# PRESS RELEASE



*The enclosed information constitutes regulated information as defined in the Royal Decree of 14 November 2007 regarding the duties of issuers of financial instruments which have been admitted for trading on a regulated market.*

# Anheuser-Busch InBev reports Full Year and Fourth Quarter 2008 results

*Except where otherwise stated, the analyses below are based on organic figures and refer to FY08 versus FY07 and also 4Q08 versus 4Q07. To facilitate the understanding of Anheuser-Busch InBev's underlying performance, the comments in this press release, unless otherwise indicated, are based on organic and normalized numbers. Given the transformational nature of the transaction with Anheuser-Busch, we present in this press release the 2007 consolidated volumes and results on a pro-forma basis (including pro-forma financials of Anheuser-Busch for the last 6 weeks of 2007, providing a fair view of the underlying organic performance of our business). The reporting currency in the text is euro, except otherwise stated. Please also refer to page 15 regarding the reporting currency.*

## INTEGRATION FASTER THAN ANTICIPATED – REFINANCING ON TRACK

- Synergies from the combination with Anheuser-Busch now expected to reach 2.25 billion USD with 250 million USD already captured in 2008, and 1 billion expected in 2009
- Approximately 19 billion USD raised since the transaction closed: 9.8 billion USD to pay down the equity bridge facility, and 9 billion USD to refinance and repay short term facilities
- We now expect 2009 total capital expenditures at least 1 billion USD lower than full year pro forma 2008, and to release at least 500 million USD from working capital efficiencies in the United States

## FY08 and 4Q08 HIGHLIGHTS

- **Volume performance:** Total FY08 volumes were flat, with own beer volumes off 0.3%. However, our focus brands volumes grew 2.6%. Soft drinks in FY08 delivered volume growth of 4.9%. For 4Q08, total volumes declined 1.8%, own beer volumes down 2.0%, with focus brands 0.1% lower. Soft drinks volumes grew 1.6%.
- **Market share gains:** We gained market share in 7 out of our top 10 markets in 2008: United States, Argentina, Germany, Belgium, South Korea, Canada and the UK.
- **Revenue Growth:** Our total revenues for FY08 grew 5.2% and revenues per hectoliter[1] increased 5.6% reflecting the continued improved product mix and revenue management activities implemented across our businesses. In the fourth quarter, total revenues increased 4.2% and 7.1% per hectoliter, as year end price actions took effect.
- **Cost of Sales:** Our total Cost of Sales (CoS) for FY08 increased by 8.3% overall and 9.1% on a per hectoliter basis[2] due to inflationary and commodity pressures. In 2008, we saw the combined effects of lower than expected volume growth in Zones with below average CoS/hl especially in Latin America North and Central and Eastern Europe, and the spread of industrial fixed costs over lower than expected volumes. Fourth quarter CoS increased by 5.8%, or 10.1% per hectoliter.
- **EBITDA:** Normalized EBITDA for FY08 of 5 334 million euro grew 4.6%, and normalized EBITDA margin for FY08 was 33.1% compared to 32.7% in 2007, down 15bp on an organic basis, i.e. after eliminating the effects of currency translation and scope changes. 4Q08

[1] Excluding US entertainment and packaging activities
[2] Excluding US entertainment and packaging activities

normalized EBITDA grew 5.3% to 1 720 million euro, resulting in an EBITDA margin of 32.8%, an organic increase of 45bp.

- **Earnings per share growth:** Normalized EPS[3] was 1.71 euro for FY 2008, a decrease of 10.5% on a reported basis, primarily due to higher financing costs.
- **Dividends:** In accordance with our commitment to deleverage the company, the Anheuser-Busch InBev Board proposes to pay a dividend of 0.28 euro or approximately 450 million euro, similar to the total amount paid in 2007. In 2008, we paid 2.44 euro per share. The dividend payment is subject to shareholder approval. The shares will trade ex-coupon as of 29 April 2009 and dividends will be payable as from 5 May 2009.

**Figure 1: Consolidated performance (million euro)**

| | FY08 | FY07 reported | FY07 Pro forma | Organic growth Pro forma |
|---|---|---|---|---|
| Total volumes (thousand Hls) | 284 719 | 270 611 | 285 644 | 0.0% |
| Total beer volumes | 242 116 | 229 978 | 245 005 | -0.8% |
| Of which InBev own beer | 237 405 | 223 917 | 238 917 | -0.3% |
| Non-beer volumes | 42 604 | 40 634 | 40 639 | 4.9% |
| Revenue | 16 102 | 14 430 | 15 576 | 5.2% |
| Gross profit | 8 980 | 8 494 | 8 871 | 2.9% |
| Normalized EBITDA | 5 334 | 4 992 | 5 091 | 4.6% |
| Normalized EBIT | 4 022 | 3 920 | 3 933 | 2.1% |
| Profit attributable to equity holders of InBev (normalized) | 1 711 | 1 863 | | |
| Profit attributable to equity holders of Inbev | 1 288 | 2 198 | | |
| | | | | |
| Normalized earnings per share (euro) | 1.71 | 1.91 | | |
| Earnings per share (euro) | 1.29 | 2.25 | | |
| | | | | |
| **Margins** | | | | |
| Gross margin | 55.8% | 58.9% | 57.0% | -124 bp |
| Normalized EBITDA margin | 33.1% | 34.6% | 32.7% | -15 bp |
| Normalized EBIT margin | 25.0% | 27.2% | 25.3% | -72 bp |

[3] The detailed EPS calculations, including the calculation of the weighted average number of shares in accordance with IAS 33, can be found in the Annual Report – note 24

# PRESS RELEASE



| | 4Q08 | 4Q07 reported | 4Q07 Pro forma | Organic growth Pro forma |
|---|---|---|---|---|
| Total volumes (thousand Hls) | 85 424 | 72 325 | 87 358 | -1.8% |
| Total beer volumes | 72 714 | 59 793 | 74 820 | -2.3% |
| Of which InBev own beer | 71 641 | 58 417 | 73 417 | -2.0% |
| Non-beer volumes | 12 710 | 12 533 | 12 538 | 1.6% |
| Revenue | 5 247 | 3 881 | 5 027 | 4.2% |
| Gross profit | 2 711 | 2 309 | 2 685 | 2.7% |
| Normalized EBITDA | 1 720 | 1 467 | 1 566 | 5.3% |
| Normalized EBIT | 1 258 | 1 193 | 1 206 | 1.2% |
| Profit attributable to equity holders of InBev (normalized) | 351 | 581 | | |
| Profit attributable to equity holders of Inbev | 49 | 900 | | |
| Normalized earnings per share (euro) | 0.35 | 0.60 | | |
| Earnings per share (euro) | 0.05 | 0.92 | | |
| **Margins** | | | | |
| Gross margin | 51.7% | 59.5% | 53.4% | -73 bp |
| Normalized EBITDA margin | 32.8% | 37.8% | 31.2% | 45 bp |
| Normalized EBIT margin | 24.0% | 30.7% | 24.0% | -67 bp |

Anheuser-Busch InBev's FY08 and FY07 reported numbers are based on audited consolidated financial statements prepared in accordance with IFRS. Unless otherwise indicated, amounts are presented in million euro. Given the transformational nature of the transaction with Anheuser-Busch we are presenting the 2007 consolidated volumes and results up to normalized EBIT on a pro-forma basis, i.e including pro-forma financials of Anheuser-Busch for the last 6 weeks of 2007 in the comparative basis and as such these financials are included in the organic growth calculation.. To facilitate the understanding of Anheuser-Busch InBev's underlying performance, the analyses of growth, including all comments in this press release, unless otherwise indicated, are based on organic numbers. In other words, financials are analyzed eliminating the impact of changes in currencies on translation of foreign operations, and scopes. Scopes represent the impact of acquisitions and divestitures, the start up or termination of activities, or the transfer of activities between segments.
Whenever used in this document, the term "normalized" refers to performance measures (EBITDA, EBIT, Profit, EPS) before non-recurring items. Non-recurring items are either income or expenses which do not occur regularly as part of the normal activities of the company. They are presented separately because they are important for the understanding of the underlying sustainable performance of the company due to their size or nature. Normalized measures are additional measures used by management, and should not replace the measures determined in accordance with IFRS as an indicator of the company's performance. Values in the figures and annexes may not add up, due to rounding. EPS based upon weighted average of 999 (4Q08 and FY08).

## MANAGEMENT COMMENTS

Our dream is to become the Best Beer Company in a Better World.

This dream took a significant step towards becoming a reality with the creation of Anheuser-Busch InBev in November of 2008. We are now not just the largest and most profitable beer company in the world, but we are also one of the world's leading consumer goods companies with a pro forma EBITDA of approximately 8.2 billion euro in full year 2008. This accomplishment was made possible by the strengths generated from the prior combination of AmBev and Interbrew just five years ago. As we look forward to the next five years, we are even more optimistic about the potential created by the combination of Anheuser-Busch and InBev. Our confidence is supported not just by the enhancement of our global position, but by our ability to attract talented people who share our dream and further enhance our unique culture. Our constant and relentless pursuit of excellence gives us confidence as we look forward during these challenging times.

On the operational side, we delivered EBITDA growth of 4.6% while our EBITDA margin decreased 15 bps, closing the year at 33.1%. Since InBev's creation in 2004, our EBITDA margin has increased as follows: 24.7% in 2004, 28.6% in 2005, 31.9% in 2006, 32.7% in 2007 including pro forma financials of Anheuser-Busch for the last six weeks of 2007, to 33.1% in 2008.

