 113.4 mio euro, shown in extraordinary income.

8. Other short term investments and deposits

The caption includes short term deposits and the carrying value of some assets held for sale.

The short term deposits increased as compared to 1999, due to the proceeds of the IPO, temporarily placed in deposit for debt reimbursement scheduled in January 2001.

The assets held for sale decrease as compared to 1999, following the sale of the Toronto Blue Jays in December 2000.

9. Capital and share premium

Six capital increases occurred during the year, for a total increase in issued capital of 77.3 mio euro and in share premium of 3,146.6 mio euro. The number of outstanding shares increased from 163,560,200 at the end of 1999 to 427,404,010 at the end of 2000. In addition to the capital increases, by decision of the Shareholders' Meeting of October 31, 2000, the shares were split in two. The most important capital increase was the IPO in December 2000 for an amount of 3,204.8 mio euro.

On December 31, 2000, the Group's core shareholders were :

Shareholder	Number of shares held	% held
Stichting Interbrew	275,620,140 shares	64.487 %
Fondation Interbrew Baillet-Latour	3,370,800 shares	0.789 %
Fondation Verhelst	4,494,000 shares	1.051 %

As of 31 December, 2000 1,883,629 warrants for an aggregate of 11,395,048 shares with a weighted average exercise price of 6.72 euro per share had been granted and were outstanding.

As of 31 December, 2000 the total share capital amounted to 329.4 mio euro and the authorised capital to 495.8 mio euro.

10. Retained earnings

mio euro	
As at the end of the previous year	974.5
• Net result	- 910.1
• Dividend	- 89.8
• Transfer from appraisal surplus	0.7
• Sundry movements	0.1
As at the end of the year	- 24.6

The net result of - 910.1 mio euro includes the exceptional write-off on the Bass goodwill amounting to 1,234.7 mio euro.

The gross dividend amounts to 0.21 euro per share, which is an increase of 16.7 % as compared to 1999. The new shares from the IPO were also entitled to dividend in 2000.

11. Cumulative translation adjustment

The translation adjustment increased by 136.7 mio euro mainly as a result of the increase in the value of the Canadian dollar, the Mexican peso and the pound sterling against the euro.

12. Provisions

The non-pension related provisions mainly include provisions for restructuring and provisions for legal disputes. The increase from 1999 to 2000 is mainly due to additional restructuring provisions.

13. Deferred tax liabilities

Deferred tax liabilities increased by 72.3 mio euro. This increase can be mainly explained by scope changes.

This increase is partly compensated by an increase in the Group's deferred tax assets, which are shown in part in the "Receivables due after one year" and the "Other Receivables due within one year".
The increase in the deferred tax assets is mainly explained by tax losses carry forward, resulting from the 2000 IPO costs, restructuring and other provisions and fixed assets valuation adjustments.

On a net basis, the Group has deferred tax liabilities amounting to 72.1 mio euro (64.0 mio euro in 1999).

14. Statement of amounts payable

A) ANALYSIS OF LONG-TERM OBLIGATIONS BY MATURITY DATES

mio euro	Payable within one year	Payable between one and five years	Payable after five years
Financial debts	824.8	2,535.0	217.7
Unsubordinated debentures	17.0	21.5	0.0
Capital leases and other similar obligations	5.3	10.8	7.4
Credit institutions	798.6	2,476.8	210.3
Other loans	3.9	25.9	0.0
Other amounts payable	10.3	165.9	5.9
TOTAL	**835.1**	**2,700.9**	**223.6**

B) GUARANTEED DEBTS

mio euro	Real guarantees given or irrevocably promised on the Group's assets
Taxes, remunerations, social security	12.9
• Income and other taxes and payroll withholdings	12.9
TOTAL	**12.9**

