

Interbrew Half Year Results 2003

Interbrew Outperforms The Global Beer Market

**Presentation to Analysts & Investors
9 September 2003**

Key Figures

	HY 02 ⁽¹⁾	HY 02 as reported	HY 03	Organic Growth⁽²⁾
VOLUME	42.0	42.0	45.0	+ 4.5%
EBITDA	634.0	573.0	622.0	+ 4.7%
EBIT	305.0	244.0	302.0	+10.5%
EPS before goodwill	0.62	0.51	0.53	N/R

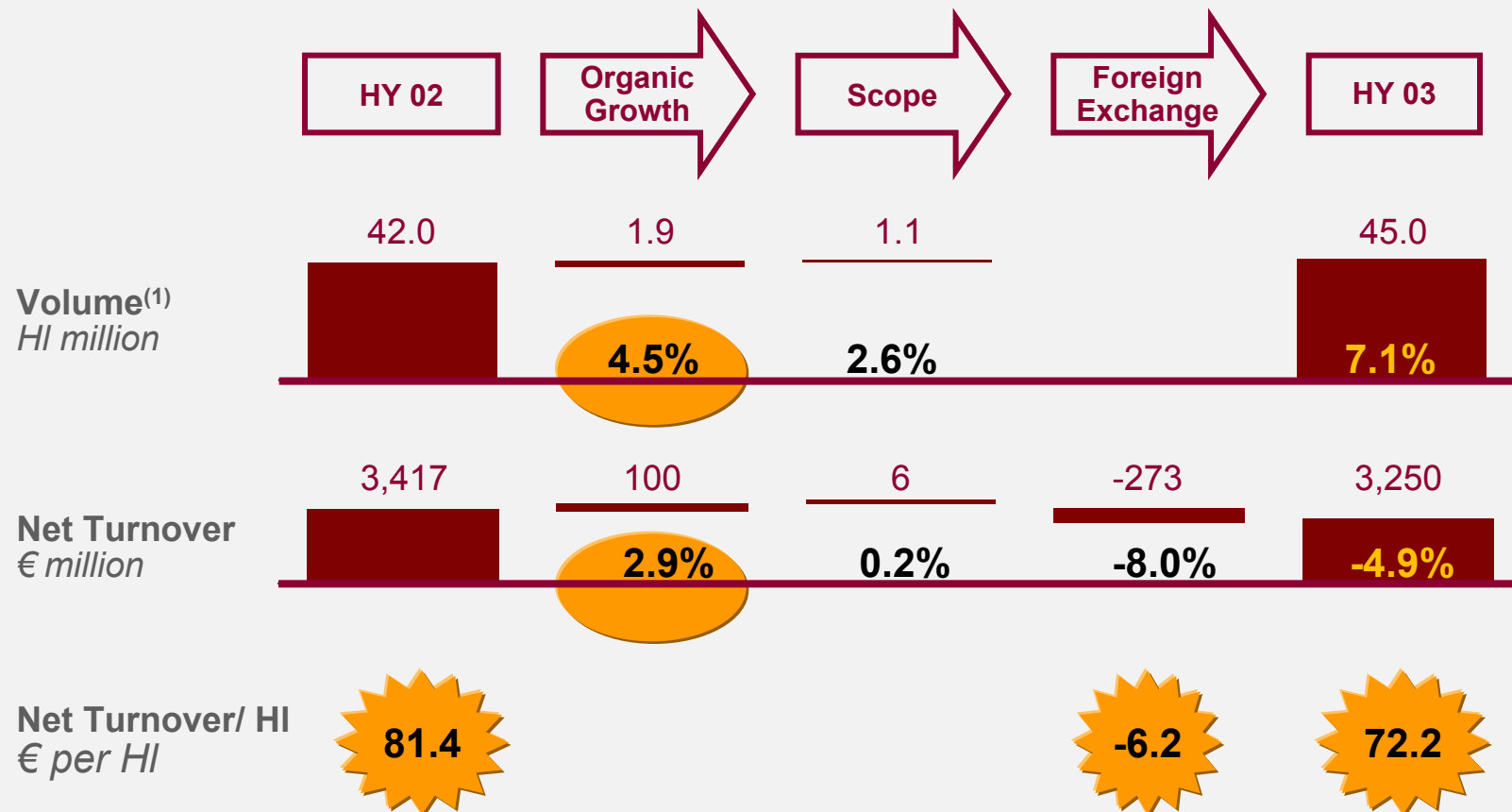
(1) Pre-restructuring

(2) On 2002 base-restructuring

Operating Review

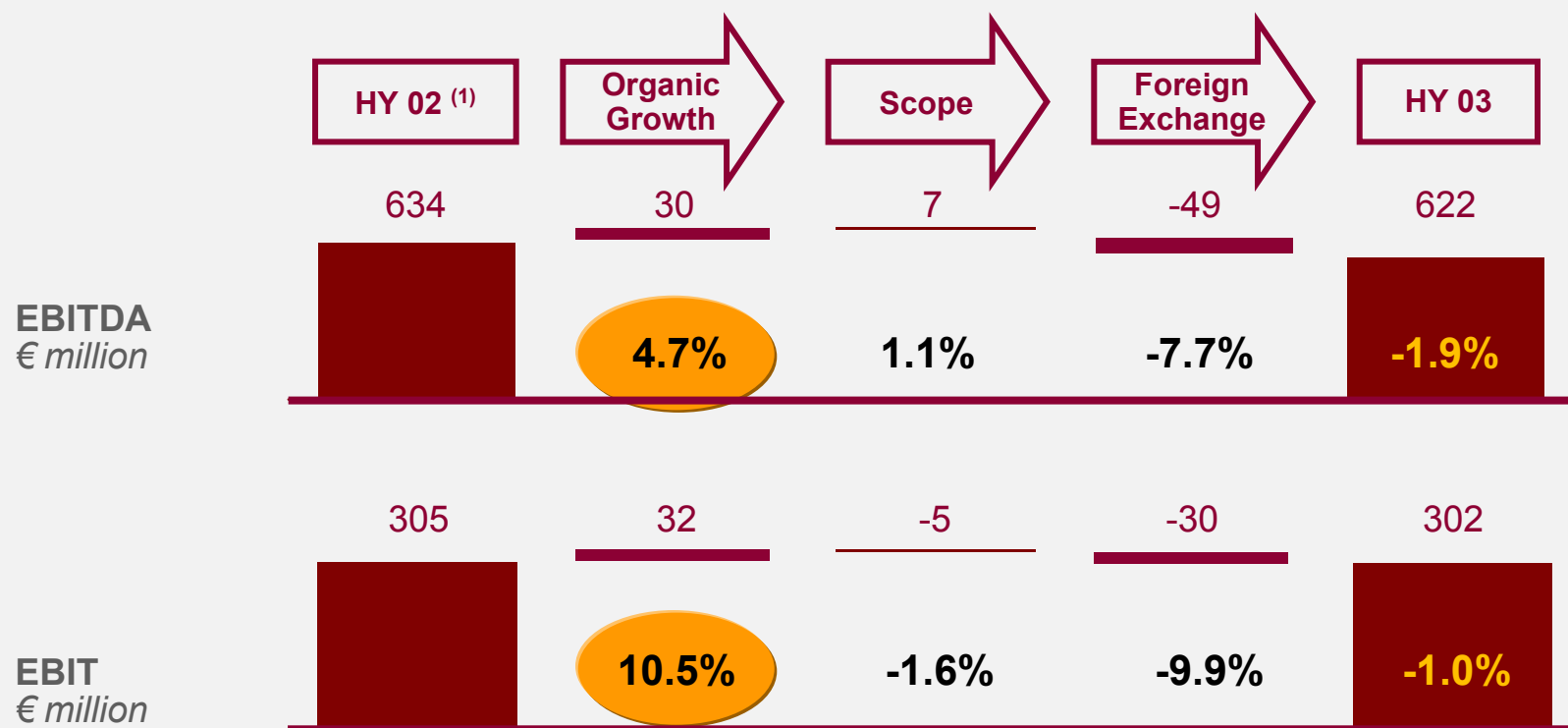
- > Market share increase in almost all of our markets
- > Disciplined brand building
- > Successful innovation
- > Strong organic volume growth
- > Organic EBIT growth confirms strength of Interbrew's underlying business