Our top line grew 5.2% compared to the previous year. This was primarily achieved through price and revenue management initiatives, as industry volumes were weak throughout our markets.

Consolidated volumes were essentially flat with own beer volumes decreasing 0.3% and soft drinks volume growing 4.9%. Importantly, our focus brands grew 2.6%. Our focus brands are those with the highest growth potential within each relevant consumer segment and where we make the greatest marketing investment.

2008 was a year in which we saw good progress in our top 10 markets and with our focus brands:

- U.S.: Anheuser-Busch gained 0.5 pp of market share. Bud Light Lime was ranked as the number one product launch in the entire consumer goods industry by IRI in 2008
- Brazil: We closed the year with an average market share of 67.5%, a contraction of 0.3 pp as year-end 2008 price increases were not immediately followed by competitors
- Canada: Our business posted a share gain of 0.2 pp, after many years of share decline. Budweiser and Bud Light continued to grow and achieved record share levels
- Argentina: We had a good year of market share growth in Argentina, up 1.9 pp compared to the previous year. Stella Artois is the number one international beer brand in Argentina
- Belgium: We increased our share by 0.2 pp. The Jupiler family performed well. Jupiler Tauro was launched and achieved good acceptance by our consumers
- U.K.: Our market share grew 0.4 pp of which the Stella Artois family represented 0.2 share points. Stella Artois 4% was a very successful launch
- Russia: We lost 0.8 pp of market share as we shifted emphasis to the premium segment
- South Korea: We gained 1.2 pp of market share. Cass is the fastest growing top 5 beer brand in South Korea for the second year in a row.
- China: In the three provinces that represent more than 80% of our business (Zhejiang, Fujian and Jiangxi) our market share fell slightly, however Harbin showed a good performance in the North East
- Germany: We increased our share 0.4 pp and Beck's posted another year of great performance with volume growth of 5%

On the cost side, our operating expenses increased 3.6%, below the average inflation rate of 5-6% for 2008. Cost of Sales (CoS) per hl increased 9.1%, which is 3.1% above the upper-end of our previous expectation, which was 5-6%. This performance was primarily driven by the combined effects of lower than expected volume growth in Zones with below average CoS/hl (Latin America North and Central & Eastern Europe) and the spread of industrial fixed costs over lower than expected volumes.

As a result of missing our targets in 2008, the CEO and most members of our Executive Board of Management will not receive a bonus this year. This is a concrete example of the ownership culture that we believe in at Anheuser-Busch InBev - that management incentives must be totally aligned with shareholders' interests.

2008 was, however, also a memorable year for all of us. The combination between Anheuser-Busch and InBev was not only an unprecedented transaction that reshaped the beer industry, but it also created a world class consumer goods company that ranks in the top tier globally in terms of sales and EBITDA.

An Integration Committee was established in July 2008 following the signing of the merger agreement. The mandate of the committee was to identify prior to closing, subject to all applicable legal restrictions, best practices from InBev and Anheuser-Busch.

Since closing the transaction on 18 November 2008, the integration process has progressed quickly delivering 250 million USD of synergies in 2008. We now feel confident enough to increase our synergy projection from the original 1.5 billion USD to 2.25 billion USD, with approximately 1 billion USD captured in 2009 and the balance in the following two years. Our teams are highly motivated and in full delivery mode.

At the time of the creation of InBev in 2004, EBITDA margin expansion was identified as the ultimate metric to measure the successful integration of Interbrew and AmBev.

In integrating InBev and Anheuser-Busch, the metric by which we will judge ourselves in the first five years will be the Net Debt to EBITDA ratio, which will have a significant impact on our variable pay. The Net Debt to EBITDA ratio not only measures EBITDA growth and EBITDA margin expansion, but also relevant drivers of cash flow generation, fully consistent with our commitment to quickly deleverage our company.

Looking out on 2009, our fundamentals remain strong, and we expect our margins to expand. Thus far, our pricing actions are holding and overall volume performance remains stable. To achieve these results, we will move with greater pace and urgency in 2009:

- Over-delivering on the synergies to be captured in 2009 as compared to our original expectations
- Maintaining pricing discipline in relevant markets while continuing to support our focus brands
- Continuing to execute at least 7 billion USD in divestitures
- Reducing 2009 Capital Expenditure by at least 1 billion USD from pro forma 2008 while not compromising the quality of our products and the safety of our people

- Continuing to strive for working capital improvements at the former InBev, while releasing at least 500 million USD in working capital from the former Anheuser-Busch
- Enhancing the maturity and currency profile of our outstanding debt.
- Optimizing the effective tax rate of the combined company towards the 25-27% range

In 2009 we will continue to build on the platforms of our business model: our Dream/People/Culture platform, market execution capabilities, brand building skills, strict cost control and cash flow generation. While current market conditions pose significant challenges, demand for beer in our two major markets remains stable and our market share high. Moreover, we have strong market share momentum in most of our key regions, led by our focus brands and enhanced marketing efforts. Our People are our primary sustainable competitive advantage. The combination of Anheuser-Busch and InBev has significantly strengthened our talent pipeline and enriched our culture.

In summary, despite the challenging conditions in 2008, our people are energized and excited about our future and the pursuit of our Dream of building The Best Beer Company in a Better World.

## BRANDS UPDATE

Our focus brands, i.e., those with greater growth potential within each relevant consumer segment, have performed well. For FY08, they significantly outperformed total and own beer sales, with volume growth of 2.6% even in a difficult environment, and fell just 0.1% in 4Q08.

Our global brands, Stella Artois and Beck's, grew 0.3% in 2008. Stella Artois delivered strong double digit growth in Canada, Argentina and the US, offset by soft volumes in other markets. Beck's performance was positive in many countries such as the UK and Germany, but the brand experienced volume loss in the US.

We have further consolidated our single marketing language globally – the language of the **"Values Based Brands".** We have given it a comprehensive definition, including metrics in our World Class Commercial Program, shared by both the Marketing and Sales functions. For each country, we have translated our marketing ability into an objectively quantifiable element in our target setting and performance culture, allowing for cross-country comparison, best practice sharing, and targeted training and development.

We continued to invest in brand building, increasing our spending on marketing and sales, as reflected in the increase of commercial expenses of 8.4% in 2008. We intensified our **product renovation and innovation**, which has further improved the performance of our focus brands. Our innovative Stella Artois 4%, launched in 3Q 2008, delivered very good results in the fourth quarter and supported the Stella Artois brand's first market share gain in the UK since 2003.

## CONSOLIDATED VOLUMES

**Figure 2. Volumes (thousand hls)**

| | Pro forma FY07 | Scope | Organic growth | FY08 | Organic growth |
|---|---|---|---|---|---|
| North America | 25 734 | 83 | 788 | 26 605 | 3.1% |
| Latin America - North | 100 877 | -323 | 965 | 101 519 | 1.0% |
| Latin America - South | 30 524 | 0 | 3 174 | 33 698 | 10.4% |
| Western Europe | 36 308 | -850 | -1 705 | 33 753 | -4.8% |
| Central and Eastern Europe | 49 137 | 0 | -2 994 | 46 142 | -6.1% |
| Asia Pacific | 38 299 | 0 | 38 | 38 337 | 0.1% |
| Global Export and Holding Companies | 4 765 | 68 | -167 | 4 666 | -3.4% |
| **InBev Worldwide** | **285 644** | **-1 023** | **99** | **284 719** | **0.0%** |

| | Pro forma 4Q07 | Scope | Organic growth | 4Q08 | Organic growth |
|---|---|---|---|---|---|
| North America | 16 321 | 0 | 670 | 16 990 | 4.1% |
| Latin America - North | 31 344 | -369 | -477 | 30 498 | -1.5% |
| Latin America - South | 9 832 | 0 | 732 | 10 565 | 7.4% |
| Western Europe | 9 135 | -26 | -857 | 8 252 | -9.4% |
| Central and Eastern Europe | 10 645 | 0 | -1 224 | 9 421 | -11.5% |
| Asia Pacific | 9 046 | 0 | -294 | 8 752 | -3.3% |
| Global Export and Holding Companies | 1 035 | 0 | -89 | 946 | -8.6% |
| **InBev Worldwide** | **87 358** | **-396** | **-1 539** | **85 424** | **-1.8%** |

Consolidated volumes for FY08 were flat. Anheuser-Busch InBev's own beer volumes decreased 0.3%, slightly ahead of overall beer volumes, which declined by 0.8%, as a result of the ongoing focus on growing our own branded volumes. For 4Q08 total volumes fell 1.8%, own beer declined 2.0% and total beer decreased 2.3%. Soft drinks volumes grew 4.9% in FY08 and 1.6% in the 4Q08.

**North America**

Our total FY08 volumes increased 3.1%, and 4.1% in 4Q08, including the Anheuser-Busch US beer volumes as of November 18, 2008 and in the comparison base in 2007, providing a fair view of the underlying organic performance of our combined North American business.

In **Canada**, FY08 own beer volumes grew 1.1%, and our brands, especially Budweiser and Bud Light, performed well. In 4Q08, our own beer volumes grew 1.6%.

