InBev

Morgan Stanley conference
November 2006
InBev — a True Global Company

• Healthy balance of emerging and developed markets
• Leading presence in the fastest-growing markets
• Number one or two position in more than 20 key markets – more than any other brewer
• The opportunity for synergies driven by procurement, best practices and cross-licensing
Privileged exposure to attractive markets

2006 YTD volume profile reflects presence in high growth regions...

...and leading positions in key markets highlights source of continued growth

Highest-Growth Beer Markets
Absolute Volume Growth in Mio HL (2005-2010 forecast)

- China: 108
- Russia: 15
- Brazil: 11
- US: 8
- Ukraine: 7

1. Refers to US imports market
With Clear Long Term Goals...

- Organic beer volume growth ahead of the industry
- Revenues growth ahead of volumes
- Costs moving below inflation

...Leading to Significant EBITDA Margin Expansion
Healthy Top Line Growth...

...and Strong Cost Management

All Percentages are shown in organic terms
Supported by a well defined strategy...

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Winning Brand Portfolio

- Consumer-centric
- Create enduring bonds
- Strengthen global brand portfolio
- Values-based brands approach

Global

and Strong local Brands...
Winning at the Point of Connection

- Deliver top quality consumer experience
- Develop superior capabilities in sales, merchandising and distribution
- Create strongest appeal where we connect with consumers
VPO is the InBev way to run our breweries

- Optimize network of breweries
- Maximize procurement processes
- Ensure best practices implemented
# Zero Based Budgeting

## Strategic Pillars and Enablers

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## Year 1: Implementation

**Process**
- Visibility and standardization
- Policies implementation
- Budget Process
- Basic Tracking & Monitoring

**Mindset**

**Knowledge**

**Understand Discipline**

## Year 2: Stability

**Process**
- T&M improvement:
  - Basic analysis
  - Data Quality improvement
- Processes & System knowledge improvement

**Mindset**

**Knowledge**

**Understand Discipline**

## Year 3: Sustainability

**Process**
- Disciplined and structured T&M:
  - Consistent Analysis
  - Improvement of cost drivers understanding
- Best Practices sharing

**Mindset**

**Knowledge**

**Understand Discipline Embrace**

## Year 4: World Class Vision

**Process**
- Deep understanding of cost drivers
- Innovative cost savings initiatives

**Mindset**

**Knowledge**

**Understand Discipline Embrace**

**Live**
Targeted External Growth

- Strengthen existing positions
  - Tinkoff
  - Fujian Sedrin
  - Quinsa

- Divest non-core positions
  - German soft drinks bottler
  - Damm minority stake
  - Rolling Rock

- Strict decision criteria to ensure value creation
Innovation

**Winning at the Point of Connection**

- **World Class Efficiency**
- **Targeted External Growth**
- **Innovation**
- **People / Culture**
- **Financial Discipline**

### Strategic Pillars and Enablers

- **Winning Brand Portfolio**
- **PerfectDraft as per Dec. 2005**
- **New crate**
- **Beck’s Gold February 2003**
- **Beck’s Green Lemon 0,33 l ret. bottle as per May 2005**
- **Beck’s Gold 0,5 l ret. Bottle as per May 2005**
- **Beck’s Level 7 and Chilled Orange 0,33 l ret. bottle as per July 2006**

- **Innovation**
- **People / Culture**
- **Financial Discipline**

1998

- **Beck’s Gold**

- **February 2003**

- **2006**
People, Culture and Financial Discipline

- Right people in the right jobs
- Meritocracy
- Stretched but achievable targets
- Reward as owners for outstanding results
Find out more at www.InBev.com