Breakdown of HY03 Results



Fully controlled volume

Continued Delivery of Underlying Organic Growth

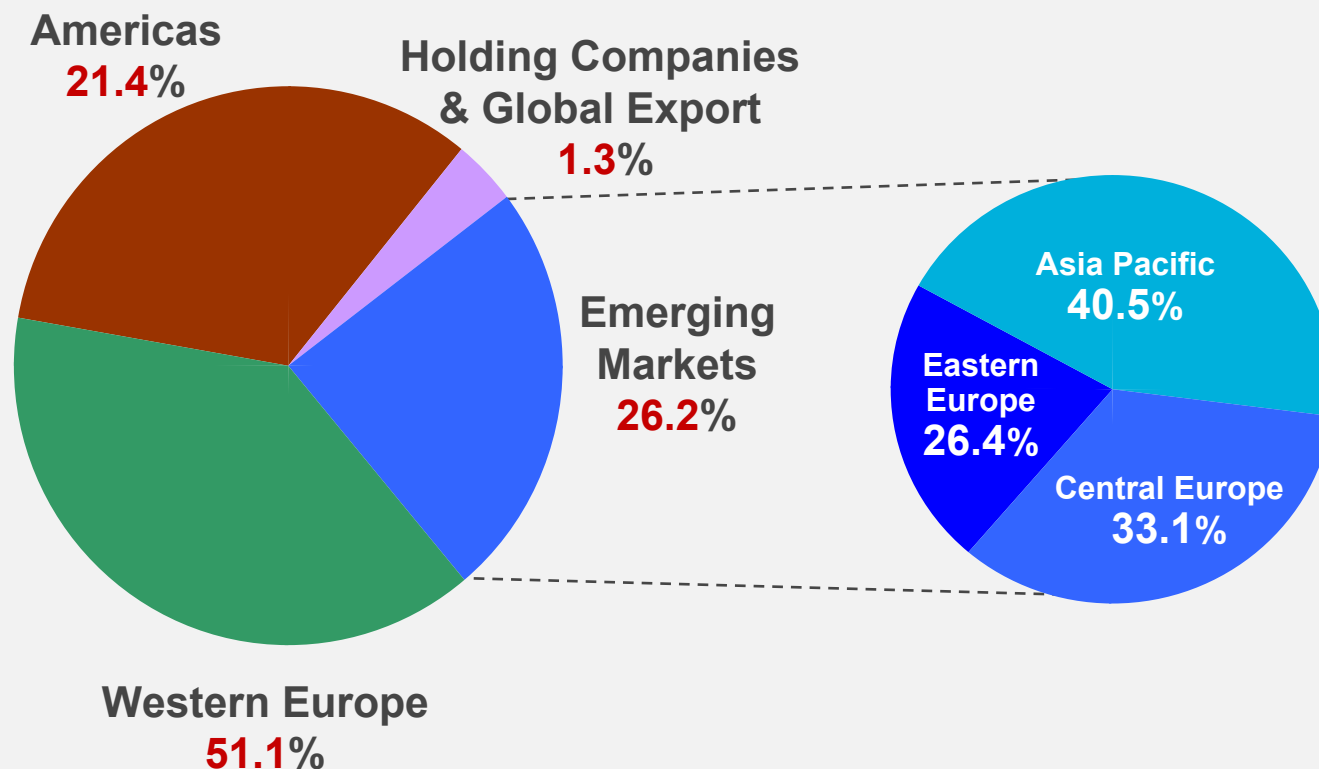


(1) Pre-restructuring

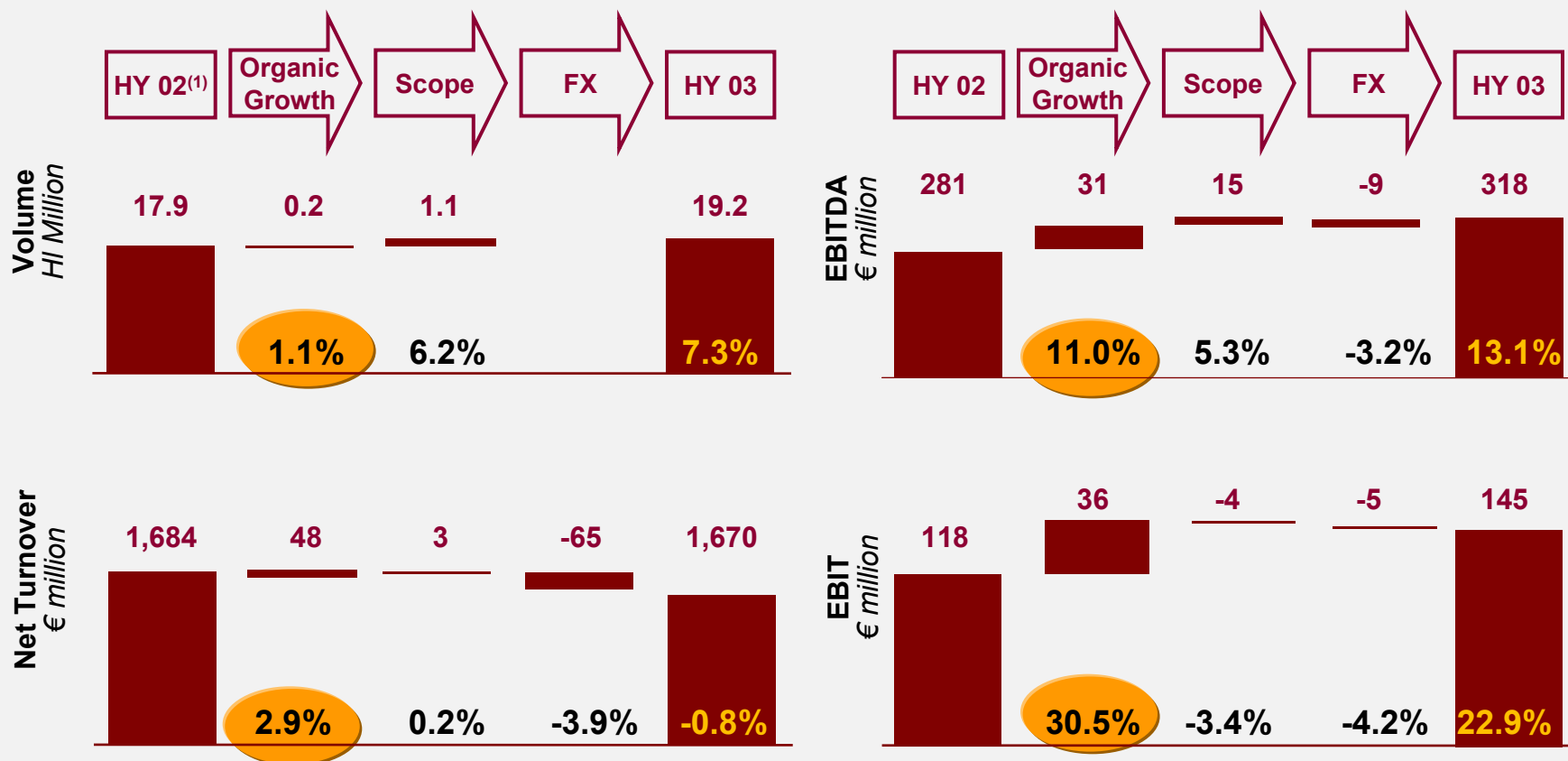
Diversified Geographic Reach

Total EBITDA
€ **622** m

Emerging Markets EBITDA
€ **163** m



Breakdown of Growth in Western Europe