Imports to Canada have maintained their strong volumes, led by Stella Artois. The launch of the Stella Artois Légère line extension drove the double-digit growth and brand health improvement for the Stella Artois brand. In addition, we gained 0.2 market share points in the country, driven by share gains in Quebec and the Prairies.

Since 18 November 2008, **United States** domestic beer volumes delivered organic shipment volume growth of 4.9%, compared to the same period in 2007.

In FY08, domestic **US beer shipments** grew 1.6%, ahead of the industry, leading to shipment share gains of 0.5 share points. This share gain was driven by wholesaler inventory levels returning to a normal level by year-end and the successful introduction of Bud Light Lime.

Domestic US beer **sales-to-retailer (STRs)** increased 1.1%, and STR share grew 0.2 points, driven by strong gains in the Supermarket/Supercenter segments. In addition to this, share performance improved across all major retail channels in the second half of 2008.

Shipment volumes of our **European imports into the US** declined 1% in FY08. However, Stella Artois shipments maintained their strong growth and delivered 17.8% growth for FY08, while STRs of Stella Artois were 26.7% above last year. In 4Q08, shipments of our European brands declined by 20.8%.

## Latin America North

Volumes in Latin America North (LAN) were 1.0% higher in FY08, with beer flat and soft drinks growing 3.6%. For 4Q08, LAN volumes were 1.5% lower, with beer declining 2.2%, while soft drinks increased 0.1%, thanks to a strong performance in Peru.

In **Brazil**, FY08 beer volumes grew 0.2% as the weather continued to be colder and more humid than the same period in 2007. In addition, food inflation increased by twice the level of general consumer inflation, putting pressure on consumer spending. In 2008, due to our year-end price increases and aggressive competitor behavior in can pricing, our full year market share was 67.5%, a decrease of 0.3 points from the previous year. The performance of Stella Artois indicates its potential for the country, growing 39.8% in 2008, on a still small base. In 4Q08, Brazilian beer volumes declined 1.4%.

Our Brazilian soft drinks business posted volume growth of 2.8% for FY08, coupled with strong market share performance in Brazil throughout FY08. In 4Q08, soft drinks volumes declined 2.2%.

## Latin America South

The Latin America South Zone showed strong volume growth of 10.4% in FY08, with beer contributing 11.5% and non-beer 8.7%. 4Q08 volumes were 7.4% higher, with beer volumes up 8.8% and non-beer up 5.3%.

In **Argentina**, our FY08 beer volumes grew 11.4%, ahead of industry growth. Our strong performance results from our focus on the premium segment, as well as successful focus brand marketing and innovation initiatives. 2008 was a good year of market share growth in Argentina, up 1.9 pp compared to the previous year. Stella Artois is the number one international beer brand in Argentina, and grew almost 60% in 2008. Argentinean beer volumes grew 8.5% in 4Q08.

Soft drink volumes for FY08 grew 8.2% in Argentina, ahead of the industry, recording strong market share growth for FY08. In 4Q08 soft drinks posted 4.9% growth.

**Western Europe**

Own beer volumes for FY08 declined 1.3% due to industry weakness, especially in the UK and Belgium. The continuous significant decrease in lower value, non-branded products, fully consistent with our focus on deriving value from our own brand portfolio, led to a reported total FY08 volume decline of 4.8%. In 2008, most countries increased market share compared to last year. In the fourth quarter, reported volumes declined 9.4%, while own brands decreased 6.2%.

**Germany** continues to be a good example of the success of our brand building strategy in Western Europe. Sales of own beer volumes grew 3.5%, allowing us to increase market share by 0.4 points, while the industry continued to decline. This is mainly due to our decision to reduce production of third-party brands, focusing instead on our own brands Own beer volumes decreased 5.3% in the fourth quarter.

In **Belgium**, our own beer volumes for FY08 decreased 3.8%, due to weak industry conditions in general. Overall, despite the industry slowdown, we gained 0.2 points of market share in FY08. Fourth quarter own beer volumes were 8.7% lower.

In the **United Kingdom**, own beer volumes declined 2.7% in FY08. However, we gained 0.4 market share points in the FY08, of which the Stella Artois Family contributed 0.2 points, gaining market share for the first time since 2003. This demonstrates the potential of the brand and results of our focused activities. The launch of Stella Artois 4% has added further volumes to the Stella Artois family, with marginal cannibalization of the regular Stella Artois brand. The Beck's family also presented an impressive performance, as both Beck's Pils and Beck's Vier grew by strong double digits. Volumes in 4Q08 were 3.4% below last year.

**Central and Eastern Europe**

The FY08 decline in volumes in Central & Eastern Europe (CEE) of 6.1% is largely attributable to continued volume reductions in the less profitable brands in Russia and the Ukraine, as well as industry slowdown. The enhanced focus on growing the share of higher margin and premium brands has not yet fully offset the decline in the more affordable brands, but we are starting to see some early signs of recovery, especially in Ukraine. Volumes in CEE declined 11.5% in 4Q08 against a tough comparable period.

In **Russia**, FY08 beer volumes fell 12.4% due to weak industry volumes, and share losses in the value and price segments. However, we have maintained our focus on driving the market share of higher margin and premium brands such as Siberiahn Crown and Klinskoye, which showed positive volumes for FY08. Volumes in 4Q08 fell 21.1% due to inventory-building in 4Q07 ahead of a tax increase that took effect in January 2008.

In the **Ukraine**, FY08 beer volume decreased 0.7% also attributable to our focus on higher margin and premium brands, such as Chernigivske, which became the number one brand in the country towards the end of the year. We lost 0.4 points of market share in the Ukraine in FY08, although December 2008 already showed an improvement against December 2007 of more than one percentage point. Volumes in 4Q 08 declined 3.7%.

## Asia Pacific

In 2008, volumes increased 0.1% in Asia Pacific, as strong volume growth in Korea was offset by a slight volume decline in China. In 4Q08, volumes in the Zone declined 3.3%.

In **China**, volumes declined 1.2% in FY08 and market data indicates that the industry was weak in 2008. The Harbin business contributed with an organic volume growth of 7.9% in the six weeks since 18 November 2008 compared to the same period in 2007, which was offset by volume declines of 1.8% in the South East. On a full year pro forma basis, the Harbin business delivered volume growth of 4.7%. In the fourth quarter, China volumes declined 5.3%.

Our volumes in **South Korea** grew 6.1% in FY 08, which is about twice as fast as the industry, leading to a market share gain of 1.2 points. The Cass brand grew 11.9% in FY08. In the last 2 years, the Cass brand has gained 6.2 market share points. In addition to good volume performance, South Korea has also delivered strong profitability growth for the last two years. In 4Q08, South Korean volumes continued to grow strongly at a rate of 6.3%.

## CONSOLIDATED INCOME STATEMENT

**Figure 3. Consolidated Income Statement (million euro)**

| | FY07 reported | FY07 Pro forma | Scope | Currency translation | Organic growth | FY08 | Organic growth |
|---|---|---|---|---|---|---|---|
| **Revenue** | **14 430** | **15 576** | **-49** | **-235** | **810** | **16 102** | **5.2%** |
| Cost of sales | -5 936 | -6 705 | 19 | 116 | -551 | -7 122 | -8.3% |
| **Gross profit** | **8 494** | **8 871** | **-31** | **-119** | **259** | **8 980** | **2.9%** |
| Distribution expenses | -1 713 | -1 787 | 2 | 44 | -113 | -1 854 | -6.4% |
| Sales and marketing expenses | -2 134 | -2 274 | 17 | 48 | -188 | -2 396 | -8.4% |
| Administrative expenses | -990 | -1 133 | 55 | -2 | 73 | -1 006 | 6.9% |
| Other operating income/expenses | 263 | 255 | -6 | -6 | 55 | 298 | 20.2% |
| Normalized profit from operations (normalized EBIT) | 3 920 | 3 933 | 38 | -35 | 86 | 4 022 | 2.1% |
| Non recurring items above EBIT | 374 | | | | | -404 | |
| Net finance costs | -598 | | | | | -982 | |
| Non recurring net finance cost | 0 | | | | | -138 | |
| Share of results of associates | 1 | | | | | 47 | |
| Income tax expense | -649 | | | | | -445 | |
| **Profit** | **3 048** | | | | | **2 099** | |
| attributable to equity holders of InBev | 2 198 | | | | | 1 288 | |
| attributable to minority interests | 849 | | | | | 811 | |
| | | | | | | | |
| **Normalized EBITDA** | **4 992** | **5 091** | **54** | **-51** | **239** | **5 334** | **4.6%** |

| | 4Q07 reported | 4Q07 Pro forma | Scope | Currency translation | Organic growth | 4Q08 | Organic growth |
|---|---|---|---|---|---|---|---|
| **Revenue** | **3 881** | **5 027** | **-15** | **26** | **209** | **5 247** | **4.2%** |
| Cost of sales | -1 573 | -2 342 | 0 | -59 | -136 | -2 536 | -5.8% |
| **Gross profit** | **2 309** | **2 685** | **-14** | **-33** | **73** | **2 711** | **2.7%** |
| Distribution expenses | -442 | -516 | 2 | 12 | -43 | -544 | -8.4% |
| Sales and marketing expenses | -513 | -653 | 3 | -4 | -60 | -713 | -9.2% |
| Administrative expenses | -251 | -394 | 78 | -7 | 15 | -307 | 4.9% |
| Other operating income/expenses | 90 | 83 | 0 | -2 | 30 | 111 | 37.3% |
| Normalized profit from operations (normalized EBIT) | 1 193 | 1 206 | 70 | -33 | 15 | 1 258 | 1.2% |
| Non recurring items above EBIT | 339 | | | | | -292 | |
| Net finance costs | -145 | | | | | -489 | |
| Share of results of associates | 0 | | | | | 44 | |
| Non recurring net finance cost | 1 | | | | | -113 | |
| Income tax expense | -186 | | | | | -114 | |
| **Profit** | **1 202** | | | | | **294** | |
| attributable to equity holders of InBev | 900 | | | | | 49 | |
| attributable to minority interests | 302 | | | | | 245 | |
| | | | | | | | |
| **Normalized EBITDA** | **1 467** | **1 566** | **90** | **-26** | **89** | **1 720** | **5.3%** |

**Revenue** – Consolidated revenue grew 5.2% for FY08, totaling 16 102 million euro. The increase in revenue per hectoliter of 5.6% is the result of effective revenue management activities implemented across our businesses, and also reflects product mix improvements. In 4Q08, consolidated revenue grew 4.2% for 4Q08, and 7.1% on a per hectoliter basis.