15. Consolidated income statement

(A) TURNOVER

The Group's turnover was realised by companies situated in the following areas :

mio euro	2000	1999	1998
BELGIUM			
Beverages	715.7	708.0	684.5
Others	21.4	24.4	31.0
OTHER COUNTRIES			
Beverages	7,145.9	3,556.9	2,719.1
Others	116.6	57.1	43.9
TOTAL	**7,999.6**	**4,346.4**	**3,478.5**

(B) EMPLOYMENT COSTS

	2000	1999	1998
Average number of personnel	34,203	24,348	16,727
Number of full time equivalents	36,463	29,187	19,315
Total employment costs (mio euro)	1,010.0	635.9	581.6
• Personnel costs	966.0	624.5	552.4
• Pensions	44.0	11.4	29.2

(C) INCOME TAXES

mio euro	2000	1999	1998
Deferred income taxes : The difference between tax charged in the consolidated income statement for the period and previous periods and the amount of tax paid or payable in respect of those periods.	119.3	8.3	-27.8

16. Consolidated statement of changes in financial position

The Group's operational cash flow amounts to 715.3 mio euro which represents an increase of 36.8 % compared to 1999.

The increase in cash used in investment activities in 2000 is due to the significant acquisitions realised in 2000; the total considerations paid during 2000 amount to 4,511.2 mio euro.

The cash generated by financing activities is impacted by the IPO proceeds, amounting to 3,204.8 mio euro.

17. Commitments not reflected in the balance sheet

mio euro	31.12.2000
Personal guarantees given or irrevocably promised by companies included in the scope of the consolidation for security for debts or commitments from third parties	168.5
Real guarantees on own assets given or irrevocably promised by companies included in the scope of consolidation as a security, respectively, for debts and commitments	1.9
Real guarantees on own assets given or irrevocably promised by companies included in the consolidation scope as a security, respectively, for debts and commitments for the account of third parties	47.4
Commitments to acquire fixed assets	57.0
Commitments resulting from operations relating to :	
• Exchange rates	85.1
• Prices of raw materials or goods purchased for resale	451.3
• Others	50.0

From time to time we have been, and we expect to continue to be, subject to legal proceedings and claims arising in the ordinary course of our business. We are not currently aware of any legal proceedings or claims against us or our property, other than those for which an appropriate provision has been included in our accounts, that we believe will have, individually or in the aggregate, a material adverse effect on our business, financial position or results of operations.

18. Issue of subscription rights - LongTerm Incentive Program

Further to the authorisation given by the General Shareholders' Meeting of 24 June 1999 to the Board of Directors in order to increase the corporate capital of the Company by means of the authorised capital, the Board decided on 25 April 2000, 31 October 2000 and 21 December 2000:

- to suppress the preferential subscription right for the benefit of key management employees of the Company or of its subsidiaries, to be determined by the "Human Resources and Nominating Committee" or by the "Chief Executive Officer", and (Board decision of April 25, 2000) for the benefit of Directors of the Company, and

- to issue for the benefit of those same key management employees and Directors 560,000 nominative subscription rights for a price of 23.29 euro per subscription right (decision of 25 April 2000), 192,778 nominative subscription rights for a price of 50.02 euro per subscription right (decision of 31 October 2000) and 572,130 nominative subscription rights for a price of 23.29 euro per subscription right (decision of 21 December 2000)

The Board's decision of 21 December 2000 implemented the offering by the Human Resources and Nominating Committee on 25 April 2000 of 572,130 subscription rights for a price of 23.29 euro per subscription right. These rights were offered within the same plan, in addition to the 560,000 subscription rights issued by the Board on 25 April 2000.

These subscription rights were offered to the management employees and Directors (except for 6,200 subscription rights issued on 21 December 2000) and were accepted by the beneficiaries.

Each subscription right gives the right to subscribe to two new ordinary shares of the Company. These rights may be exercised, in principle, as from the expiry of the third calendar year of the notification of their offer, until the expiry of the tenth calendar year following the year of the notification of their offer.

The issues of rights described above are in accordance with the interest of the Company with a view to the development of its activities on the long run.

