



HUNGARY

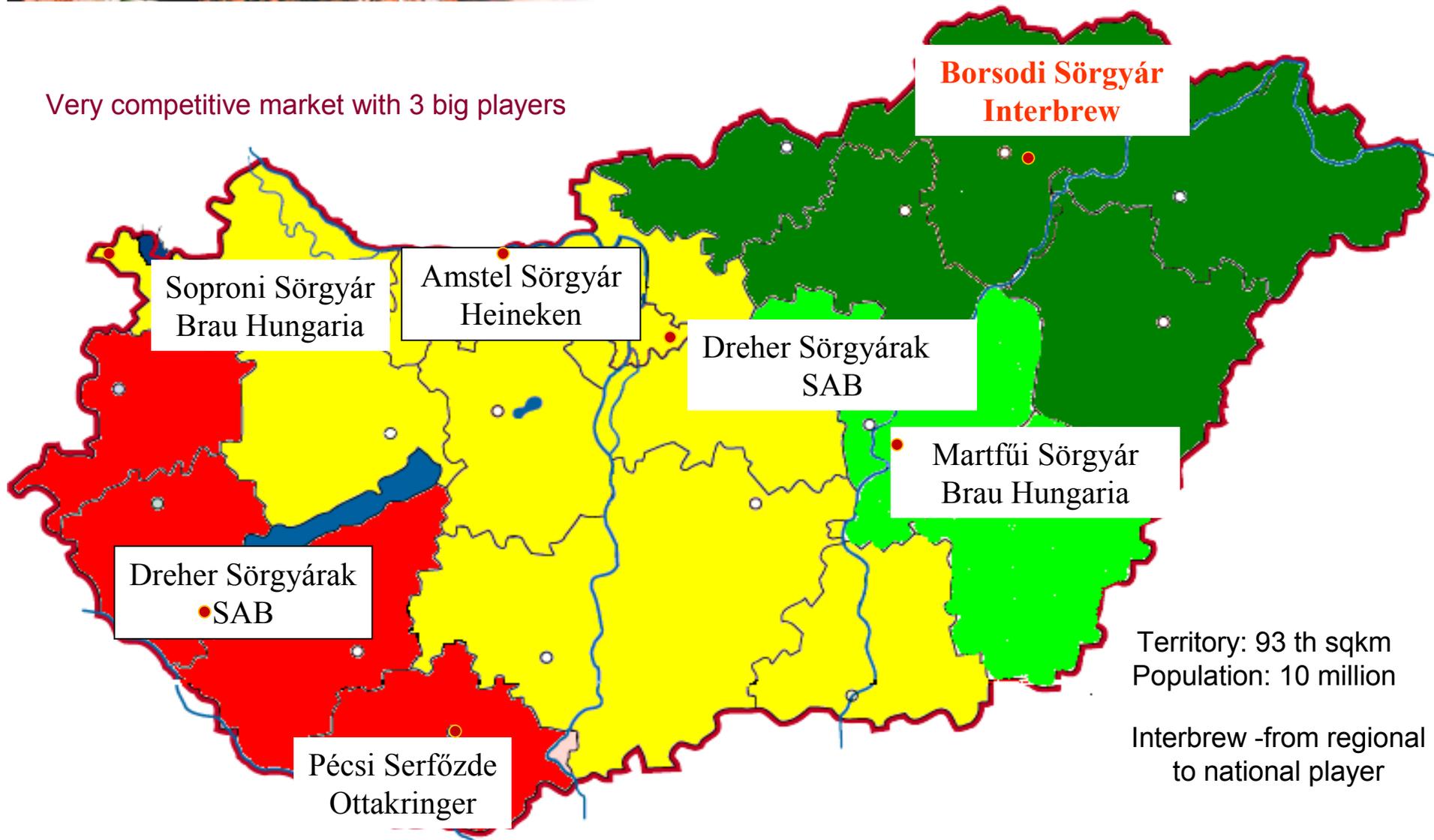


Gyula Bognár

Hungary



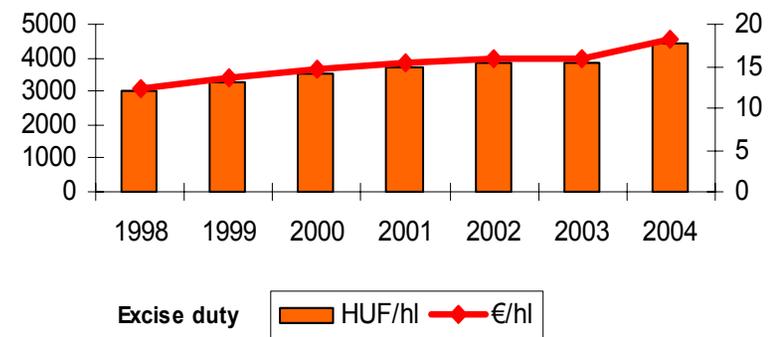
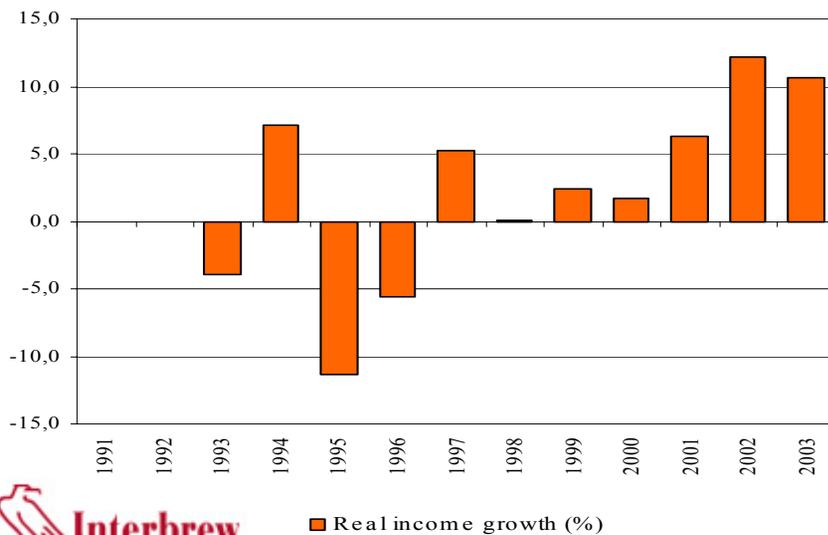