**Cost of Sales (CoS) –** Consolidated CoS increased 8.3% for FY08, reaching 7 122 million euro. On a per Hl basis, CoS increased 9.1%. In 2008, we saw the combined effects of lower than expected volume growth in Zones with below average CoS/hl especially in Latin America North and Central and Eastern Europe, and the spread of industrial fixed costs over lower than expected volumes. In the fourth quarter, CoS increased 5.8%, or 10.1% per hectoliter.

**Operating Expenses** – Operating expenses increased by 3.6% in FY08, primarily due to higher sales and marketing expenses, which increased 8.4% for FY08, and 9.2% in the fourth quarter.

In 2008, we continued our efforts to shift "non-working money" into "working money"; i.e. focusing our spend on activities that directly relate to what our consumers see, touch and enjoy. Distribution expenses for FY08 rose 6.4% to 1 854 million euro. Administrative expenses for FY08 were reduced by 73 million euro or 6.9%, as a result of sound fixed cost management and lower bonus accruals compared to last year. Other operating income/expenses for FY08 were 55 million euro better than last year.

In 4Q08, operating expenses increased 4.2%, as continuing fixed cost management and lower bonus accruals were more than offset by higher sales, marketing and distribution expenses.

**EBITDA** – FY08 normalized EBITDA of 5 334 million euro is 4.6% above last year, an increase of 239 million euro. In 4Q08, normalized EBITDA increased by 5.3%, reaching 1 720 million euro.

- North America EBITDA was 933 million euro, an organic increase of 15.6%, attributable to solid revenue growth and synergy savings in the fourth quarter (in 4Q08: 497 million euro, an organic increase of 28.8%).

- Latin America North EBITDA rose 2% to 2 394 million euro as revenue increases were partly offset by higher sales and marketing expenses on the back of commercial campaigns, and increased distribution expenses (in 4Q08: 718 million euro, an organic decrease of 2.6%).
- Latin America South grew EBITDA 37.9% to 546 million euro, mainly driven by strong volume performance and revenue management, improved product mix, as well as good fixed cost management (in 4Q08: 214 million euro, an organic increase of 38.4%).
- Western Europe reported EBITDA declined 9.6% to 642 million euro, as the Zone was impacted by lower volume growth, and commodity cost increase (in 4Q08: 160 million euro, an organic decrease of 19.3%).
- Central & Eastern Europe EBITDA fell 22.7% to 386 million euro, as a result of volume decline, higher cost of sales, and higher sales and marketing expenses, driven by our continued focus on higher margin brands (in 4Q08: 57 million euro, an organic decrease of 44%).
- Asia Pacific delivered an EBITDA growth of 4.3% reaching 232 million euro, mainly due to higher volume growth and revenue management activities in South Korea, which were partly offset by higher commercial and distribution expenses in China (in 4Q08: 51 million euro, an organic increase of 14.7%).
- Global Export and Holding Companies (GEHC), which also includes the US Entertainment and Packaging businesses, recorded an EBITDA of 201 million euro, an increase of 94 million euro, due to sound fixed cost management and lower bonus accruals compared to last year (in 4Q08: 22 million euro, compared to -6 million in 4Q07). The contribution of the US Entertainment Business to our revenue as of November 18, 2008, was 71 million euro. The Entertainment business delivered pro forma revenue of 932 million euro and an EBITDA of 258 million euro for the full year 2008. The US Packaging Business delivered a revenue contribution of 128 million euro as of November 18, 2008. The full year pro forma revenue of the packaging business was 1 188 million euro in 2008, and the full year EBITDA was 184 million euro in 2008.

The consolidated normalized **EBITDA margin** for FY08 reached 33.1% compared to 32.7% in 2007, but remained basically flat (15 bps lower) on an organic basis. On an absolute basis, when including scopes and currency translation effects, the EBITDA margin increased by 40 bps. In the fourth quarter 2008, the consolidated EBITDA margin was 32.8%, an organic increase of 45bps.

**Enhanced Cash Flow Focus** – Our cash flow from operating activities increased from 4 064 million euro in 2007 to 4 189 million euro in 2008, or 3.1%. Anheuser-Busch InBev devotes substantial efforts to the more efficient use of its working capital, especially trade receivables, inventories and trade payables.

The changes in working capital resulted in 544 million euro cash flow impact in 2008. This improvement was impacted by an outstanding consideration payable to former Anheuser-Busch shareholders who did not claim the proceeds of the transaction by year end 2008. Excluding this payable, the change in working capital would have resulted in a 204 million euro cash impact. This improvement was partially offset by higher taxes and interest paid compared to 2007.

**Non-recurring items** – Total non-recurring items of -405 million euro mainly consist of restructuring charges. These charges relate to the aggregate pre-tax expenses associated with the reduction of salaried positions in the United States and from organizational alignments and outsourcing of activities in Western Europe, the global headquarters and Asia Pacific. In addition, Anheuser-Busch InBev incurred an impairment loss of 54 million euro related to Anheuser-Busch InBev's plans to implement a new distribution model in France. In 2007, non-recurring items resulted in a gain to profit from operations of 374 million euro, mainly due to the sale of Belgian and Dutch real estate assets.

**FY 2008 Profit –** Normalized profit attributable to equity holders of Anheuser-Busch InBev was 1 711 million euro (normalized EPS 1.71 euro) in FY 08. On a non-pro forma basis, reported profit attributable to equity holders of Anheuser-Busch InBev for 2008 was 1 288 million euro, which included the following impacts:

- *Net financing costs* of 982 million euro (versus 598 million euro in 2007). The increase is mainly explained by the interest charges on the existing Anheuser-Busch debt, the interest charges on the senior facilities to fund the acquisition and the amortization of the arrangement fees paid on the senior facilities.
- *Non-recurring net finance cost* of 138 million euro has been recognized as a non-recurring expense and is related primarily to the commitment fees on the senior facility and equity bridge facility.
- *Share of result of associates* of 47 million euro, compared to 1 million euro in FY 07, which includes the six week result of the investment in Modelo and Tsingtao.
- *Income tax expense* of 445 million euro with an effective tax rate of 17.8% (versus 17.6% in 2007). The income tax expense is mainly impacted by the recognition of a deferred tax asset of 83 million euro following the use of tax losses not previously recognized. Furthermore, the company continues to benefit at the AmBev level from the impact of interest on equity payments and tax deductible goodwill from the merger between InBev Holding Brazil and AmBev in July 2005 and the acquisition of Quinsa in August 2006. This has been partially offset by the recognition of a non recurring impairment on the French distribution network on which no deferred tax assets are recognized. Excluding the impact of the recognition of the deferred tax asset and the non recurring expense in France, the effective tax rate would have been 20.4%.
- *Profit attributable to minority interests* of 811 million euro (2007: 849 million euro).

**4Q 2008 Profit –** Normalized profit attributable to equity holders of Anheuser-Busch InBev was 351 million euro in 4Q 08 (normalized EPS 0.35 euro)

- *Net financing costs:* 489 million euro, 344 million euro higher than 4Q07 which is largely explained by the interest charges on the existing Anheuser-Busch debt, the interest charges on the senior facilities to fund the acquisition and the amortization of the arrangement fees paid on the senior facilities.
- *Non-recurring net finance cost:* 113 million euro was recognized as a non-recurring expense and is related primarily to the commitment fees on the senior facility and equity bridge facility.
- *Share of result in associates:* 44 million euro, which includes the six weeks result of the investment in Modelo and Tsingtao.

- *Income tax expense* of 114 million euro with an effective tax rate of 28% (versus 13.4% in 2007).The company recognized a deferred tax asset in Q4 2007 on the tax loss carry forward in the US.
- *Profit attributable to minority interests* of 245 million euro (2007: 302 million euro).

## RECENT EVENTS

**Rights Offering:** We completed the capital increase of the company on 16 December 2008, with 100% of the total number of new Anheuser-Busch InBev shares subscribed at 6.45 euro per new share. The proceeds were used to pay down the 9.8 billion USD equity bridge facility on 18 December 2008.

In addition, the **general syndication** of the 45 billion USD acquisition facilities closed on 16 December 2008. As a result, we have achieved our financing plans for 2008.

