

To Our Shareholders

Anheuser-Busch InBev has successfully completed its first year as a combined company, thanks to our people and their hard work. We delivered a double-digit increase in EBITDA, grew the volumes of our focus brands and expanded our market share in key markets. Furthermore, we either met or exceeded the commitments we made at the time of the combination, and our sense of ownership drives us to continue delivering. We accomplished these milestones in spite of a challenging global economic environment, as well as the complexities of uniting two major companies, divesting assets and deleveraging the balance sheet.

Our dream is to be the Best Beer Company in a Better World. This dream inspires our people. Their engagement, energy and commitment have allowed us to achieve the progress we reported this year — and will continue to drive our results.

A Global Consumer Products Leader

The combination of Anheuser-Busch and InBev created the world's largest beer company, with a portfolio of well over 200 beer brands, and a track record of delivering increasing shareholder value through our top-line growth, as well as through continuous efficiency and productivity gains across our global business.

With more than 13 billion USD in EBITDA and 13 brands exceeding a billion dollars in Estimated Retail Sales Value, we are positioned among the top consumer goods companies in the world. We recognize that what brought us here was our Dream/People/Culture platform expressed in our Ten Principles. Our dream is a powerful one that motivates all of us to work hard with a great sense of purpose in building our company. Our people are our only sustainable competitive advantage and a main focus for us. We can only be as good as the talented people we attract, retain and develop. Our culture of ownership, focus on results, efficiency, top-line growth and integrity are what unites us. We are a team that always chooses the potential of “and” over the limitations of “or.” That means striving to build global brands and using our resources in a disciplined manner, driving profitable growth and working for a better world.

Strong Financial Performance

We made great progress in 2009 while operating in an economic environment that was the most difficult our industry has seen in many years. EBITDA grew 16.6% for 2009, to reach 13 037 million USD. Our EBITDA margin for the year was 35.5%, up from 30.8% in 2008 on a combined basis, up 415 basis points organically.

Revenue for the year was 36 758 million USD and increased organically by 2.5%. Largely due to continued effective revenue management, revenue per hectoliter rose 4.5%.

While total volumes decreased 0.7%, volumes in our focus brands rose 1.9% from a year ago, led by Antarctica, Brahma and Skol in Brazil, the Bud Light Family in Canada, Budweiser and Harbin in China, and Stella Artois in the U.K. Focus brands are those with the greatest

growth potential in their relevant consumer segments, and are where the majority of our marketing resources are invested. We also gained or maintained share in markets representing approximately 70% of our total beer volume from 2008 to 2009.

The successful achievement of synergies and efficiencies in procurement and production enabled our cost of sales to decrease 3.4% overall and 1.1% per hl. Operating expenses fell 2.5%, driven by fixed cost management in all Zones, and significant synergies in the United States.

Strong operational cash flow generation and working capital improvement led to a significant increase in our liquidity position. Our liquidity position, including cash and cash equivalents plus committed credit lines, was 9.7 billion USD as of December 31, 2009.

Progress within Our Six Geographical Zones

Although the impact of the recession was felt around the world, we made progress in each of our six geographical Zones. EBITDA grew by double digits overall and EBITDA margin expanded organically in five of the six Zones. To highlight other key accomplishments within our six geographical Zones:

North America saw sales-to-retailers market share maintained in the United States, while in Canada the Bud Light family increased volume almost 50%. Key product launches included the national rollout of Bud Light Golden Wheat and the test market phase of SELECT 55 in the U.S., and Bud Light Lime in Canada.

Latin America North enjoyed 8.8% volume growth, with a major contribution from innovations such as the launch of Antarctica Sub-Zero and the introduction of a 1-liter bottle and the 269ml can. We made particular strides in Brazil, where volumes grew by 9.9% and market share rose to almost 70%.

Latin America South saw our premium brands continue to perform well in Argentina. Stella Artois grew 19.8%, fueled by new campaigns extending the brand's growth momentum. FY09 market share came in slightly ahead of last year.

Western Europe was noteworthy for Budweiser and Stella Artois volume growth in the U.K. In Belgium, market share rose 0.1% to 57.6% as Jupiler continued to perform well. While Germany has been a tough market due to the economy, Hasseröder grew its market share.

Central & Eastern Europe economies have suffered greatly from the global downturn. However, the zone delivered FY09 EBITDA growth of 46.3%.