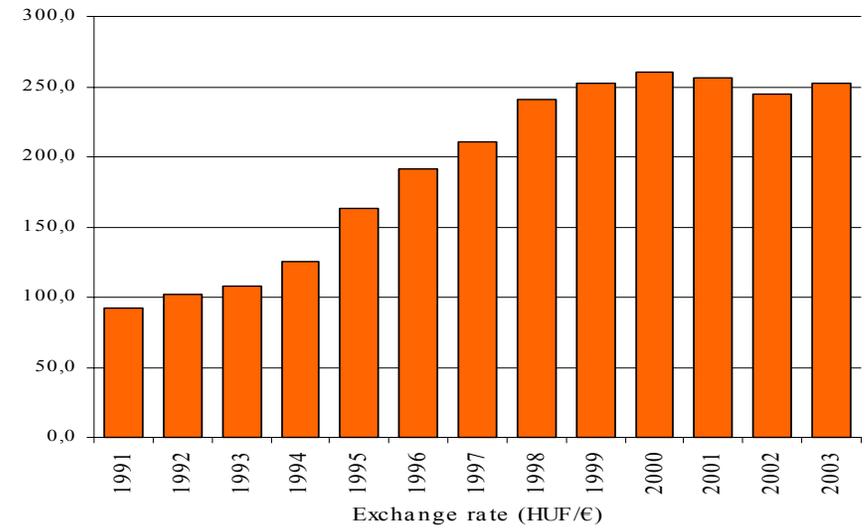
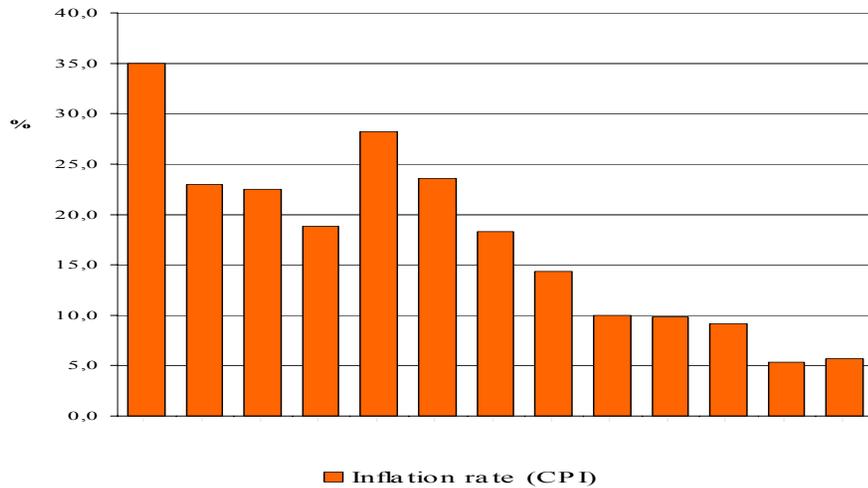
Very competitive market with 3 big players