**Bond Issuances:** On 9 January 2009, we completed a 5 billion USD U.S. bond offering. The proceeds were used to repay 50% of the 7 billion USD bridge to disposals, which matures in November 2009, and 1.5 billion USD of Facility A (Bridge to Debt Capital Market) which matures in November 2010. The remaining part of Facility B can be repaid either with cash flow generation or further asset disposals. In any event, we remain committed to disposing of a number of assets as planned.

On 22 January 2009, we also completed an offering of 1.3 billion euro and 550 million pounds sterling. This transaction enables us to repay short term debt and further reduce the balance on our Facility A.

On 19 February 2009, we closed a retail public offering of bonds in Belgium, The Netherlands and Luxembourg of 750 million euro. The proceeds will be used to repay short term debt and a portion of the outstanding debt.

**Asset Disposals:** On 23 January 2009, we announced that we had entered into an agreement with Asahi Breweries, Ltd., whereby Asahi will acquire 19.9% of Tsingtao Brewery Co., Ltd. for 667 million USD or approximately 14x 2008 EBITDA. The net proceeds from this divestiture will be used to repay another part of the Tranche B facility incurred as a result of the acquisition of Anheuser-Busch.

On 23 February 2009, we announced an agreement with KPS Capital Partners, LP to sell InBev USA, the exclusive importer of Labatt branded beer in the US, to satisfy requirements imposed by the United States Department of Justice in connection with its clearance of InBev's acquisition of Anheuser-Busch.

## CHANGE IN REPORTING CURRENCY

Anheuser-Busch InBev has decided to change the reporting currency of its consolidated financial statements from euro to USD, reflecting the profile of our revenue and cash flows, which are now primarily generated in USD and USD-linked currencies. It closely reflects the new Anheuser-Busch InBev's business fundamentals, which are now heavily weighted from financial performance and balance sheet perspectives towards the USD and USD-linked currencies, thereby aligning the reporting currency with the most significant operating currency and underlying financial performance. The change increases the transparency of reported financials and reduces currency translation effects for key stakeholders.

The change to USD will be effective with the results for the first quarter ending 31 March 2009, which will be reported on 7 May 2009. The 2008 comparisons have been provided, for pro forma purposes in USD (assuming that the transaction closed on 1 January 2008) and can be found in the annexes of this press release with the quarterly breakdown.

Despite the change in reporting currency, future dividends will continue to be determined in euro, which remains the functional currency in which Anheuser-Busch InBev SA/NV will present its stand-alone statutory financial statements under Belgian GAAP.

## OUTLOOK

At the time of the creation of InBev in 2004, EBITDA margin expansion was identified as the ultimate metric to measure the successful integration of Interbrew and AmBev.

In integrating InBev and Anheuser-Busch, the metric by which we will judge ourselves in the first five years will be the Net Debt to EBITDA ratio, which will have a significant impact on our variable pay. The Net Debt to EBITDA ratio not only measures EBITDA growth and EBITDA margin expansion, but also relevant drivers of cash flow generation, fully consistent with our commitment to quickly deleverage our company.

Looking out on 2009, our fundamentals remain strong, and we expect our margins to expand. Thus far, our pricing actions are holding and overall volume performance remains stable. To achieve these results, we will move with greater pace and urgency in 2009:

- Over-delivering on the synergies to be captured in 2009 as compared to our original expectations
- Maintaining pricing discipline in relevant markets while continuing to support our focus brands
- Continuing to execute at least 7 billion USD in divestitures
- Reducing 2009 Capital Expenditure by at least 1 billion USD from pro forma 2008 while not compromising the quality of our products and the safety of our people
- Continuing to strive for working capital improvements at the former InBev, while releasing at least 500 million USD in working capital from the former Anheuser-Busch

- Enhancing the maturity and currency profile of our outstanding debt.
- Optimizing the effective tax rate of the combined company towards the 25-27% range

In 2009 we will continue to build on the platforms of our business model: our Dream/People/Culture platform, market execution capabilities, brand building skills, strict cost control and cash flow generation. While current market conditions pose significant challenges, demand for beer in our two major markets remains stable and our market share high. Moreover, we have strong market share momentum in most of our key regions, led by our focus brands and enhanced marketing efforts. Our People are our primary sustainable competitive advantage. The combination of Anheuser-Busch and InBev, has significantly strengthened our talent pipeline and enriched our culture.

*The statutory auditor, KPMG Bedrijfsrevisoren – Réviseurs d'Entreprises, represented by Jos Briers, has issued an unqualified audit opinion on the consolidated financial statements and has confirmed that the accounting data included in this press release does not include any apparent inconsistencies with the consolidated financial statements.*

# PRESS RELEASE



**Annexes**
Anheuser-Busch InBev website:
http://www.ab-inbev.com/go/investors/reports_and_publications/quarterly_reports.cfm

- Annex 1: Full Year 2008 (FY 08) segment information
- Annex 2: Fourth Quarter 2008 (4Q 08) segment information
- Annex 3: Full Year 2008 pro forma figures in USD with quarterly break down
- Annex 4: Reconciliation between Brazilian GAAP and IFRS figures for Latin America (FY08)

**FY08 and 4Q08 Agenda for 5 March 2009**

- *Press conference FY08 and 4Q08 results for media*
  10.30 a.m. CET at Anheuser-Busch InBev's global headquarters in Leuven (Brouwerijplein 1, 3000 Leuven)
- *Conference call FY08 and 4Q08 results for investors*
  2.00 p.m. CET / 1.00 p.m. BST / 8.00 a.m. EST - full registration details are available at http://www.ab-inbev.com/go/investors/events_calendar/4qfy08_results.cfm

**About Anheuser-Busch InBev**
Anheuser-Busch InBev is a publicly traded company (Euronext: ABI) based in Leuven, Belgium. It is the leading global brewer and one of the world's top five consumer products companies. A true consumer-centric, sales driven company, Anheuser-Busch InBev manages a portfolio of nearly 300 brands that includes global flagship brands Budweiser, Stella Artois and Beck's, fast growing multi-country Brands like Leffe and Hoegaarden, and strong "local jewels" such as Bud Light, Skol, Brahma, Quilmes, Michelob, Harbin, Sedrin, Cass, Klinskoye, Sibirskaya Korona, Chernigivske, and Jupiler, among others. In addition, the company owns a 50 percent share in Grupo Modelo, Mexico's leading brewer and owner of the global Corona brand, and a 27 percent share in China brewer Tsingtao, whose namesake beer brand is the country's best-selling premium beer. Anheuser-Busch InBev's dedication to heritage and quality is rooted in brewing traditions that originate from the Den Hoorn brewery in Leuven, Belgium, dating back to 1366 and the pioneering spirit of the Anheuser & Co brewery, established in 1860 in St. Louis, USA. Geographically diversified with a balanced exposure to developed and developing markets, Anheuser-Busch InBev leverages the collective strengths of its 120,000 employees based in operations in over 30 countries across the world. The company strives to be the Best Beer Company in a Better World. On a pro-forma basis for 2008, the combined company would have generated revenues of 26.5 billion euro. For more information, please visit: www.ab-inbev.com.

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| Annex 1 - FY08 segment information (million euro) | | | | | | |
|---|---|---|---|---|---|---|
| **InBev Worldwide** | **Pro forma FY07** | **Scope** | **Currency translation** | **Organic growth** | **FY08** | **Organic growth** |
| Total volumes (thousand Hls) | 285 644 | -1 023 | 0 | 99 | 284 719 | 0.0% |
| **Revenue** | **15 576** | **-49** | **-235** | **810** | **16 102** | **5.2%** |
| Cost of sales | -6 705 | 19 | 116 | -551 | -7 122 | -8.3% |
| **Gross profit** | **8 871** | **-31** | **-119** | **259** | **8 980** | **2.9%** |
| Distribution expenses | -1 787 | 2 | 44 | -113 | -1 854 | -6.4% |
| Sales and marketing expenses | -2 274 | 17 | 48 | -188 | -2 396 | -8.4% |
| Administrative expenses | -1 133 | 55 | -2 | 73 | -1 006 | 6.9% |
| Other operating income/expenses | 255 | -6 | -6 | 55 | 298 | 20.2% |
| Normalized EBIT | 3 933 | 38 | -35 | 86 | 4 022 | 2.1% |
| **Normalized EBITDA** | **5 091** | **54** | **-51** | **239** | **5 334** | **4.6%** |
| Normalized EBITDA margin | 32.7% | | | | 33.1% | -15 bp |

| **North America** | **Pro forma FY07** | **Scope** | **Currency translation** | **Organic growth** | **FY08** | **Organic growth** |
|---|---|---|---|---|---|---|
| Total volumes (thousand Hls) | 25 734 | 83 | 0 | 788 | 26 605 | 3.1% |
| **Revenue** | **2 433** | **8** | **71** | **203** | **2 715** | **8.4%** |
| Cost of sales | -1 025 | 4 | -62 | -96 | -1 179 | -9.5% |
| **Gross profit** | **1 408** | **12** | **9** | **107** | **1 536** | **7.6%** |
| Distribution expenses | -336 | -7 | 7 | -12 | -348 | -3.4% |
| Sales and marketing expenses | -311 | 4 | -7 | 4 | -311 | 1.2% |
| Administrative expenses | -216 | 79 | -9 | 34 | -112 | 26.5% |
| Other operating income/expenses | 14 | 0 | 0 | -16 | -3 | -120.0% |
| Normalized EBIT | 558 | 87 | 0 | 117 | 763 | 17.8% |
| **Normalized EBITDA** | **706** | **95** | **6** | **126** | **933** | **15.6%** |
| Normalized EBITDA margin | 29.0% | | | | 34.4% | 255 bp |