Asia Pacific highlights included the successful integration of the Anheuser-Busch and InBev businesses, along with strong volume growth and market share gains for both the Harbin and Budweiser brands in China.

Carlos Brito
Chief Executive Officer



Peter Harf
Chairman of the Board



Transforming Commitments into Reality

When we combined Anheuser-Busch and InBev, we announced an ambitious set of commitments to drive the performance of our new company. The integration was achieved even more quickly and successfully than we imagined, as our new U.S. colleagues embraced our dream and ownership culture. As a result, we met—and in many cases exceeded—our commitments in 2009.

We captured 1 110 million USD in synergies. We expect to realize the balance of the synergies during the next two years. Our original target was 1.5 billion USD in synergies for the combined company, which we later increased to 2.25 billion USD.

Working capital was reduced by 787 million USD. This is substantially in excess of the commitment to release at least 500 million USD of working capital in the U.S. while continuing to strive for improvement at the former InBev.

Our pricing to our customers remained a positive factor. This is demonstrated by our revenue/hl growth of 4.5% and a 1.9% increase in focus brand volume.

We concluded our formal disposal program, surpassing our goal by achieving approximately 9.4 billion USD of divestitures. Approximately 7.4 billion USD of this amount represented cash proceeds at year-end closing.

CapEx was reduced by more than 1 billion USD, exceeding our commitment of at least a 1 billion USD reduction, without compromising either the safety of our people or the quality of our products.

We significantly deleveraged the balance sheet and enhanced our maturity profile. At December 31, 2009, there was 17.2 billion USD outstanding under our original 54.8 billion USD acquisition facilities, with maturities between November 2011 and November 2013. On February 26, 2010, we announced that we had obtained 17.2 billion USD in long-term bank financing enabling us to fully refinance the remaining balance of the senior acquisition facilities, less than 16 months after the closing of the AB InBev combination. Our net-debt-to-EBITDA ratio has decreased from 4.7 at December 2008 to 3.7 at the end of last year, thus progressing toward our long-term target of below 2.0.

Cash flow improved by 1 490 million USD, to a total of 3 661 million USD, due to our strong EBITDA growth, synergies resulting from the combination and the asset disposal program.

We achieved an effective tax rate for 2009 of 25.0%, in line with our commitment to optimize the effective tax rate in the 25%–27% range.

To reflect the company's global presence and broaden ownership of our shares among U.S. investors, we launched an American Depository Receipt (ADR) program, with trading initiated on the New York Stock Exchange in September. This move brought the globally-recognized "BUD" ticker symbol back to the NYSE, in addition to our primary listing on Euronext under the symbol "ABI."

Contributing to a Better World

Anheuser-Busch InBev people know that it is not enough simply to dream of a Better World; we must use our increasing financial capacity and global reach to deliver on our dream. In 2009, we continued this strong commitment by refining our Better World plan and pillars, with a focus on promoting Responsible Drinking, improving the Environment and investing in the Community.

From programs that promote designated drivers to encouraging parents to talk with their children about underage drinking, we reinforced our message that we brew our beers to be enjoyed responsibly by those of legal drinking age in all of our key markets around the world. In addition, we invested in projects to help preserve and protect the environment, from water and energy conservation efforts to new technology investments. Beer is a product of natural ingredients, so stewardship of our land, water and other resources is fundamental to helping ensure the quality of our brands for the long term. We also continued to strongly support the communities in which we operate, providing quality jobs and giving back through our volunteer efforts and community investments.

Looking toward the Future

As we enter 2010, Anheuser-Busch InBev has all the ingredients for continued success as a leading global consumer products company. We have a unique ownership culture that attracts and nurtures the best talent, that is always dreaming bigger, and that rewards our people for achieving beyond our high expectations. We have a portfolio of strong brands that continue to earn the loyalty of millions of consumers worldwide. We have a sharp focus on brand-building, coupled with a pursuit of operational efficiencies that put our dollars to work in the most productive manner. Our market execution, in such areas as sales, marketing and distribution, is disciplined and effective. Finally, we have a commitment to building a business for the long term by investing in initiatives that support responsible drinking, environmental sustainability and the communities in which we operate.

We are confident that we can build on these strengths to deliver sustainable profitable growth and increased shareholder value, while continuing to pursue our dream to be the Best Beer Company in a Better World. We look forward to reporting to you on our progress in the future.

Carlos Brito,
Chief Executive Officer

Peter Harf,
Chairman of the Board