Territory: 93 th sqkm
Population: 10 million

Interbrew -from regional
to national player

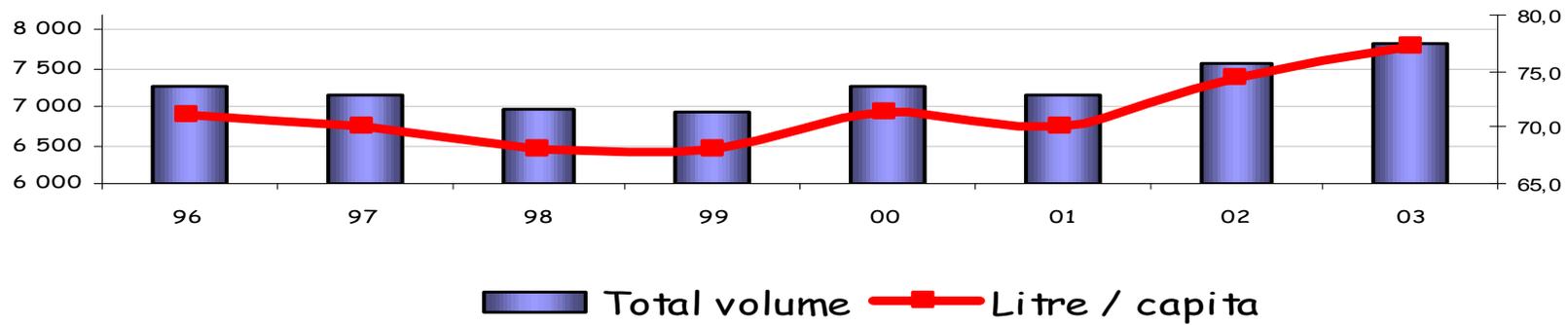
Hungarian economy



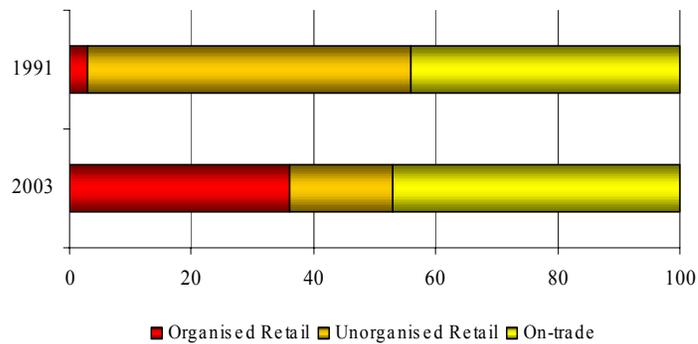
Hungarian Beer Market Evolution



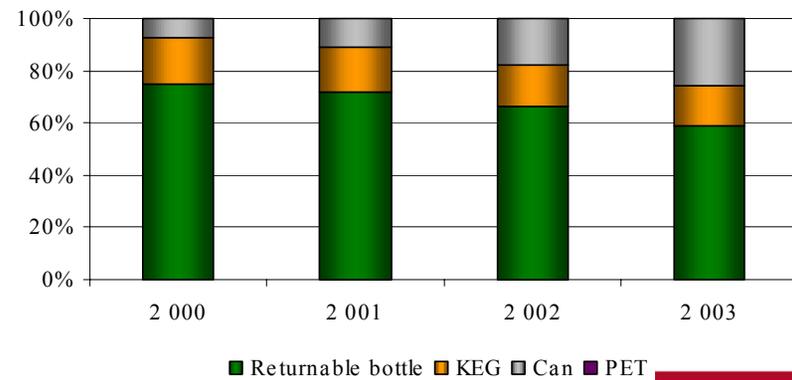