Considering the number of shares representing the capital, the issues of rights described above are relatively moderate and shall, in case of exercise of the subscription rights, only result in a limited dilution of the holding of the current shareholders. Hence, the suppression of the preferential subscription right has only a slight impact for the shareholders, among others, as regards their share in the profits and proper funds.

19. Article 60 of the Coordinated Laws on Commercial Companies (art. 523 of the Company Code)

With respect to the decisions of the Board of Directors of 25 April 2000, described above, the Directors Paul De Keersmaeker, Allan Chapin, Harald Einsmann, Pierre Jean Everaert and Bernard Hanon declared to have a conflicting interest, as beneficiaries with others of the subscription rights. These Directors did not take part in the deliberations or in the vote. They also declared to have informed the statutory auditor of the Company of this conflicting interest.

On 30 November 2000, the Board decided that the Company shall indemnify to the extent permitted by applicable law its independent Directors (Paul De Keersmaeker, Allan Chapin, Harald Einsmann, Pierre Jean Everaert and Bernard Hanon), its officers and employees, against all expenses, judgements, fines, penalties, settlements and other amounts actually and reasonably incurred in connection with the defence or settlement of any proceeding brought (i) by a third party or (ii) by the Company or by the shareholders or other third parties in the right of the Company if, with respect to the acts or omissions of the Director, officer or employee which are the subject of the proceeding, he or she acted in good faith and in a manner he or she reasonably believed to be in the best interests of the Company and, in the case of a criminal action or proceeding, had no reason to believe that his or her conduct was unlawful. The Board considered that this decision was necessary and in the interest of the Company. Indeed, especially in view of the increased risks of liability for Directors, officers and employees of all companies, and since the insurance market does not allow to cover this risk in a satisfactory way and at an affordable price, the Board's decision makes it possible to attract and retain the services of highly qualified individuals as its Directors, officers and employees and to indemnify them within the maximum protection permitted by law.

Before the deliberations on the specific point as whether these independent Directors should benefit from the above indemnification undertakings, these Directors indicated that they had a conflicting interest within the meaning of article 60 of the Coordinated Laws on Commercial Companies. Consequently, they did not take part in the deliberations and in the vote of the Board on the specific point of the indemnification of the independent Directors, which was unanimously approved by the remaining Directors. In accordance with article 60 of the Coordinated Laws on Commercial Companies, the Board informed the statutory auditor of the Company of the situation of the conflict of interest.

On January 16, 2001, the Board decided to extend the indemnification system, which it had approved on November 30, 2000, to all present and future Directors of Interbrew S.A., according to the same conditions as agreed on November 30, 2000. The Board applied the procedure of article 60 of the Coordinated Laws on Commercial Companies including the information of the statutory auditor.

20. Important events subsequent to December 31, 2000

On 3 January 2001, the UK Secretary of State for Trade and Industry denied to Interbrew the right to merge the UK brewing operations of Bass Brewing Ltd. and Whitbread Beer Company. He further decided that Interbrew should be required to divest the UK beer business of Bass Brewers. On 2 February 2001, Interbrew applied in the UK for a judicial review of the decision with the High Court of Justice Administrative Court.

21. Abbreviated non-consolidated accounts of Interbrew S.A.

Only the consolidated annual financial statements as set forth in the preceding pages present a true and fair view of the financial position and performance of the Interbrew Group.

Since Interbrew S.A. is essentially a holding company, which records its investments at acquisition cost in its non-consolidated annual financial statements, those statements present no more than a limited view of the Group's financial position. For this reason, the Board

of Directors, acting in accordance with article 105 of the Company Code, deemed it advisable to publish only an abbreviated version of the annual financial statements, as at and for the year ended December 31, 2000, namely:
- the Balance Sheet;
- the Income Statement;
- the Annual Report of the Board of Directors to the General Assembly of Shareholders on April 24, 2001.

These documents are extracts of the annual financial statements of Interbrew S.A. which will be filed with the National Bank of Belgium within the statutory periods.This abbreviated version is accompanied by the complete text of the management report.