| **Latin America - North** | **Pro forma FY07** | **Scope** | **Currency translation** | **Organic growth** | **FY08** | **Organic growth** |
|---|---|---|---|---|---|---|
| Total volumes (thousand Hls) | 100 877 | -323 | 0 | 965 | 101 519 | 1.0% |
| **Revenue** | **4 904** | **-9** | **54** | **234** | **5 182** | **4.8%** |
| Cost of sales | -1 664 | -6 | -13 | -97 | -1 781 | -5.9% |
| **Gross profit** | **3 239** | **-15** | **41** | **137** | **3 402** | **4.2%** |
| Distribution expenses | -551 | 0 | -4 | -64 | -619 | -11.7% |
| Sales and marketing expenses | -491 | 0 | -4 | -72 | -567 | -14.7% |
| Administrative expenses | -256 | -19 | -2 | -4 | -282 | -1.6% |
| Other operating income/expenses | 121 | 29 | 2 | -11 | 140 | -7.4% |
| Normalized EBIT | 2 062 | -6 | 33 | -14 | 2 074 | -0.7% |
| **Normalized EBITDA** | **2 318** | **-6** | **36** | **46** | **2 394** | **2.0%** |
| Normalized EBITDA margin | 47.3% | | | | 46.2% | -127 bp |

| **Latin America - South** | **Pro forma FY07** | **Scope** | **Currency translation** | **Organic growth** | **FY08** | **Organic growth** |
|---|---|---|---|---|---|---|
| Total volumes (thousand Hls) | 30 524 | 0 | 0 | 3 174 | 33 698 | 10.4% |
| **Revenue** | **1 003** | **0** | **-43** | **295** | **1 254** | **29.4%** |
| Cost of sales | -425 | 0 | 24 | -128 | -529 | -30.0% |
| **Gross profit** | **578** | **0** | **-20** | **167** | **726** | **28.9%** |
| Distribution expenses | -82 | 0 | 5 | -21 | -98 | -25.5% |
| Sales and marketing expenses | -118 | 0 | 5 | -17 | -129 | -14.1% |
| Administrative expenses | -44 | 0 | 2 | -6 | -49 | -14.7% |
| Other operating income/expenses | -11 | 0 | 0 | 19 | 8 | 173.6% |
| Normalized EBIT | 323 | 0 | -8 | 142 | 457 | 44.1% |
| **Normalized EBITDA** | **405** | **0** | **-11** | **153** | **546** | **37.9%** |
| Normalized EBITDA margin | 40.3% | | | | 43.5% | 264 bp |

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| Western Europe | Pro forma FY07 | Scope | Currency translation | Organic growth | FY08 | Organic growth |
|---|---|---|---|---|---|---|
| Total volumes (thousand hls) | 36 308 | -850 | 0 | -1 705 | 33 753 | -4.8% |
| **Revenue** | **3 480** | **-50** | **-154** | **-60** | **3 217** | **-1.7%** |
| Cost of sales | -1 634 | 27 | 103 | -7 | -1 511 | -0.4% |
| **Gross profit** | **1 847** | **-23** | **-51** | **-66** | **1 706** | **-3.6%** |
| Distribution expenses | -406 | 9 | 17 | -20 | -401 | -5.0% |
| Sales and marketing expenses | -673 | 23 | 25 | -12 | -638 | -1.9% |
| Administrative expenses | -237 | -9 | 4 | 9 | -233 | 3.6% |
| Other operating income/expenses | -71 | -34 | -5 | 13 | -98 | 14.8% |
| Normalized EBIT | 460 | -35 | -10 | -77 | 337 | -17.3% |
| **Normalized EBITDA** | **771** | **-38** | **-20** | **-72** | **642** | **-9.6%** |
| Normalized EBITDA margin | 22.2% | | | | 19.9% | -172 bp |

| Central and Eastern Europe | Pro forma FY07 | Scope | Currency translation | Organic growth | FY08 | Organic growth |
|---|---|---|---|---|---|---|
| Total volumes (thousand hls) | 49 137 | 0 | 0 | -2 994 | 46 142 | -6.1% |
| **Revenue** | **2 198** | **0** | **-85** | **96** | **2 209** | **4.3%** |
| Cost of sales | -1 013 | 0 | 50 | -183 | -1 145 | -18.0% |
| **Gross profit** | **1 186** | **0** | **-35** | **-87** | **1 064** | **-7.3%** |
| Distribution expenses | -292 | 0 | 9 | 6 | -277 | 1.9% |
| Sales and marketing expenses | -392 | 0 | 13 | -68 | -446 | -17.4% |
| Administrative expenses | -131 | 2 | 2 | 8 | -119 | 6.0% |
| Other operating income/expenses | -69 | 0 | 0 | -21 | -89 | -30.2% |
| Normalized EBIT | 302 | 2 | -10 | -162 | 132 | -53.4% |
| **Normalized EBITDA** | **520** | **2** | **-17** | **-119** | **386** | **-22.7%** |
| Normalized EBITDA margin | 23.6% | | | | 17.5% | -615 bp |

| Asia Pacific | Pro forma FY07 | Scope | Currency translation | Organic growth | FY08 | Organic growth |
|---|---|---|---|---|---|---|
| Total volumes (thousand hls) | 38 299 | 0 | 0 | 38 | 38 337 | 0.1% |
| **Revenue** | **1 034** | **0** | **-99** | **84** | **1 019** | **8.1%** |
| Cost of sales | -526 | 1 | 35 | -64 | -555 | -12.2% |
| **Gross profit** | **508** | **1** | **-64** | **19** | **464** | **3.8%** |
| Distribution expenses | -68 | 0 | 9 | -8 | -67 | -12.2% |
| Sales and marketing expenses | -218 | 0 | 17 | -27 | -227 | -12.3% |
| Administrative expenses | -62 | -2 | 2 | -6 | -68 | -9.6% |
| Other operating income/expenses | 2 | 0 | -2 | 17 | 18 | 824.1% |
| Normalized EBIT | 162 | -2 | -37 | -4 | 119 | -2.7% |
| **Normalized EBITDA** | **265** | **-2** | **-42** | **11** | **232** | **4.3%** |
| Normalized EBITDA margin | 25.7% | | | | 22.8% | -90 bp |

| Global Export and Holding Companies | Pro forma FY07 | Scope | Currency translation | Organic growth | FY08 | Organic growth |
|---|---|---|---|---|---|---|
| Total volumes (thousand hls) | 4 765 | 68 | 0 | -167 | 4 666 | -3.4% |
| **Revenue** | **524** | **1** | **21** | **-41** | **505** | **-7.8%** |
| Cost of sales | -418 | -6 | -21 | 23 | -423 | 5.5% |
| **Gross profit** | **105** | **-5** | **0** | **-19** | **82** | **-16.4%** |
| Distribution expenses | -50 | 0 | 0 | 7 | -44 | 13.5% |
| Sales and marketing expenses | -71 | -9 | -2 | 3 | -79 | 4.2% |
| Administrative expenses | -186 | 5 | -1 | 39 | -143 | 21.6% |
| Other operating income/expenses | 270 | 0 | 0 | 53 | 323 | 19.8% |
| Normalized EBIT | 67 | -8 | -4 | 85 | 140 | 119.5% |
| **Normalized EBITDA** | **106** | **4** | **-2** | **94** | **201** | **85.8%** |

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**Annex 2 - 4Q08 segment information (million euro)**

| InBev Worldwide | Pro forma 4Q07 | Scope | Currency translation | Organic growth | 4Q08 | Organic growth |
|---|---|---|---|---|---|---|
| Total volumes (thousand Hls) | 87 358 | -396 | 0 | -1 539 | 85 424 | -1.8% |
| **Revenue** | **5 027** | **-15** | **26** | **209** | **5 247** | **4.2%** |
| Cost of sales | -2 342 | 0 | -59 | -136 | -2 536 | -5.8% |
| **Gross profit** | **2 685** | **-14** | **-33** | **73** | **2 711** | **2.7%** |
| Distribution expenses | -516 | 2 | 12 | -43 | -544 | -8.4% |
| Sales and marketing expenses | -653 | 3 | -4 | -60 | -713 | -9.2% |
| Administrative expenses | -394 | 78 | -7 | 15 | -307 | 4.9% |
| Other operating income/expenses | 83 | 0 | -2 | 30 | 111 | 37.3% |
| Normalized EBIT | 1 206 | 70 | -33 | 15 | 1 258 | 1.2% |
| **Normalized EBITDA** | **1 566** | **90** | **-26** | **89** | **1 720** | **5.3%** |
| Normalized EBITDA margin | 31.2% | | | | 32.8% | 45 bp |