(1) Pre-restructuring

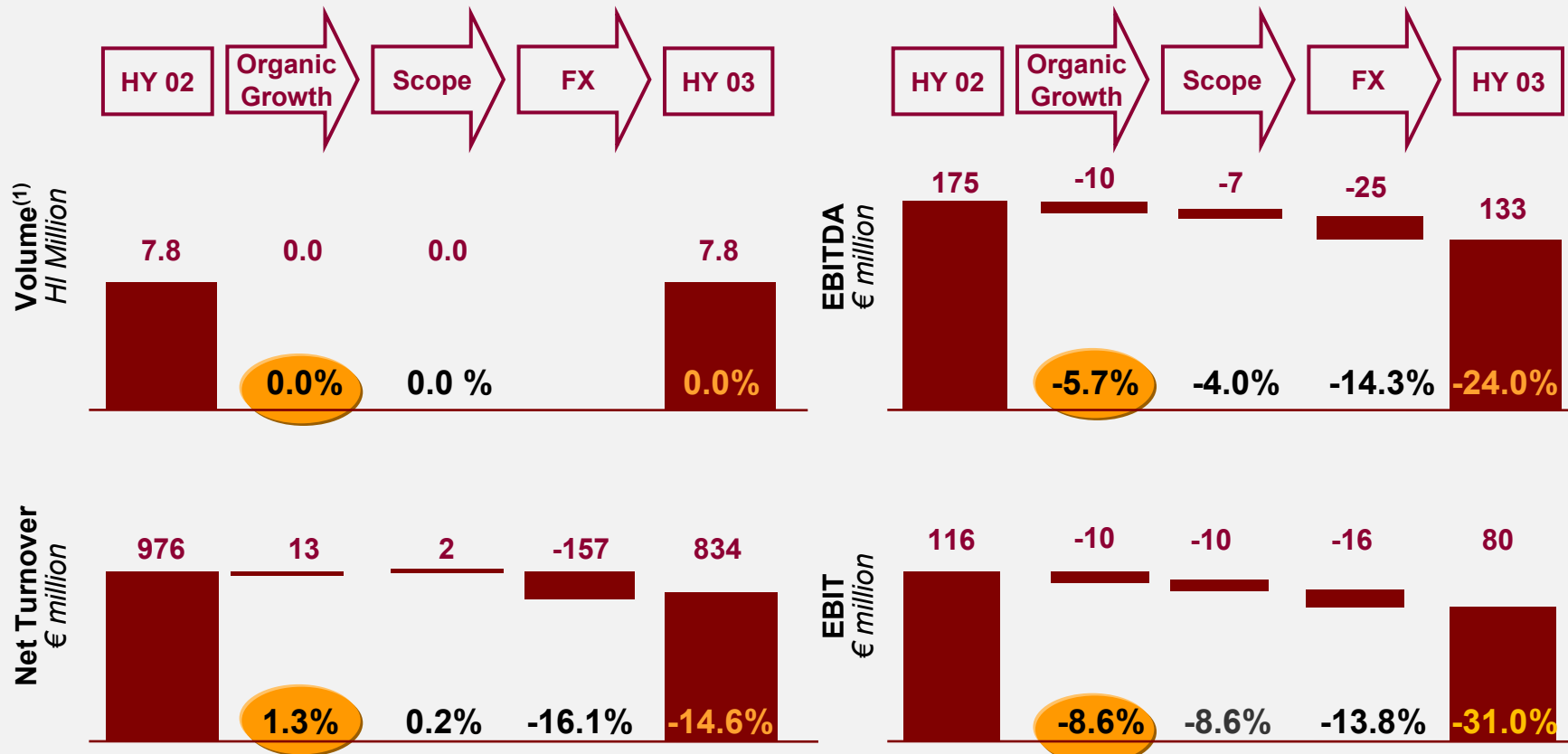
Out performing in Western Europe

Success confirmed by top 3 markets



- > **Belgium** stable share, margin improved;
- > **Germany** share up to 7.4%, margin improved;
- > **United Kingdom** share up to 18.4%, margins remained under pressure
