Trends in Beer Consumption and InBev’s Approach

Steve Cahillane, Chief Commercial Officer
140 Markets
Leader in 20 major markets
Geared to growth
World – Share of Throat

- Carbonates
- Still Drinks
- Juice
- Squash/Syrups
- Fruit Powders
- Iced/Rtd Tea
- Sports Drinks
- Tea
- Coffee
- Beer
- Wine
- Spirits
- Milk
- Pk. Water

- DECLINE
- CONSISTENT
- INCONSISTENT
- GROWTH

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China – Share of Throat

DECLINE

CONSISTENT

INCONSISTENT

GROWTH

Tea
Spirits
Still Drinks
Iced/Rtd Tea
Coffee
Juices
Carbonates
Milk
Pk. Water
Beer
Spirits

China – Share of Throat

DECLINE

CONSISTENT

INCONSISTENT

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China – Share of Throat

DECLINE

CONSISTENT

INCONSISTENT

GROWTH

Tea
Spirits
Still Drinks
Iced/Rtd Tea
Coffee
Juices
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Milk
Pk. Water
Beer
Spirits
Russia – Share of Throat

CONSISTENT

DECLINE

Inconsistent

GROWTH
Diversified Geographic Reach

InBev is in 7 of the 10 highest contributing markets...

% of the Growth

Cumulative Growth %
Geared to Growth
3Q05: % of EBITDA

- Latin America: 39%
- Western Europe: 25%
- North America: 17%
- Central & Eastern Europe: 12%
- Holding Cies & Global Export: 0%
- Asia Pacific: 7%
**InBev Strategy**

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**InBev Strategy**

Optimal brand portfolio by country

Develop sustainable core domestic brands

Drive global premium brands

Revenue Management

Global roll-out of Brahma

Broaden consumer appeal for InBev portfolio
InBev Strategy

Cost-discipline rollout

- Ownership culture
- Zero-Based Budgeting (ZBB)
- Plant Optimization

World Class Commercial Program:
Secure and customize route-to-market
Values based brands
Best in class with management and selling systems
Optimize Margin Pool Split

Performance-based culture enables improvements
Commitment to value creation built on margin expansion and EBITDA growth

New operating model

1. Reduce cost base
2. Increase marketing and sales investments
3. Effective portfolio management
4. Grow volumes
## Progress Report – YTD Performance

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<td>Organic volume + 4 to 5%</td>
<td>+5.6%</td>
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<tr>
<td>Price/mix + 1%</td>
<td>+1.7%</td>
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<td>EBITDA margin expansion</td>
<td>+2.6%</td>
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*EBITDA margin of 27.7% vs 25.1% YTD 04*

| EBITDA organic growth | +17.0% |
Premium Growth

Volume Progress in 3Q05:

Beck’s +10.2%
Brahma +14.6%
Stella Artois + 8.4%

Total InBev + 6.0%