The statutory auditor's report is unqualified and certifies that the non-consolidated financial statements of Interbrew S.A. for the financial year ended December 31, 2000, showing a balance sheet total of 5,040,434 ('000) euro and a loss of 113,985 ('000) euro for the 2000 financial year, give a true and fair view of the financial position and results of the company in accordance with all applicable legal and regulatory provisions.

NON-CONSOLIDATED BALANCE SHEET

In thousands of euro	2000	1999	1998
ASSETS			
FIXED ASSETS	4,282,998	1,390,587	1,524,134
Tangible assets	83	148	2,702
Financial assets	4,282,915	1,390,439	1,521,432
CURRENT ASSETS	757,436	621,901	235,458
TOTAL ASSETS	**5,040,434**	**2,012,488**	**1,759,592**
LIABILITIES			
CAPITAL AND RESERVES	4,535,859	1,515,740	1,359,015
Capital	329,363	252,145	248,430
Share premium	3,194,961	48,321	40,014
Legal reserve	32,936	25,214	24,843
Reserves not available for distribution	81	81	81
Tax-exempt reserves	4,270	4,270	4,270
Reserves available for distribution	260,451	260,451	260,451
Profit carried forward	713,797	925,258	780,926
PROVISIONS FOR LIABILITIES AND DEFERRED TAXES	2,058	1,216	1,900
CREDITORS	502,517	495,532	398,677
Amounts payable after more than one year	326,228	332,132	327,128
Amounts payable within one year, accrued charges and deferred income	176,289	163,400	71,549
TOTAL LIABILITIES	**5,040,434**	**2,012,488**	**1,759,592**

NON-CONSOLIDATED INCOME STATEMENT

In thousands of euro	2000	1999	1998
OPERATING INCOME	72,822	58,688	46,704
OPERATING RESULT	- 26,950	2,561	- 9,053
FINANCIAL RESULT	- 69,718	46,258	261,115
EXTRAORDINARY RESULT	- 17,121	160,372	65,455
INCOME TAXES	- 196	- 5,695	- 92
RESULT AFTER TAXES	- 113,985	203,496	317,425
NET RESULT FOR THE YEAR AVAILABLE FOR APPROPRIATION	- 113,985	203,496	317,425

ANNUAL REPORT OF THE BOARD OF DIRECTORS TO THE GENERAL ASSEMBLY OF APRIL 24, 2001

In accordance with the requirements of article 96 of the Company Code, we have the pleasure to submit our management report on the year ended December 31, 2000.
We remind you that the corporate objective of Interbrew S.A. is to manage and control the companies of the Group.

COMMENTS ON THE BALANCE SHEET

Intangible fixed assets
There were no additions during the year.

Tangible fixed assets
The net decrease of the tangible fixed assets is the result of :
- The sale of part of the vehicles;
- The yearly depreciation of the micro-computers;
- The addition of micro-computers "PC Privé".

Financial fixed assets
The increase of the financial fixed assets is the result of several transactions that took place in the course of the year :
- Sale of 18,137 Diekirch shares to Mousel on June 7, 2000;
- Sale of 100 Mousel shares on July 31, 2000;
- Purchase of 92,675 Interbrew International shares on December 4, 2000;
- Purchase of 197,031 Cobrew shares on December 4, 2000;
- Subscription of 253,687 Cobrew shares through capital increase on February 28, 2000 and December 5, 2000;
- Purchase of 323,390 Interbrew Belgium N.V. shares on December 15, 2000.

Receivables due after one year
Other receivables decreased by 4,146 ('000) euro following the repayment of group loans.

Receivables due within one year
Trade receivables increased by 34,237 ('000) euro mainly attributable to Interbrew International B.V. Other receivables increased by 204,400 (000) euro mainly because of a loan granted to Cobrew N.V. for an amount of 317,500 (000) euro.

