

To Our Shareholders

Much has been accomplished since the combination of Anheuser-Busch and InBev more than two years ago. Through the hard work and commitment of our people, we divested non-core operations, generated significant synergies, strengthened the balance sheet, and shared best practices across our organization, while delivering solid topline growth. With our integration now complete, we have a solid platform in place—consisting of a talented and committed team, an industry-leading position, the right brands, strong presence in the most attractive markets and financial discipline—to take advantage of the exciting opportunities we see for sustainable profitable growth in a global marketplace. We are proud of our team for their great work in integrating Anheuser-Busch and InBev to form AB InBev.

Our full attention has now turned to the business of building on this platform to create a world-class consumer products company for the 21st century. Toward that end, we made very good progress during 2010.

Some highlights include:

We extended the reach of our brands worldwide through our sponsorship of the 2010 FIFA World Cup™. With Budweiser as the global sponsor, and brands including Brahma, Harbin, Jupiler, Hasseröder and Quilmes as local sponsors, the FIFA World Cup™ offered an unmatched opportunity to connect our brands with consumers in over 80 countries.

Solid steps were taken in establishing Budweiser as the first truly global beer brand, based on its iconic American values of celebration and optimism. This year we completed the work on our global Budweiser brand strategy, launched Bud in Russia, and increased volumes and market share in markets ranging from China to the UK.

Innovation in products, packaging and marketing practices enabled us to tap into the growth potential of markets as diverse as Brazil, China and Russia. In Brazil, innovations accelerated topline and volume growth to unprecedented levels and record market share.

We generated solid growth in key measures, including Focus Brand volumes, total revenue, EBITDA and EBITDA margin.

We expanded our efforts to attract, retain and develop the talented people we will need to grow our business in the future, with initiatives such as our Global Management Trainee Program and AB InBev University classes in each of our Zones.

And, we continued to work toward our dream to be the Best Beer Company in a Better World, sharing best practices and increasing our support of responsible drinking, environmental and community programs.

The credit for these and many other accomplishments must be shared by our 114 000 Anheuser-Busch InBev colleagues around the world—people who take an ownership pride in the Company, who are not satisfied with “good” when “great” is achievable, and who never compromise on our dream.

Strong Financial Performance Our results for 2010 showed very good progress in spite of the persistent challenging economic environment in several markets. Revenue was 36 297 million USD for the year and increased organically by 4.4%. EBITDA rose 10.6% to reach 13 869 million USD. EBITDA margin for 2010 was 38.2%, rising from 35.8% in 2009, an organic increase of 209 basis points.

Normalized profit attributable to our equity holders was 5 040 million USD in 2010, or 3.17 USD per share, compared to 3 927 million USD, or 2.48 USD per share in 2009.

Cost of sales increased 1.1% overall and decreased 1.2% per hl, as higher raw material and packaging costs in some Zones were only partially offset by procurement savings and implementation of best practices. Operating expenses increased 0.5%, reflecting our global investments in sales, marketing, distribution and innovation, partially offset by reductions in non-working money and lower administrative expenses.

Tremendous progress was made in our capital structure, with debt reduced by 5 500 million USD; we also completed the refinancing of the original senior facilities resulting in maturity extension, increased liquidity, improved terms, and the elimination of all financial covenants on our senior facilities. We ended 2010 with a ratio of net debt to normalized EBITDA of 2.9, approaching our target of 2.0. Our liquidity position, including cash and cash equivalents plus committed credit lines, was 14 293 million USD as of December 31, 2010.

Growing Healthy Brands Our ability to build and grow strong, healthy brands was a key contributor to our performance for 2010. For the fourth straight year, our strategy of investing behind our Focus Brands, those with the greatest growth potential, drove increasing volumes and market share. Volumes of our Focus Brands rose 4.8% in 2010, outpacing our overall volume increase of 2.1%. Furthermore, Focus Brands grew as a percentage of our total own beer volumes, to 68.8% in 2010 from 67.0% in 2009.

We delivered strong performance across our Focus Brand portfolio. Budweiser gained volume globally and expanded market share in the UK, China and Canada. Other areas of strength included Antarctica, Skol and Brahma in Brazil; Harbin and Sedrin in China; and Klinskoye in Russia. As evidence of this, Budweiser and Skol were ranked among the 20 fastest growing valuable brands in the BrandZ™ Top 100 Most Valuable Global Brands Report. In addition to the momentum created by our sponsorship of the FIFA World Cup™, our brands benefitted from investments in innovation, such as Budweiser Lime in China, Stella Artois Black in the UK, Skol 360° and Antarctica Sub Zero in Brazil, and Klinskoye Fresh in Russia.