| North America | Pro forma 4Q07 | Scope | Currency translation | Organic growth | 4Q08 | Organic growth |
|---|---|---|---|---|---|---|
| Total volumes (thousand Hls) | 16 321 | 0 | 0 | 670 | 16 990 | 4.1% |
| **Revenue** | **1 263** | **0** | **136** | **159** | **1 559** | **12.6%** |
| Cost of sales | -656 | 6 | -87 | -64 | -801 | -9.9% |
| **Gross profit** | **607** | **6** | **50** | **95** | **758** | **15.4%** |
| Distribution expenses | -130 | 0 | -3 | -3 | -135 | -1.9% |
| Sales and marketing expenses | -148 | -2 | -16 | -2 | -168 | -1.5% |
| Administrative expenses | -155 | 80 | -12 | 28 | -59 | 40.8% |
| Other operating income/expenses | 11 | 0 | 0 | -21 | -9 | -191.0% |
| Normalized EBIT | 186 | 84 | 20 | 97 | 386 | 34.4% |
| **Normalized EBITDA** | **272** | **90** | **29** | **106** | **497** | **28.8%** |
| Normalized EBITDA margin | 21.5% | | | | 31.9% | 504 bp |

| Latin America - North | Pro forma 4Q07 | Scope | Currency translation | Organic growth | 4Q08 | Organic growth |
|---|---|---|---|---|---|---|
| Total volumes (thousand Hls) | 31 344 | -369 | 0 | -477 | 30 498 | -1.5% |
| **Revenue** | **1 549** | **-10** | **-118** | **45** | **1 466** | **2.9%** |
| Cost of sales | -501 | 3 | 38 | -31 | -491 | -6.2% |
| **Gross profit** | **1 049** | **-7** | **-81** | **14** | **975** | **1.3%** |
| Distribution expenses | -159 | 2 | 11 | -35 | -181 | -22.3% |
| Sales and marketing expenses | -142 | 2 | 11 | -26 | -155 | -18.8% |
| Administrative expenses | -63 | 2 | 6 | -17 | -71 | -27.9% |
| Other operating income/expenses | 45 | 0 | -3 | 6 | 49 | 14.1% |
| Normalized EBIT | 730 | 0 | -55 | -58 | 616 | -7.9% |
| **Normalized EBITDA** | **799** | **0** | **-61** | **-21** | **718** | **-2.6%** |
| Normalized EBITDA margin | 51.6% | | | | 48.9% | -277 bp |

| Latin America - South | Pro forma 4Q07 | Scope | Currency translation | Organic growth | 4Q08 | Organic growth |
|---|---|---|---|---|---|---|
| Total volumes (thousand Hls) | 9 832 | 0 | 0 | 732 | 10 565 | 7.4% |
| **Revenue** | **322** | **0** | **33** | **91** | **446** | **28.4%** |
| Cost of sales | -128 | 0 | -12 | -37 | -177 | -29.1% |
| **Gross profit** | **194** | **0** | **21** | **54** | **269** | **27.9%** |
| Distribution expenses | -26 | 0 | -2 | -5 | -33 | -19.1% |
| Sales and marketing expenses | -30 | 0 | -3 | -6 | -38 | -19.9% |
| Administrative expenses | -11 | 0 | -1 | -5 | -17 | -43.6% |
| Other operating income/expenses | -5 | 0 | 0 | 13 | 7 | 244.8% |
| Normalized EBIT | 121 | 0 | 16 | 51 | 188 | 42.2% |
| **Normalized EBITDA** | **142** | **0** | **18** | **54** | **214** | **38.4%** |
| Normalized EBITDA margin | 44.1% | | | | 48.0% | 343 bp |

| Western Europe | Pro forma 4Q07 | Scope | Currency translation | Organic growth | 4Q08 | Organic growth |
|---|---|---|---|---|---|---|
| Total volumes (thousand Hls) | 9 135 | -26 | 0 | -857 | 8 252 | -9.4% |
| **Revenue** | **876** | **-4** | **-43** | **-59** | **770** | **-6.7%** |
| Cost of sales | -417 | 0 | 29 | 6 | -381 | 1.5% |
| **Gross profit** | **459** | **-4** | **-14** | **-52** | **389** | **-11.4%** |
| Distribution expenses | -95 | 1 | 5 | -8 | -97 | -8.2% |
| Sales and marketing expenses | -149 | 3 | 6 | 2 | -139 | 1.2% |
| Administrative expenses | -58 | -3 | 1 | 3 | -58 | 4.8% |
| Other operating income/expenses | -23 | 0 | -1 | 17 | -7 | 70.4% |
| Normalized EBIT | 134 | -4 | -3 | -38 | 89 | -29.2% |
| **Normalized EBITDA** | **207** | **-1** | **-6** | **-39** | **160** | **-19.3%** |
| Normalized EBITDA margin | 23.6% | | | | 20.8% | -313 bp |

| Central and Eastern Europe | Pro forma 4Q07 | Scope | Currency translation | Organic growth | 4Q08 | Organic growth |
|---|---|---|---|---|---|---|
| Total volumes (thousand Hls) | 10 645 | 0 | 0 | -1 224 | 9 421 | -11.5% |
| **Revenue** | **478** | **0** | **-6** | **0** | **472** | **0.0%** |
| Cost of sales | -255 | 0 | 5 | -25 | -275 | -9.9% |
| **Gross profit** | **222** | **0** | **-1** | **-26** | **196** | **-11.5%** |
| Distribution expenses | -67 | 0 | 0 | 4 | -63 | 5.3% |
| Sales and marketing expenses | -90 | 0 | 1 | -19 | -108 | -21.5% |
| Administrative expenses | -32 | 1 | 0 | -2 | -33 | -5.7% |
| Other operating income/expenses | 6 | 0 | 0 | -16 | -10 | -261.9% |
| Normalized EBIT | 38 | 1 | 2 | -60 | -19 | -151.5% |
| **Normalized EBITDA** | **100** | **1** | **1** | **-44** | **57** | **-44.0%** |
| Normalized EBITDA margin | 20.9% | | | | 12.2% | -930 bp |

| Asia Pacific | Pro forma 4Q07 | Scope | Currency translation | Organic growth | 4Q08 | Organic growth |
|---|---|---|---|---|---|---|
| Total volumes (thousand Hls) | 9 046 | 0 | 0 | -294 | 8 752 | -3.3% |
| **Revenue** | **248** | **0** | **-3** | **20** | **265** | **8.0%** |
| Cost of sales | -139 | 1 | -7 | -17 | -162 | -12.4% |
| **Gross profit** | **109** | **1** | **-9** | **3** | **103** | **2.5%** |
| Distribution expenses | -15 | 0 | 2 | -3 | -16 | -19.2% |
| Sales and marketing expenses | -58 | 0 | -1 | -5 | -64 | -8.9% |
| Administrative expenses | -16 | -2 | -1 | -2 | -21 | -15.6% |
| Other operating income/expenses | 4 | 0 | 0 | 6 | 10 | 124.4% |
| Normalized EBIT | 25 | -1 | -10 | -2 | 12 | -8.4% |
| **Normalized EBITDA** | **53** | **-2** | **-7** | **8** | **51** | **14.7%** |
| Normalized EBITDA margin | 21.3% | | | | 19.3% | 135 bp |

| Global Export and Holding Companies | Pro forma 4Q07 | Scope | Currency translation | Organic growth | 4Q08 | Organic growth |
|---|---|---|---|---|---|---|
| Total volumes (thousand Hls) | 1 035 | 0 | 0 | -89 | 946 | -8.6% |
| **Revenue** | **291** | **-2** | **26** | **-47** | **269** | **-16.3%** |
| Cost of sales | -246 | -9 | -26 | 33 | -248 | 13.4% |
| **Gross profit** | **45** | **-11** | **0** | **-15** | **20** | **-31.3%** |
| Distribution expenses | -24 | 0 | -1 | 6 | -18 | 27.1% |
| Sales and marketing expenses | -35 | 0 | -3 | -2 | -40 | -6.3% |
| Administrative expenses | -59 | 1 | -1 | 10 | -48 | 17.5% |
| Other operating income/expenses | 44 | 0 | 2 | 25 | 71 | 57.9% |
| Normalized EBIT | -28 | -10 | -2 | 25 | -15 | 94.2% |
| **Normalized EBITDA** | **-6** | **2** | **0** | **26** | **22** | **670.8%** |

| Annex 3 - Full Year 2008 pro-forma segment information (million USD) | | | | | |
|---|---|---|---|---|---|
| **InBev Worldwide** | **Pro forma Q1 08** | **Pro forma Q2 08** | **Pro forma Q3 08** | **Pro forma Q4 08** | **Pro forma FY 08** |
| Total volumes (thousand Hls) | 94 523 | 106 399 | 112 257 | 102 934 | 416 113 |
| **Revenue** | **8 850** | **10 452** | **10 893** | **8 963** | **39 158** |
| Cost of sales | -4 461 | -5 161 | -5 293 | -4 527 | -19 443 |
| **Gross profit** | **4 388** | **5 291** | **5 599** | **4 436** | **19 715** |
| Distribution expenses | -810 | -903 | -922 | -818 | -3 454 |
| Sales and marketing expenses | -1 233 | -1 494 | -1 448 | -1 189 | -5 364 |
| Administrative expenses | -598 | -579 | -573 | -520 | -2 270 |
| Other operating income/expenses | 90 | 129 | 134 | 143 | 496 |
| Normalized EBIT | 1 838 | 2 444 | 2 789 | 2 051 | 9 122 |
| **Normalized EBITDA** | **2 531** | **3 178** | **3 553** | **2 805** | **12 067** |
| Normalized EBITDA margin | 28.6% | 30.4% | 32.6% | 31.3% | 30.8% |