Capital and reserves
The net increase of capital and reserves originates from :
- Six capital increases for a total amount of 77,218 ('000) euro bringing the number of outstanding shares to 427,404,010. Also, the share premium account increased by 3,146,640 ('000) euro; the most important capital increase was the IPO in December 2000 for an amount of 3,204,722 ('000) euro.
- The result of the year;
- The payment of a dividend.

By decision of the Shareholders' Meeting of 31 October 2000, the shares of Interbrew S.A. were split in two.

Financial debt payable after one year
Financial debts decreased following the repayment of group loans for an amount of 5,903 ('000) euro.

Amounts payable within one year
The decrease mainly results from the repayment of the loan from Creparti N.V. for an amount of 48,339 ('000) euro and the repayment of loans from credit institutions for an amount of 28,700 ('000) euro.

COMMENTS ON THE INCOME STATEMENT

The result of the year 2000 is a loss after taxes of 113,985 ('000) euro, versus a profit after taxes of 203,496 ('000) euro in 1999.

Financial income decreased due to the non-payment of dividends by affiliated enterprises for an amount of 38,655 ('000) euro.
Almost no gains were realised on the sale of fixed assets during 2000, whereas in 1999 such gains amounted to 160,879 ('000) euro.
The IPO in December 2000 resulted in a significant increase in several types of charges :
- IPO related charges amounted to 21,899 ('000) euro;
- Bank charges increased by 83,667 ('000) euro following the IPO; and
- IPO related extraordinary charges amounted to 16,333 ('000) euro.

RESULT APPROPRIATION

We propose to pay a gross dividend of 0.21 euro per share or a total dividend distribution of 89,755 ('000) euro. If you approve this proposal, the net dividend of 0.1575 euro per share will be payable as of April 25, 2001 against delivery of coupon number 1, attached to the company's new bearer shares or a net dividend of 0.1785 euro per share when "VVPR strip" number 1 is additionally attached, and this at the latest on November 30, 2001.

RESEARCH AND DEVELOPMENT ACTIVITIES

The company has not carried out any research and development activities during the year.

ISSUE OF SUBSCRIPTION RIGHTS - LONG TERM INCENTIVE PROGRAM

Further to the authorisation given by the General Shareholders' Meeting of 24 June 1999 to the Board of Directors in order to increase the corporate capital of the Company by means of the authorised capital, the Board decided on 25 April 2000, 31 October 2000 and 21 December 2000:

- to suppress the preferential subscription right for the benefit of key management employees of the Company or of its subsidiaries, to be determined by the "Human Resources and Nominating Committee" or by the "Chief Executive Officer", and (Board decision of April 25, 2000) for the benefit of Directors of the Company, and

- to issue for the benefit of those same key management employees and Directors 560,000 nominative subscription rights for a price of 23.29 euro per subscription right (decision of 25 April 2000), 192,778 nominative subscription rights for a price of 50.02 euro per subscription right (decision of 31 October 2000) and 572,130 nominative subscription rights for a price of 23.29 euro per subscription right (decision of 21 December 2000)

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These subscription rights were offered to the management employees and Directors (except for 6,200 subscription rights issued on 21 December 2000) and were accepted by the beneficiaries.

Each subscription right gives the right to subscribe to two new ordinary shares of the Company. These rights may be exercised, in principle, as from the expiry of the third calendar year of the notification of their offer, until the expiry of the tenth calendar year following the year of the notification of their offer.

The issues of rights described above are in accordance with the interest of the Company with a view to the development of its activities on the long run.

Considering the number of shares representing the capital, the issues of rights described above are relatively moderate and shall, in case of exercise of the subscription rights, only result in a limited dilution of the holding of the current shareholders. Hence, the suppression of the preferential subscription right has only a slight impact for the shareholders, among others, as regards their share in the profits and proper funds.