Diverse Geographic Zones Each of our six geographical Zones has pursued well-defined growth plans, built upon revenue management initiatives, brand-building plans, in-market execution, innovation, efforts to shift consumers toward premium products and, where appropriate, investments in expanding capacity and distribution. As a result, we have gained or maintained share in markets representing more than half of our total beer volumes.

North America volumes declined 3.1% due to the impact of the weak economy, but EBITDA rose 6.5% on synergies and lower cost of sales. We launched a major campaign to drive sampling of Budweiser in the US, and we also are beginning to benefit from a shift by consumers to premium brands such as Bud Light.

Latin America North produced impressive growth. Volume increased 9.6% and EBITDA rose 16.4% due to the rapid pace of the Brazilian economy and our own product and packaging innovations. Antarctica, Brahma and Skol all gained volume in Brazil.

Latin America South volumes increased 0.7% and EBITDA was up 15.9%, with stable or growing market share in all Zone countries. Highlights included the celebration of the 120th anniversary of Quilmes, continued penetration by Stella Artois, and innovations for such brands as Patagonia, Paceaña, Pilsen, Brahma and Quilmes Bajo Cero.

Western Europe volume declined 2.5% reflecting the economic downturn, although EBITDA increased 6.6%. Investment in Budweiser drove significant market share gains in the UK. We also grew market share of Jupiler in the Netherlands, while Leffe and Hoegaarden continue to grow in France.

Central & Eastern Europe volumes decreased 0.9%, while EBITDA declined 17.8% due to investments in Focus Brands, along with higher excise taxes not fully passed on to the consumer and increased distribution costs. Highlights included the launch of Bud and growth of Klinskoye in Russia, and the continued leadership position of Chernigivske in Ukraine.

Asia Pacific volumes rose 5.9%, driven primarily by our growth in China, and EBITDA increased 18.3%. Strong growth for Focus Brands Budweiser and Harbin, as well as Sedrin, highlighted our performance in China.

Dream, People, Culture As we continue on our journey as a company, one thing has remained constant at Anheuser-Busch InBev: our unique Dream-People-Culture platform. Our people share the dream to be the Best Beer Company in a Better World, and this dream inspires all of us to aim higher, do more, and never to compromise on integrity, quality or results. We know that our people are our most important competitive advantage. Great companies are formed by great people. To ensure that we continue to deliver on our dream, we strive to hire and retain the best people worldwide. We provide best-in-class training, opportunities and incentives to drive superior performance. And we foster an ownership culture that is highly focused on delivering sustainable growth for both the short and long term.

Working Toward a Better World An active, ongoing commitment to a Better World is as much a part of our dream as is building a successful, growing company. During the past year, we pursued a wide range of initiatives in three areas that we consider essential to this dream. We supported comprehensive responsible drinking programs to promote the use of designated drivers and encouraged parents and children to have a dialogue about underage drinking. We invested in preserving and protecting our environment by targeting improvements in our energy and water usage, and helping to clean up waterways and public areas. And we gave back to the communities in which we live and work by providing aid to victims of natural disasters, financial and volunteer

support for a wide range of worthy endeavors, and by creating quality jobs and business investments around the world.

Platform for Sustainable Growth As we continue to pursue exciting opportunities for profitable growth as a leading consumer products company, we are building on a strong, differentiated platform:

Top Talent. We continue to invest heavily to attract, retain and develop the very best talent worldwide. This is our key sustainable competitive advantage.

Industry-Leading Position. We have the scale to compete on a global basis and to deploy our resources to connect with consumers worldwide.

The Right Brands. We have the right brands, including 14 “billion dollar brands” that are driving a successful Focus Brands strategy.

Attractive Markets. We are strongly positioned in most of the world’s leading markets for beer, including the US, which remains the industry’s top profit pool, and high-growth areas such as Brazil and China.

Financial Discipline. Our business is guided by strict financial discipline, enabling us to free up funds for investments in growth, while we also benchmark and measure our performance to ensure that we deliver on our commitments.

Looking toward the future, we will continue to strive to deliver sustainable profitable growth and increased shareholder value. We plan to use our global reach and strong brand portfolio to connect with a broader range of consumers worldwide. We will pursue focused efforts to build brand health, which we believe is the key to superior topline growth. We will enhance our business in a range of geographic areas, complementing our leading positions in developed markets with opportunities in fast-growing emerging markets. We will continue to exercise operational discipline to maintain our financial strength and provide additional resources to invest in long-term growth. And, we will never stop working hard to achieve our dream to be the Best Beer Company in a Better World.

We thank our millions of consumers worldwide for their loyalty to our products, our shareholders for their support, and our people for their commitment and passion. We look forward to reporting to you on our progress in the future.



Carlos Brito
Chief Executive Officer

(S.A.A)



Peter Harf
Chairman of the Board

Peter Harf