



Anheuser-Busch InBev

Société anonyme / Naamloze vennootschap
Grand Place / Grote Markt 1, 1000 Brussels, Belgium
Register of legal entities: 0417.497.106 (Brussels)

SPECIAL REPORT BY THE BOARD OF DIRECTORS TO THE SHAREHOLDERS RELATING TO THE AUTHORISED CAPITAL

prepared in accordance with article 604 of the Companies Code

Dear Shareholders,

In accordance with article 604 of the Belgian Companies Code, the board of directors (the “**Board of Directors**”) of Anheuser-Busch InBev SA/NV (the “**Company**”) reports on the proposal to be made to the extraordinary shareholders’ meeting convened on 26 April 2017 (the “**Extraordinary Shareholders’ Meeting**”) to (i) grant a new authorisation to the Board of Directors to increase the share capital of the Company and (ii) amend article 11.1 of the articles of association of the Company accordingly.

1 Request regarding the authorised capital

The Extraordinary Shareholders’ Meeting is respectfully requested to grant an authorisation that will enable the Board of Directors to increase the Company’s capital, in one or more transactions, by the issuance of a number of shares, or financial instruments giving right to a number of shares, which will not represent more than 3 % of the shares outstanding as at 26 April 2017, subject to the restrictions set forth in article 603, first indent of the Companies Code. The authorisation is requested for a duration of five years, as from publication of the amendment of the articles of association regarding the authorised capital in the Annexes to the Belgian State Journal (*Annexes du Moniteur Belge / Bijlagen bij het Belgisch Staatsblad*).

2 Circumstances under which the authorised capital may be used and objectives pursued

The above-mentioned authorisation, if granted by the Extraordinary Shareholders’ Meeting, would allow the Board of Directors to use the authorised capital:

- (i) when the sound management of the Company’s business or the need to react to appropriate business opportunities calls for a restructuring, an acquisition (whether private or public) of securities or assets in one or more companies or any other appropriate increase of the Company’s capital; or

- (ii) within the framework of any stock option or incentive plans open to employees, executives, consultants or directors of the Company or its subsidiaries.

The flexibility of the authorised capital, as opposed to the procedure for increasing the capital by decision of the Shareholders' Meeting, will allow the Company to react swiftly and efficiently in the above-mentioned circumstances.

It will also enable the Company to seize growth opportunities with the required flexibility, such as, without limitation, the acquisition of other companies with a view to strengthening the market position of the Company or the acquisition of additional shareholdings in companies of which the Company is already, or will become, a direct or indirect shareholder.

The increase(s) of capital decided under the authorised capital may be effected by contribution in cash or in kind, including as the case may be an issue premium not available for distribution, the amount of which shall be fixed by the Board of Directors, and by creation of new shares conferring such rights as the Board of Directors shall determine. The increase(s) of capital may also be effected by capitalisation of reserves, including those not available for distribution, or an issue premium, with or without the creation of new Shares.

Without limiting the generality of the foregoing, if deemed appropriate by the Board of Directors, the issuance of new securities may be decided upon and used as consideration for any public take-over bid (including a mandatory public take-over bid) on one or more companies.

The Board of Directors may also use the authorised capital to issue financial instruments giving right to shares, such as (mandatory) convertible bonds.

When deciding to increase the Company's capital within the framework of the authorised capital, the Board of Directors may restrict or exclude the preference right of the existing shareholders (including in favour of identified persons who are not employed by the Company or its subsidiaries) under the conditions set out in article 12.2 of the articles of association of the Company.

If the Board of Directors decides, when increasing the capital, to restrict or exclude such preference right, a detailed justification will be set out in a special board report to the shareholders, which will also set out the issue price and the financial consequences of such decision. A special statutory auditor's report to the shareholders will also be prepared in that case.

The management report by the Board of Directors will each year provide information on any use of the authorised capital that is decided by the Board of Directors.

The Board of Directors confirms that any capital increase pursuant to the authorised capital will be in accordance with the Company's corporate interest.

1 March 2017

For the Board of Directors,

G. de Spoelberch
Director

S. Descheemaeker
Director