Beer Market



Channel evolution



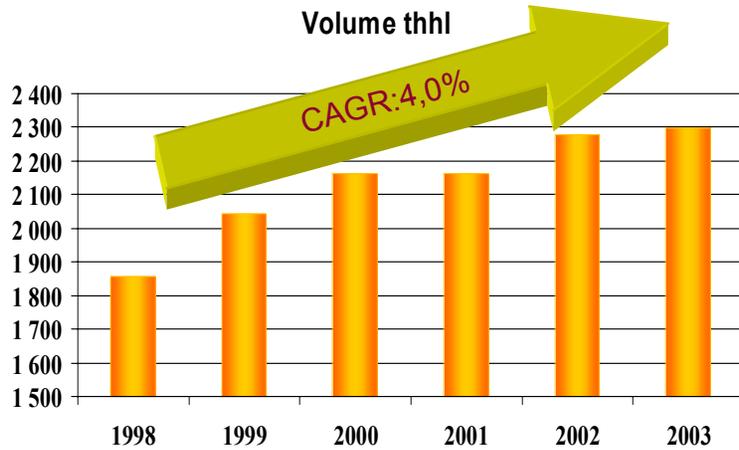
Packaging mix



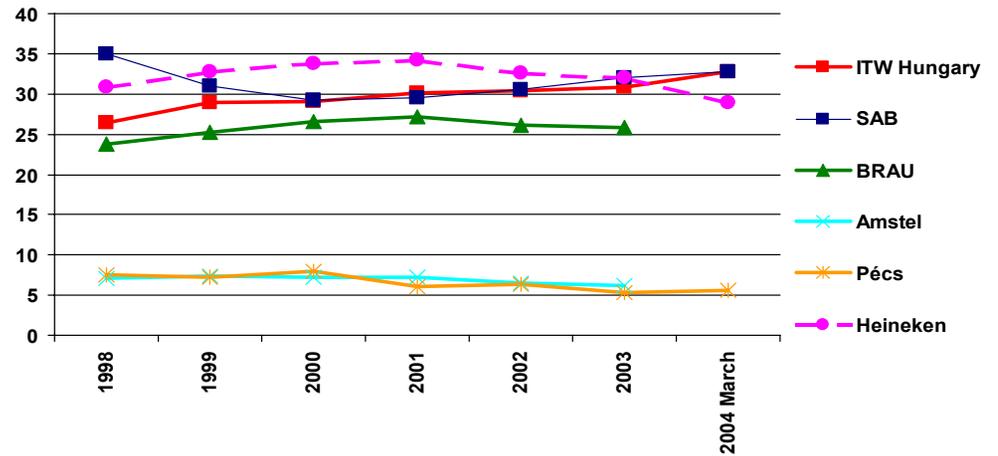
ITW Hungary



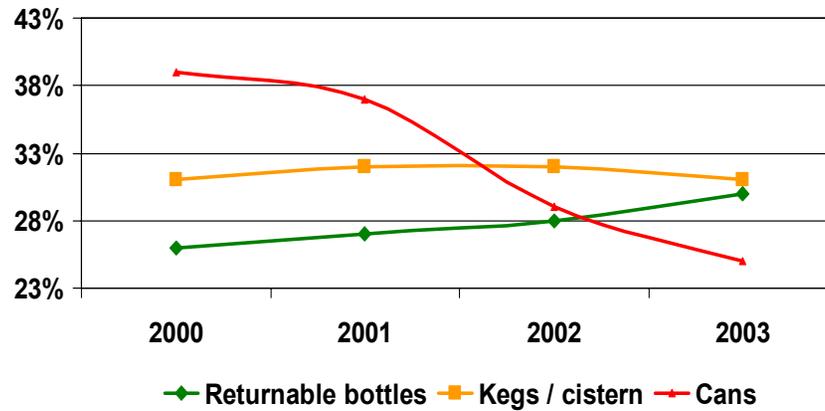
Volume thhl



Market Share % (on 12 months basis)