| **North America** | **Pro forma Q1 08** | **Pro forma Q2 08** | **Pro forma Q3 08** | **Pro forma Q4 08** | **Pro forma FY 08** |
|---|---|---|---|---|---|
| Total volumes (thousand Hls) | 33 649 | 36 872 | 38 085 | 31 952 | 140 558 |
| **Revenue** | **3 627** | **4 115** | **4 232** | **3 597** | **15 571** |
| Cost of sales | -1 818 | -2 093 | -2 177 | -1 860 | -7 948 |
| **Gross profit** | **1 809** | **2 022** | **2 055** | **1 736** | **7 623** |
| Distribution expenses | -274 | -297 | -297 | -260 | -1 128 |
| Sales and marketing expenses | -430 | -488 | -480 | -397 | -1 794 |
| Administrative expenses | -230 | -230 | -232 | -177 | -869 |
| Other operating income/expenses | -16 | -17 | 2 | -31 | -62 |
| Normalized EBIT | 859 | 990 | 1 049 | 872 | 3 769 |
| **Normalized EBITDA** | **1 084** | **1 224** | **1 278** | **1 111** | **4 697** |
| Normalized EBITDA margin | 29.9% | 29.8% | 30.2% | 30.9% | 30.2% |

| **Latin America - North** | **Pro forma Q1 08** | **Pro forma Q2 08** | **Pro forma Q3 08** | **Pro forma Q4 08** | **Pro forma FY 08** |
|---|---|---|---|---|---|
| Total volumes (thousand Hls) | 24 374 | 22 870 | 23 777 | 30 498 | 101 519 |
| **Revenue** | **1 903** | **1 827** | **1 960** | **1 973** | **7 664** |
| Cost of sales | -654 | -647 | -674 | -659 | -2 634 |
| **Gross profit** | **1 249** | **1 180** | **1 287** | **1 315** | **5 031** |
| Distribution expenses | -219 | -218 | -234 | -245 | -916 |
| Sales and marketing expenses | -207 | -208 | -215 | -208 | -838 |
| Administrative expenses | -112 | -111 | -101 | -94 | -418 |
| Other operating income/expenses | 46 | 55 | 39 | 68 | 208 |
| Normalized EBIT | 757 | 698 | 776 | 835 | 3 067 |
| **Normalized EBITDA** | **863** | **810** | **895** | **973** | **3 540** |
| Normalized EBITDA margin | 45.3% | 44.3% | 45.6% | 49.3% | 46.2% |

| **Latin America - South** | **Pro forma Q1 08** | **Pro forma Q2 08** | **Pro forma Q3 08** | **Pro forma Q4 08** | **Pro forma FY 08** |
|---|---|---|---|---|---|
| Total volumes (thousand Hls) | 9 178 | 6 610 | 7 345 | 10 565 | 33 698 |
| **Revenue** | **459** | **353** | **426** | **617** | **1 855** |
| Cost of sales | -184 | -161 | -194 | -244 | -782 |
| **Gross profit** | **275** | **192** | **232** | **374** | **1 073** |
| Distribution expenses | -36 | -29 | -35 | -45 | -145 |
| Sales and marketing expenses | -47 | -44 | -48 | -52 | -191 |
| Administrative expenses | -13 | -16 | -20 | -24 | -72 |
| Other operating income/expenses | 6 | -1 | -5 | 11 | 11 |
| Normalized EBIT | 186 | 102 | 124 | 264 | 676 |
| **Normalized EBITDA** | **217** | **134** | **157** | **299** | **808** |
| Normalized EBITDA margin | 47.3% | 38.0% | 37.0% | 48.5% | 43.5% |

**Annex 3 - Full Year 2008 pro-forma segment information (million USD)**

| Western Europe | Pro forma Q1 08 | Pro forma Q2 08 | Pro forma Q3 08 | Pro forma Q4 08 | Pro forma FY 08 |
|---|---|---|---|---|---|
| Total volumes (thousand Hls) | 7 509 | 9 846 | 9 179 | 8 436 | 34 969 |
| **Revenue** | **1 076** | **1 472** | **1 382** | **1 037** | **4 967** |
| Cost of sales | -549 | -661 | -625 | -519 | -2 354 |
| **Gross profit** | **527** | **811** | **758** | **518** | **2 613** |
| Distribution expenses | -150 | -173 | -163 | -130 | -615 |
| Sales and marketing expenses | -244 | -299 | -273 | -186 | -1 001 |
| Administrative expenses | -94 | -94 | -84 | -76 | -348 |
| Other operating income/expenses | -38 | -63 | -37 | -6 | -143 |
| Normalized EBIT | 1 | 182 | 202 | 120 | 505 |
| **Normalized EBITDA** | **121** | **312** | **327** | **216** | **976** |
| Normalized EBITDA margin | 11.2% | 21.2% | 23.6% | 20.8% | 19.6% |

| Central and Eastern Europe | Pro forma Q1 08 | Pro forma Q2 08 | Pro forma Q3 08 | Pro forma Q4 08 | Pro forma FY 08 |
|---|---|---|---|---|---|
| Total volumes (thousand Hls) | 8 308 | 14 113 | 14 300 | 9 421 | 46 142 |
| **Revenue** | **547** | **1 028** | **1 085** | **606** | **3 267** |
| Cost of sales | -303 | -495 | -533 | -362 | -1 693 |
| **Gross profit** | **244** | **533** | **552** | **245** | **1 573** |
| Distribution expenses | -83 | -120 | -124 | -83 | -410 |
| Sales and marketing expenses | -127 | -201 | -189 | -143 | -660 |
| Administrative expenses | -46 | -34 | -52 | -44 | -176 |
| Other operating income/expenses | -24 | -53 | -45 | -11 | -132 |
| Normalized EBIT | -36 | 125 | 142 | -36 | 196 |
| **Normalized EBITDA** | **40** | **215** | **248** | **68** | **571** |
| Normalized EBITDA margin | 7.3% | 20.9% | 22.8% | 11.2% | 17.5% |

| Asia Pacific | Pro forma Q1 08 | Pro forma Q2 08 | Pro forma Q3 08 | Pro forma Q4 08 | Pro forma FY 08 |
|---|---|---|---|---|---|
| Total volumes (thousand Hls) | 10 905 | 15 313 | 18 808 | 11 411 | 56 438 |
| **Revenue** | **486** | **604** | **731** | **464** | **2 285** |
| Cost of sales | -266 | -322 | -390 | -281 | -1 258 |
| **Gross profit** | **221** | **282** | **342** | **183** | **1 027** |
| Distribution expenses | -22 | -28 | -33 | -22 | -105 |
| Sales and marketing expenses | -128 | -160 | -170 | -131 | -589 |
| Administrative expenses | -26 | -29 | -31 | -30 | -116 |
| Other operating income/expenses | -1 | 0 | 13 | 14 | 26 |
| Normalized EBIT | 44 | 64 | 121 | 13 | 243 |
| **Normalized EBITDA** | **94** | **116** | **175** | **68** | **452** |
| Normalized EBITDA margin | 19.2% | 19.2% | 24.0% | 14.6% | 19.8% |

| Global Export and Holding Companies | Pro forma Q1 08 | Pro forma Q2 08 | Pro forma Q3 08 | Pro forma Q4 08 | Pro forma FY 08 |
|---|---|---|---|---|---|
| Total volumes (thousand Hls) | 600 | 773 | 763 | 652 | 2 788 |
| **Revenue** | **750** | **1 053** | **1 076** | **669** | **3 548** |
| Cost of sales | -687 | -782 | -701 | -603 | -2 774 |
| **Gross profit** | **63** | **271** | **375** | **66** | **774** |
| Distribution expenses | -27 | -37 | -37 | -34 | -135 |
| Sales and marketing expenses | -49 | -94 | -74 | -74 | -289 |
| Administrative expenses | -77 | -66 | -54 | -75 | -271 |
| Other operating income/expenses | 117 | 207 | 166 | 98 | 589 |
| Normalized EBIT | 27 | 281 | 376 | -18 | 667 |
| **Normalized EBITDA** | **113** | **367** | **473** | **71** | **1 024** |

# Annex 4

## Reconciliation between Brazilian GAAP and IFRS figures for Latin America for the year ended 31 December 2008

| | |
|---|---|
| **EBIT Latin America under Brazilian GAAP**<br>(Brazil + HILA, as published in the YTD Segment financial information of AmBev's 4Q08 press release)<br>In million BRL | **5 803** |
| **In million euro** | **2 206** |
| *Reclassifications* | |
| - Profit sharing (bonus plan) presented below EBIT in Brazilian GAAP, above EBIT in IFRS | (16) |
| - Other operating income/(expense), presented below EBIT in Brazilian GAAP, above EBIT in IFRS | 58 |
| | **2 248** |
| *Adjustments* | |
| - Goodwill amortization in Brazilian GAAP, not in IFRS | 296 |
| - Other depreciation adjustments (fair value base, InBev rates, commercial intangibles, …) | (6) |
| - Pension cost recognition and share based payment expense (IFRS 2 and IAS 19 treatment) | (10) |
| - Other | 3 |
| **Normalized EBIT Latin America under IFRS**<br>(as published in the YTD Segment information of Latin America North and Latin America South in annex 2 of this press release) | **2 531** |