

## **Interbrew: outstanding results for 1999**

### ***Net profit up by 21%***

**Brussels, April 25<sup>th</sup>, 2000** – Interbrew, the World's Local Brewer, today announced its results for 1999. The 5th global brewer saw impressive progress in geographic expansion, growth in sales volume of all major brands and profit.

#### **Outstanding results**

1999 net profit improved by 21% reaching EUR 230.3 million. Operational performance resulted in an EBITDA increase of EUR 104.8 million or 16.1%.

Sales volume (excluding any minority participation) reached 49 million hectoliters representing an increase of 27% over the previous year. Turnover (excise excluded) was up 19.5% reaching EUR 3,243.8 million.

*"We are proud to announce that 1999 was another year of progress in all key areas, making Interbrew the fastest growing brewer among the top ten in the world,"* said **Baron Paul De Keersmaeker, Chairman of the Board of Directors**. *"As the number one or two brewer in almost every market where we are present, we are committed to being the best brewer for our consumers, customers and partners. By building on this impressive record of internal and external growth in 1999, we plan to grow Interbrew's position as the World's Local Brewer,"* added **De Keersmaeker**. *"The Group's 24,000 employees can be proud of the results they achieved."*

#### **Key figures (in EUR million)**

|                          | <b>1999</b> | <b>1998</b> | <b>Increase</b> |
|--------------------------|-------------|-------------|-----------------|
| Volume (in thousands hl) | 49,001      | 38,570      | +27%            |
| Net net turnover (1)     | 3,243.8     | 2,715       | +19.5%          |
| EBITDA (2)               | 755.7       | 650.9       | +16.1%          |
| NAT (share of group)     | 230.3       | 190.1       | +21.1%          |

(1) gross sales less discounts and excise taxes

(2) operating profit before depreciation and amortization



### **Partnerships and acquisitions for further growth**

Interbrew accelerated its external growth in Eastern Europe by signing a joint venture with the Sun Group to form SUN Interbrew, achieving the number two position in Russia with eight breweries and number one in Ukraine with three breweries.

Interbrew further consolidated its position in Central Europe by becoming the leading brewer in Bulgaria through its acquisition of Pleven, increasing its capacity in Romania through a joint venture with the Efes Brewery and starting a new brewery in Bosnia-Herzegovina.

In South Korea, the acquisition of the Cass Brewery by the Oriental Brewery, a joint venture between Interbrew and Doosan, strengthened Interbrew's position in the important Asian market.

In Mexico, FEMSA Cerveza, in which Interbrew holds a 30% stake, increased its contribution to net profit by 103% versus 1998 (EUR 57.4 million).

Interbrew's expansion strategy thus provides a strong platform for further growth in the emerging markets of Asia, Central and Eastern Europe as well as in Western Europe and the United States.

### **Beer.com**

Interbrew took a significant step into the interactive arena of the new economy as the lead investor in beer.com. Launched in mid-1999, beer.com will add significant value to Interbrew's position as a global brewing leader. Its aim is to become the preferred on-line destination for the world beer community.

### **Stella Artois**

Interbrew's global flagship brand enjoyed a volume increase of 17% worldwide, driven by new market entries and growth in several key international markets. In this respect, the launch of Stella Artois in the United States, Canada and Australia was a successful achievement.

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### **Pursue and finance further growth**

*"Looking forward, we continue to pursue external growth throughout the world," said **Hugo Powell, Chief Executive Officer** of Interbrew. "We expect to benefit from the turnaround of the Korean economy, our second largest market in volume and will further consolidate our operations in Russia and Ukraine. Results in North America will continue to generate substantial contribution to the overall performance of Interbrew thanks to greater operational efficiencies and growth in share and volume in this important market. Additionally, Interbrew's operations in emerging markets are expected to gradually show increasing profitability."*

### **Initial public offering**

The Board of Directors decided to introduce Interbrew to the stock market before the year-end. The management of Interbrew has been requested to evaluate all aspects linked to an initial public offering and to advise the Board of Directors about the terms and timing of this transaction. The purpose of the IPO is to attract financial means to ensure Interbrew's further external growth.

**Hugo Powell** concluded: *"The year 2000 should confirm Interbrew's pre-eminent role in the consolidation of the brewing industry as the World's Local Brewer, respectful for what is local and committed to global standing."*

The Annual Report 1999 is available on the internet site : [www.interbrew.com](http://www.interbrew.com)  
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Interbrew is the 5<sup>th</sup> brewer in the world. It is a privately owned company headquartered in Belgium and employs over 24,000 people worldwide. The strength of the Interbrew portfolio is the combination of both strong national brands with international brands including Stella Artois, Labatt and Rolling Rock in the lager category and Hoegaarden, Leffe and Belle-Vue in the specialty beers segment. In total, Interbrew's beers are sold in over 110 countries.