MS in packaging segments



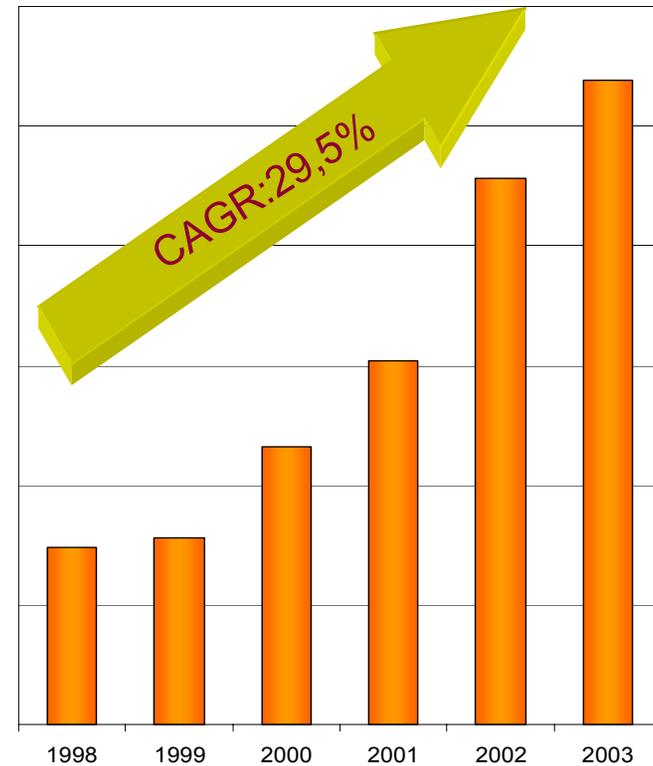
Superior, Consistent Growth



NNS



EBIT

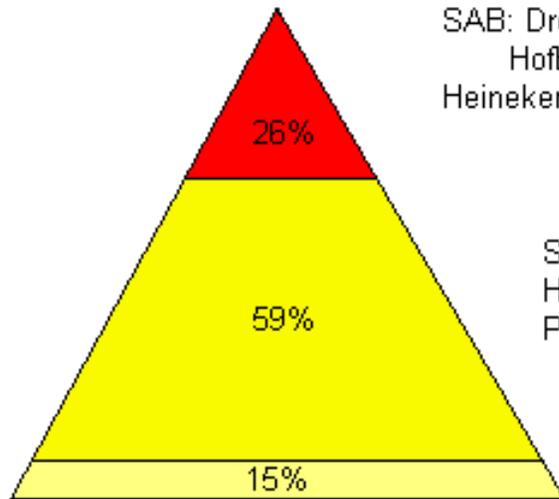


Focused brand portfolio



Total Market Segmentation

Competition



2000

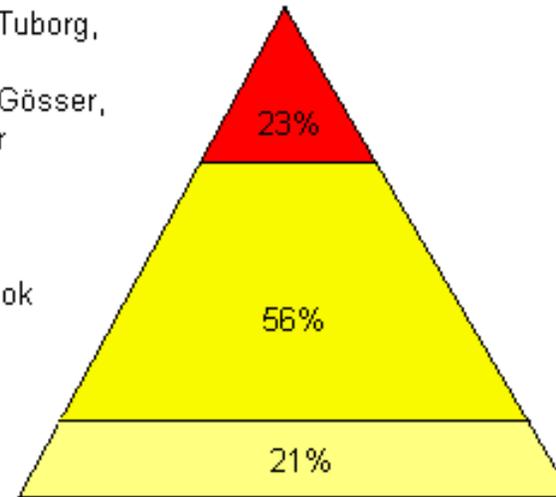
SAB: Dreher, Pilsner Urquell, Tuborg, Hofbrau
 Heineken: Heineken, Amstel, Gösler, Kaiser, Steffl, Zipfer

SAB: Arany Ászok
 Heineken: Soproni Ászok
 Pécs: Szalon

Interbrew

Stella Artois (1998)
 Beck's (2004)