- > Good share growth in other Western European markets

Breakdown of Growth in Americas



(1) Fully controlled volumes

Developments in the Americas



Canada - Good Growth

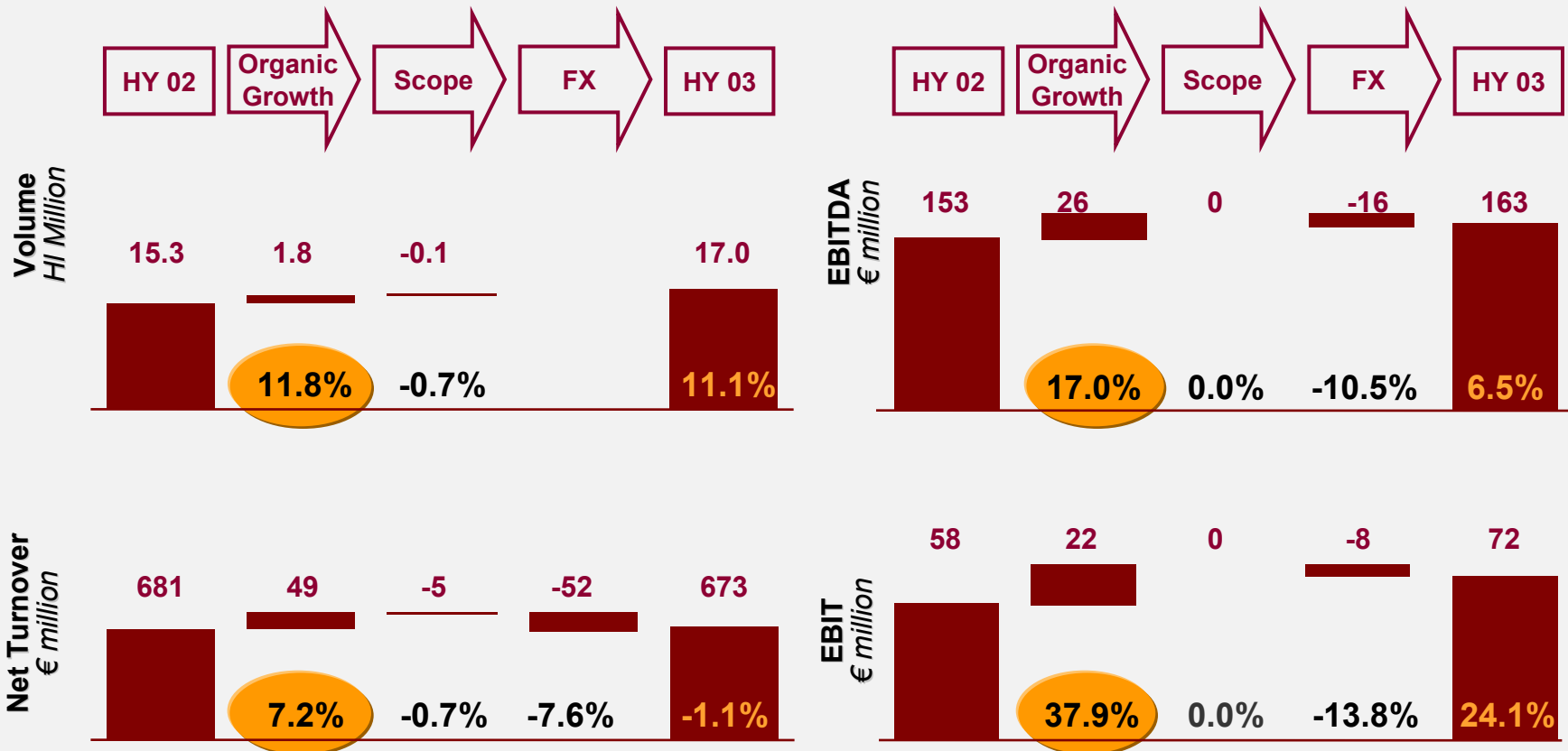
- > Market share up
- > Volume OSBC organic growth +23%
- > Cost Montreal strike: EUR 10 million in HY03