Article 60 of the Coordinated Laws on Commercial Companies (art. 523 of the Company Code)

With respect to the decisions of the Board of Directors of 25 April 2000, described above, the Directors Paul De Keersmaeker, Allan Chapin, Harald Einsmann, Pierre Jean Everaert and Bernard Hanon declared to have a conflicting interest, as beneficiaries with others of the subscription rights. These Directors did not take part in the deliberations or in the vote. They also declared to have informed the statutory auditor of the Company of this conflicting interest.

On 30 November 2000, the Board decided that the Company shall indemnify to the extent permitted by applicable law its independent Directors (Paul De Keersmaeker, Allan Chapin, Harald Einsmann, Pierre Jean Everaert and Bernard Hanon), its officers and employees, against all expenses, judgements, fines, penalties, settlements and other amounts actually and reasonably incurred in connection with the defence or settlement of any proceeding brought (i) by a third party or (ii) by the Company or by the shareholders or other third parties in the right of the Company if, with respect to the acts or omissions of the Director, officer or employee which are the subject of the proceeding, he or she acted in good faith and in a manner he or she reasonably believed to be in the best interests of the company and, in the case of a criminal action or proceeding, had no reason to believe that his or her conduct was unlawful. The Board considered that this decision was necessary and in the interest of the Company. Indeed, especially in view of the increased risks of liability for Directors, officers and employees of all companies, and since the insurance market does not allow to cover this risk in a satisfactory way and at an affordable price, the Board's decision makes it possible to attract and retain the services of highly qualified individuals as its Directors, officers and employees and to indemnify them within the maximum protection permitted by law.

Before the deliberations on the specific point as whether these independent Directors should benefit from the above indemnification undertakings, these Directors indicated that they had a conflicting interest within the meaning of article 60 of the Coordinated Laws on Commercial Companies. Consequently, they did not take part in the deliberations and in the vote of the Board on the specific point of the indemnification of the independent Directors, which was unanimously approved by the remaining Directors. In accordance with article 60 of the Coordinated Laws on Commercial Companies, the Board informed the statutory auditor of the Company of the situation of the conflict of interest.

On January 16, 2001, the Board decided to extend the indemnification system, which it had approved on November 30, 2000, to all present and future Directors of Interbrew S.A., according to the same conditions as agreed on November 30, 2000. The Board applied the procedure of article 60 of the Coordinated Laws on Commercial Companies including the information of the statutory auditor.

Important events after December 31, 2000

On January 3, 2001, the U.K. Secretary of State for Trade and Industry denied to Interbrew the right to merge the U.K. brewing operations of Bass Brewing Ltd. and Whitbread Beer Company. He further decided that Interbrew should be required to divest the U.K. beer business of Bass Brewers. On February 2, 2001, Interbrew applied in the U.K. for a judicial review of the decision with the High Court of Justice Administrative Court.

Discharge of the Directors and Statutory Auditor

We recommend the approval of the annual accounts as presented to you and, by special vote, the discharge of the Directors and the Statutory Auditor in respect of the execution of their mandate during the past accounting year.

March 13, 2001

Auditor's Report on the Consolidated Financial Statements

Bedrijfsrevisoren - Reviseurs d'Entreprises

STATUTORY AUDITOR'S REPORT ON THE CONSOLIDATED ACCOUNTS OF THE INTERBREW GROUP SUBMITTED TO THE GENERAL SHAREHOLDERS' MEETING OF INTERBREW SA/NV

Consolidated accounts for the year ended December 31,2000

In accordance with legal and regulatory requirements, we are reporting to you on the completion of the mandate which you have entrusted to us.

We have audited the consolidated financial statements for the year ended December 31,2000 with a balance sheet total of euro 11,158.7 million and a loss for the year of euro 910.1 million. These consolidated financial statements have been prepared under the responsibility of the Board of Directors of the Company. The financial statements of the American part of the group were audited by other auditors whose reports have been furnished to us and our opinion is based solely on the reports of the other auditors. In addition we have reviewed the directors' report.

Unqualified audit opinion on the consolidated financial statements

Our audit was performed in accordance with the standards of the Institut des Reviseurs d'Entreprises-Instituut der Bedrijfsrevisoren. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, taking into account the Belgian legal and regulatory requirements relating to the consolidated financial statements.