Borsodi Sör



2003

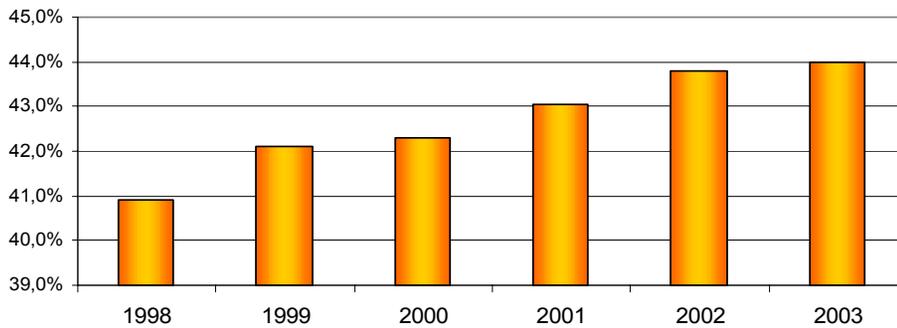
Price
 Core
 Premium



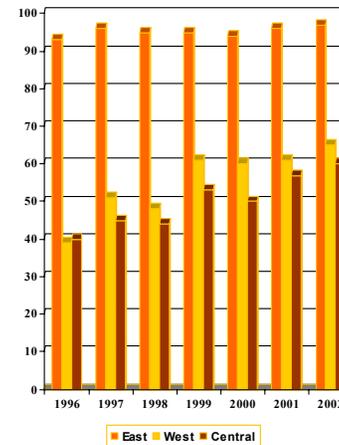
Borsodi Sör - regional rural brand → nationwide respected brand



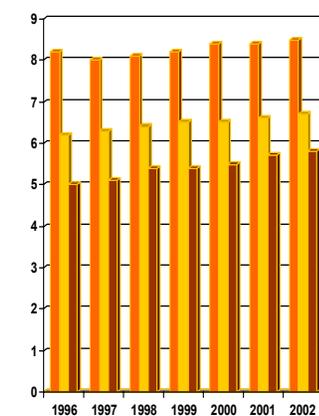
Borsodi family MS in CORE segment



Awareness



Liking



- First in NRW bottle
- First in can
- First in big bottle
- First in PET

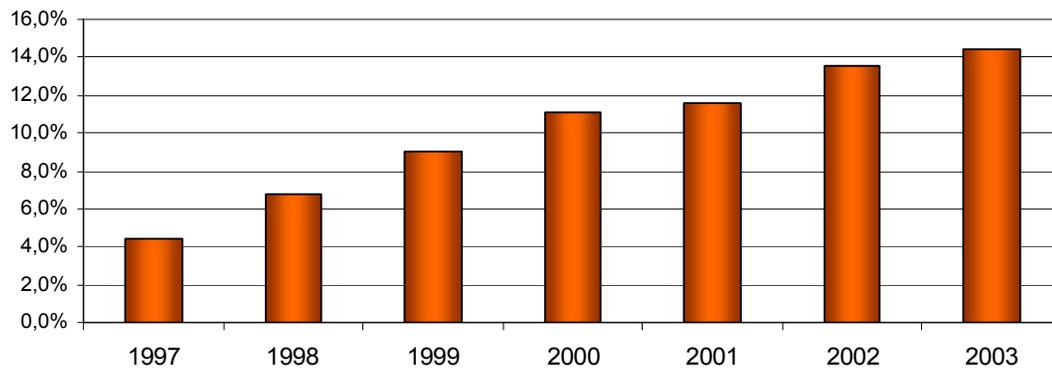
- Line extension:
First non alcoholic, first amber beer and first strong core



Global superpremium brands



ITW MS in PREMIUM segment



Launch Stella Artois in 1998

Stella Artois N.A. in 2001

Beck's in 2003, brewing in Hungary 2004

Stella Artois in embossed bottle & Q-pack in 2004



Long term partnership program



DIEX

Wholesalers in the past:

Loss maker
Basic distributor only
Weak knowledge
Competing with each and other

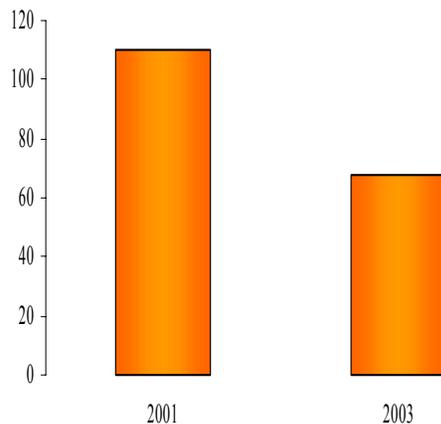
Help the partner:

Improve profitability with increasing sales volume
Best practice sharing
Develop special integrated IT system
COSERV- creating purchasing association

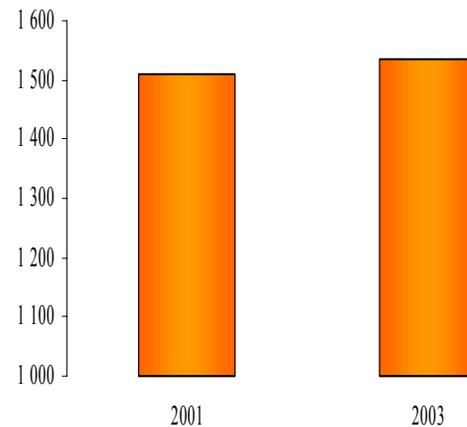
Wholesaler after DIEX

Profitable
Professional

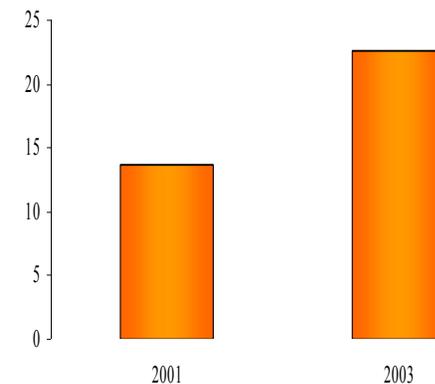
Number of WHS (pcs)



Volume of WHS (thHL)



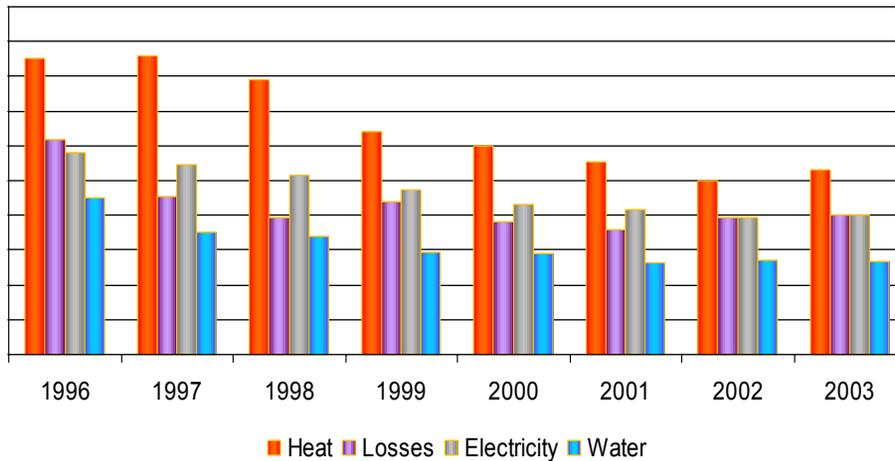
HL/WHS (thHL)



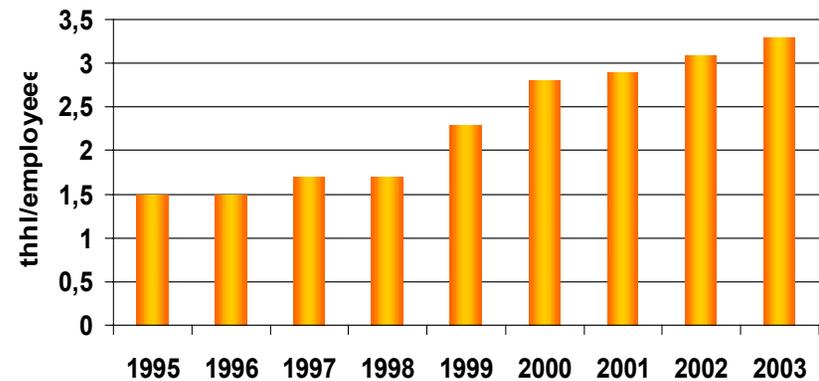
Cost saving and effectiveness



Cost savings



Overall productivity



Key challenges in Hungary



- EU accession
 - New competitors with cheap products
 - Environmental law
- Three strong players on the beer market
- Unforeseen quick changes in macroeconomy (inflation / devaluation/taxation)
- Modern retail expansion
- More expensive labour costs / energy costs