US - Soft Market

- > US import segment ⁽¹⁾ -1.4%
- > Shipments:
 - Canadian brands -2.1%; Mexican brands -2.9%
 - Stella Artois +55.3%
 - Successful integration of Bass Ale
 - Beck's relaunched; volume -12.7%
 - Inventory levels reduced from 48 to 26 days
- > Import depletions of Labatt USA +1.5%

(1) Source: Beverage Market Company

Breakdown of Emerging Markets Growth



Sustained Growth in Central Europe



- > Satisfying market share development in all countries
- > Central Europe: expand innovation benefits to improve both volume & profitability
- > Organic growth volume +8.0%
- > Organic growth EBITDA +11.2%

Excellent Growth in Eastern Europe



- > Market share Russia 14.4% (+2.7%)
- > Market share Ukraine 34.0% (+3.4%)
- > Excellent brand performance
- > Margin improvement through pricing and innovation
- > Organic volume + 25.5%
- Organic EBITDA + 37.0%

Continued growth in Asia/Pacific

South Korea

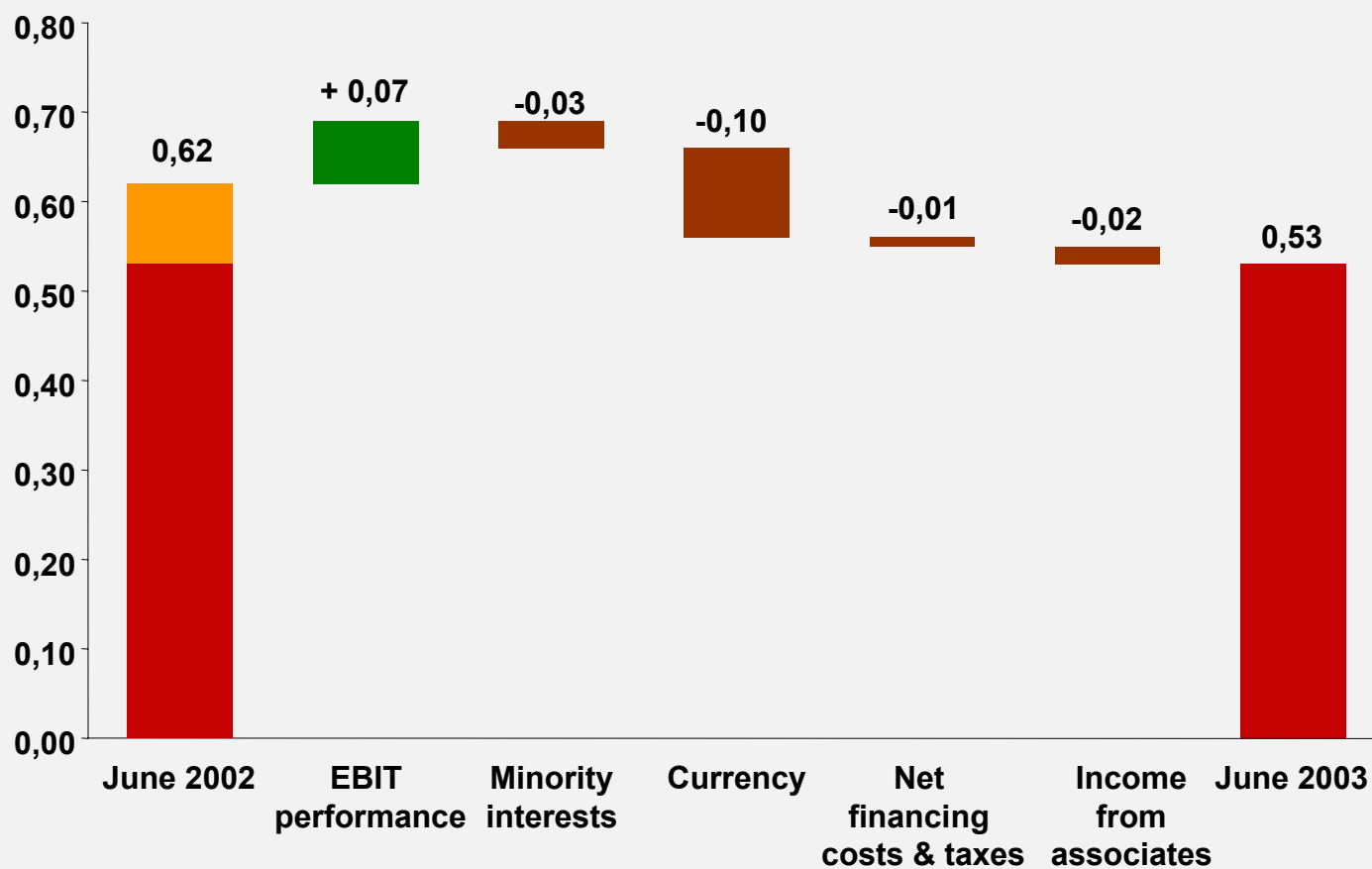
- > Market share stable since Dec 02
- > Promising brand health of OB
- > Margin improved due to 6% price increase