In accordance with these standards we have taken into account the administrative and accounting organisation of your group as well as the system of internal control. The group's management have provided us with all explanations and information which we required for our audit. We have examined on a test basis, the evidence supporting the amounts included in the consolidated financial statements. We have assessed the accounting policies used, the significant accounting estimates made by the Company and the overall presentation of the consolidated financial statements. We believe that our audit and the reports of the other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audit and the reports of the other auditors, the consolidated financial statements of Interbrew SA/NV for the year ended December 31,2000 present fairly the financial position of the group and the results of its operations, in conformity with the prevailing legal and regulatory requirements, and the disclosures made in the notes to the accounts are adequate.

KPMG

Additional assertions

As required by generally accepted auditing standards in Belgium the following additional assertion is provided. This assertion does not alter our audit opinion on the consolidated financial statements.

- The consolidated directors' report (represented by the "Management Discussions and Analysis report") contains the information required by law and this information is in accordance with the consolidated financial statements.

Brussels, March 13, 2001

Klynveld Peat Marwick Goerdeler
Bedrijfsrevisoren/Reviseurs d'Entreprises,
Statutory Auditor

represented by
Erik Helsen
Bedrijfsrevisor/Reviseur d'Entreprises

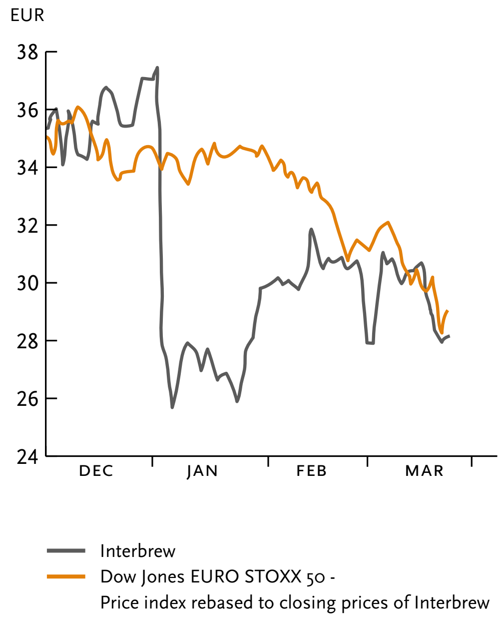
Information to our Shareholders

EARNINGS, DIVIDENDS, SHARES AND SHARE PRICE

	2000	1999	1998	1997	1996
Adjusted net profit per share (1) (euro)	1.21	0.82	0.69	0.51	0.46
Dividend per Share (euro)	0.21	0.18	0.15	0.12	0.10
Average Number of Shares (in thousands)	333,386	322,868	321,822	321,728	321,520
Fully Diluted Number of Shares (in thousands)	436,385	332,196	336,102	338,380	338,442
Share Price High (euro)	38.1	-	-	-	-
Share Price Low (euro)	34.0	-	-	-	-
Year-end Share Price	37.12	-	-	-	-
2000 Return to Interbrew share-owners	12.48 %	-	-	-	-

(1) Net profit (share of the group) plus amortisation of goodwill, divided by the average number of shares outstanding, adjusted for stock splits.

Interbrew share price evolution compared to Dow Jones EURO STOXX 50



Source: Thomson Financial Datastream

FINANCIAL CALENDAR

14 March	Publication of year 2000 results 08.00: Press release 11.00: Press conference 15.00: Analyst presentation
2 April	Annual report available on www.interbrew.com
10 April	Annual report available in printed version
24 April	11.00: General Shareholders' Meeting 14.30: Press briefing
25 April	Ex-coupon trading and dividend payment date
5 September	Publication of half-year results 08.00: Press release 11.00: Press conference 15.00: Analyst presentation
13 March 2002	Publication of year 2001 results

INVESTOR RELATIONS CONTACT

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