China

- > KK Group not yet included, early volume & results are encouraging
- > Good volume growth at Nanjing & Zhujiang

EPS Analysed



Today's Agenda

(1) Presentation HY03 Results

(2) Our Growth Strategy

Key Commitments

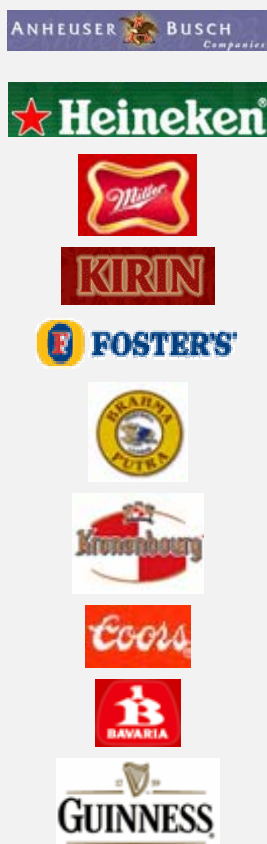
Greater operational focus

Acquisition policy

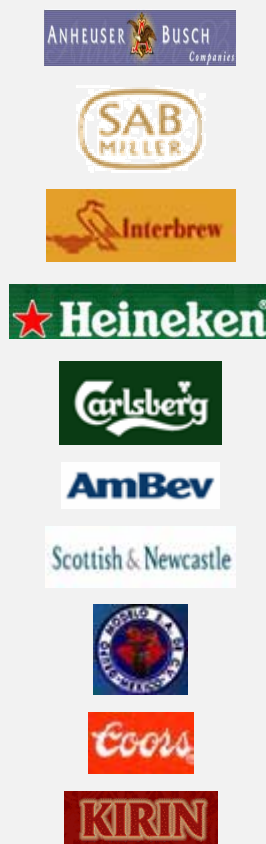
People development

Interbrew has Outperformed Historically

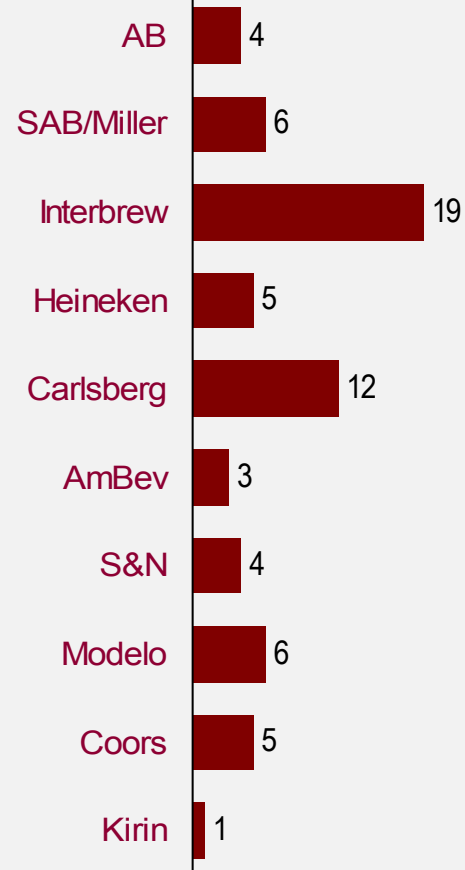
Top 10 brewers in 1992



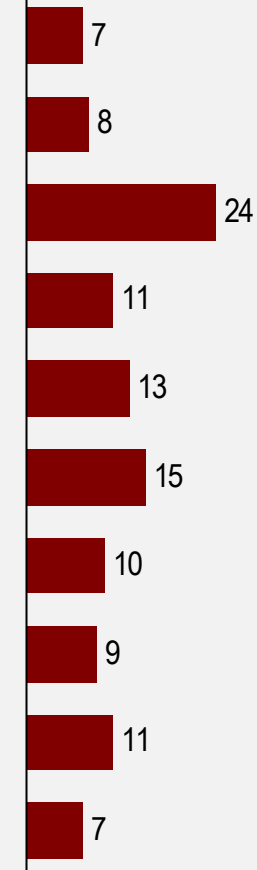
Top 10 brewers in 2002



Volume CAGR 1992-02



EBITDA CAGR 1992-02



Source: Canadean, Company websites, Bloomberg, Global Vantage

New Sources of Value

Industry in the past

- > Rapid industry consolidation
– Being first in acquisition
- > Developing leverage in large/home markets
- > Building capabilities



Industry in the future

- > Multi-faceted strategies
– well executed
- > Speed to quickly capitalize on new opportunities/segments
- > Leveraging existing platforms
- > Developed market growth with global brands, innovation
- > Leveraging capabilities, driving costs, capturing synergies

Interbrew Springboard for Growth

Today's Platform

Broad geographic base

- > Emerging “high growth” markets
- > Developed “cash flow” markets

Diverse Brands

- > Local & some global brands
- > Local marketing expertise

People

- > Entrepreneurial, winning team
- > Local experts, but with limited best practice, limited integration

Execution

Execution

Execution

Tomorrow's Opportunity

Coherent Presence

- > More exposure to growth
- > More leverage/efficiency

Integrated Brand Portfolio

- > Building global brands faster
- > World-class brand approaches

People, Processes, Systems, Culture

- > More good, empowered people
- > More insights, metrics, discipline, and integration and best practice



Winning with Brands, Winning with Local Consumers

Local Leadership Brands

>200 Local Brands

Cash Flow generation
Share leverage, synergy
Renewed growth



Global Powerhouse Brands

Beck's, Stella Artois

Fastest growing brands
Shifting overall margin
Global synergy



Global Strategic Specialty Brands

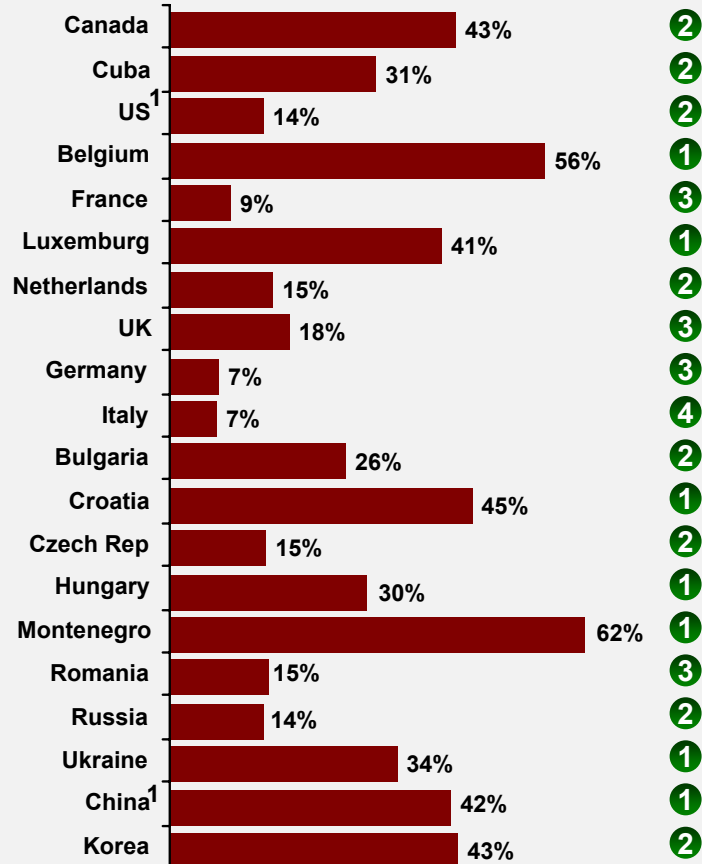
Hoegaarden, Leffe

Fastest growing specialties
10 new markets in 2003
New occasion targeted

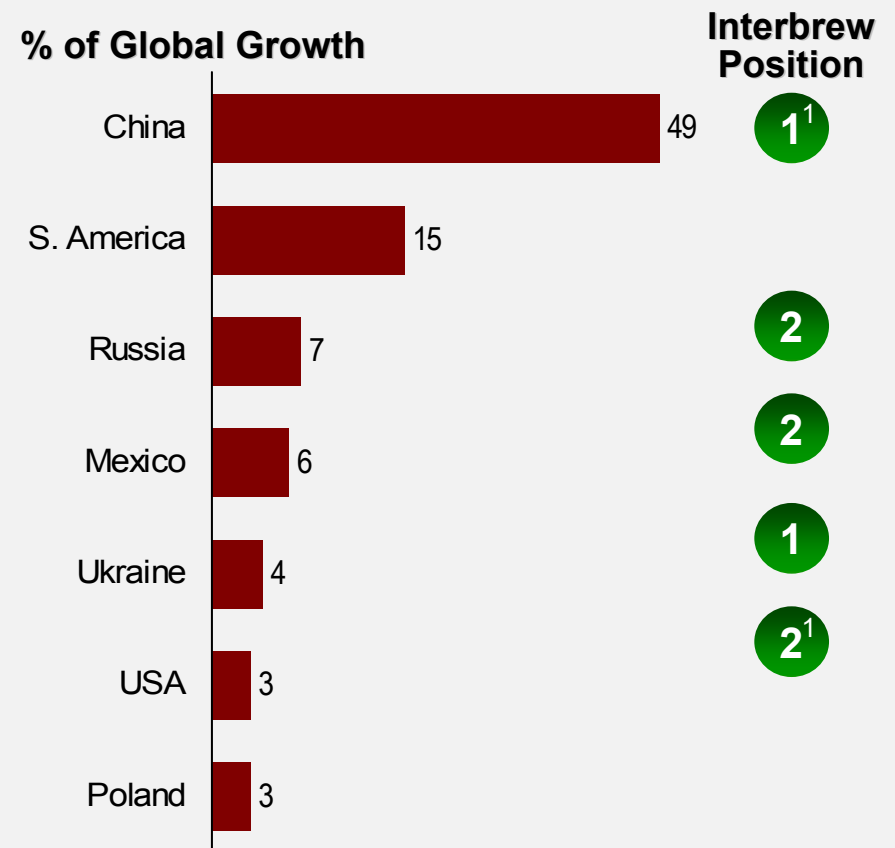


Accelerated Value Creation via Integrated Organic/External Growth

Top 20 Interbrew Markets



Highest Growth Beer Markets



¹ of markets or segments in which we compete 23

Disciplined Acquisition Criteria

Strategic assessment

- > Attractiveness of the market
- > Achieving a critical mass
- > Reinforcing existing positions

Integration assessment

- > Brewery footprint
- > P.O.S leverage/ geographic fit
- > Brand quality and portfolio fit
- > Ease and specifics of integration

Transaction assessment

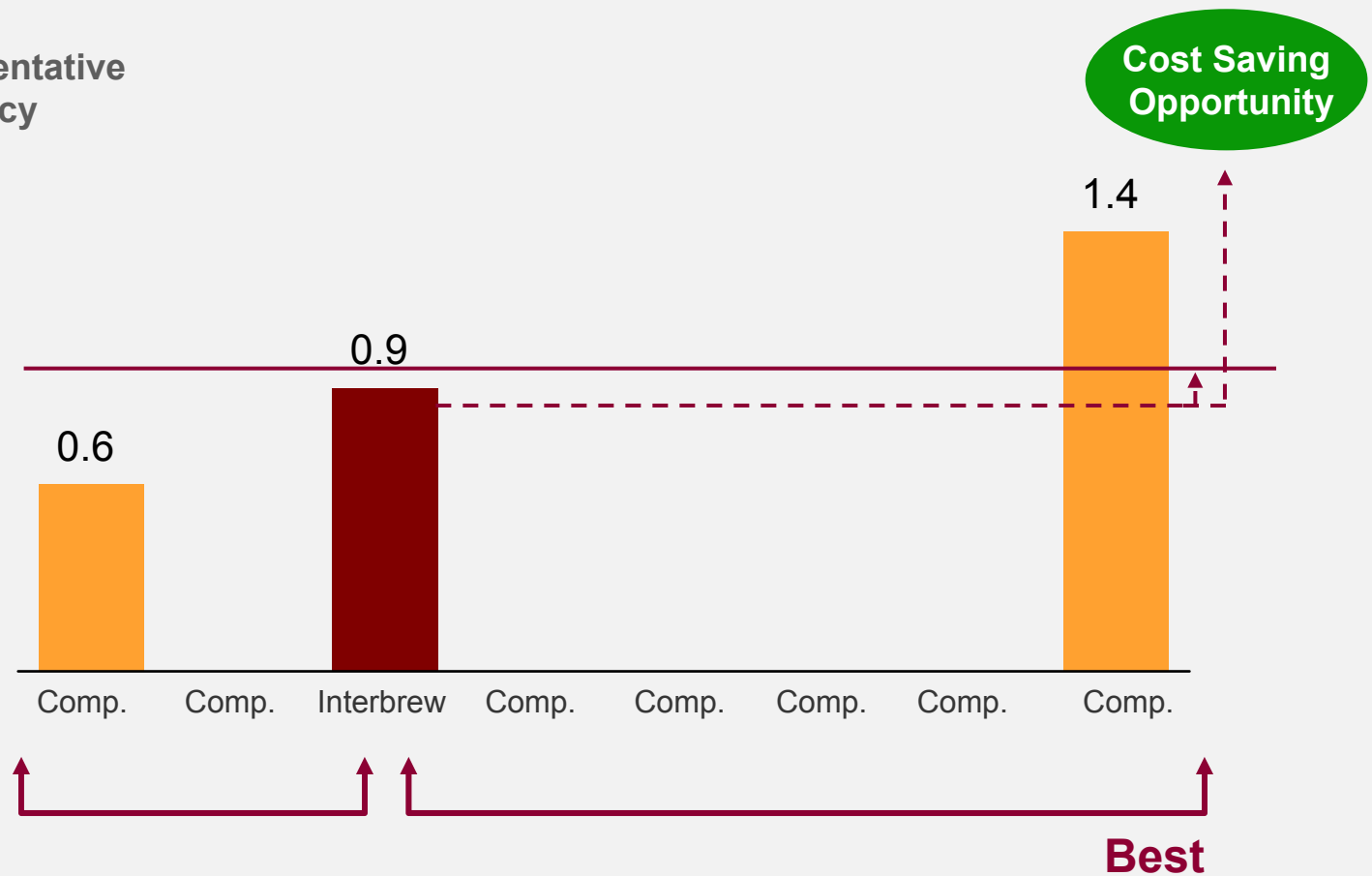
- > Ease of execution
- > Next steps to closing
- > Regulatory constraints

Financial criteria

- > ROIC > WACC
- > EV/ EBITDA
- > Accretion/ Dilution
- > Euro/ hl

“World Class Efficiency - More Effective at a Lower Cost than Competition”

Representative
Efficiency
Index



Implications - Outperforming the Market

Strategic Themes

Winning with brands and superior/integrated brand building

Accelerated value creation with focused and disciplined M&A

World-class efficiency, More effective @ lower cost than competition

Performance Metrics

- > Volume and share growth superior to industry
- > Outperforming global brands
- > Number of #1 Markets
- > Value creating acquisitions
- > Operating efficiency in top tier of peer group
- > EBITDA margin improvement

Focus

Imagine

Win

Enablers

- > World Class People
- > Discipline & Integration, Best in Industry practices
- > Empowered, high performance, entrepreneurial culture

Outlook

- > Organic volume growth
- > Organic EBIT growth

- > Even at current FX rates
 - EPS 03 slightly below
EPS 02 pre restructuring

Annexes

Sound Financial Structure

	June 2002	June 2003
Net Financial Debt	€2,741m	€2,756m
Net Financial Debt / EBITDA	1.9x	1.9x
Cash Interest Cover	5.4	7.3

Below EBIT

	HY02	HY03
EBIT	€244m	€302m
Net financing costs	- 59m	- 74m
Income from associates	36m	20m
Income tax expense	- 48m	- 57m
Minority interests	- 8m	- 20m
Net profit from ordinary activities	€165m	€171m

Return on Invested Capital

- > Consolidated total
- > Adjusted for investments with no EBIT contribution

HY'03	HY'02	Basis Points Change (HY'03 vs HY'02)
10.1%	10.4%	(30)
11.7%	12.0%	(30)

Split of Invested Capital

