

AB InBev Investor Seminar  
November 14<sup>th</sup>, 2013  
Pat McGauley, VP Innovation – Innovation

Good afternoon.

My name is Pat McGauley and I head up all the Product & Pack innovation within the US zone. I have been with Anheuser Busch InBev for 27 years while serving in a number of different roles. I began my career working in our company-owned wholesaler in Chicago which I feel provided great foundational knowledge of the beer business.

I then moved to several sales related roles performing as district manager in multiple regions. After ten years in sales, I moved into the marketing side of the organization working as a brand manager on great brands...like Busch, Natural Light, Michelob Family, and Bud Light.

I then managed our geographic marketing department before taking over the innovation role almost 7 years ago. I'm here today to talk to you about leadership through innovation. It's a strategy we at Anheuser-Busch take very seriously.

Steve Jobs summed it up by saying "Innovation distinguishes the leaders from the followers." It reminds us as industry leaders that there is an expectation for us to "lead" and that is what we do. Our innovation efforts are built on deep consumer insights and a forward-thinking vision that is driving the beer industry.

Our Innovation strategy focuses on delivering top line growth by the following:

1. Offering Premium plus and above solutions
2. Delivering options that are the most incremental to our portfolio
3. Capitalizing on emerging consumer trends that Paul highlighted
4. Bringing new consumers to our portfolio.

We do this all with discipline and in a profitable way. We achieve this by focusing on opportunity space around both:

- Share of Beer
- Share of Throat

We also have a renewed emphasis on Pack Innovation by delivering our core brands more differentiated packaging than ever before. After the Q&A and at the reception we will be sampling several of our new Innovations. Here are a few examples.

1. With an emphasis on packaging we have our new Bud Light Cool Twist 16oz resealable aluminum bottle.

This new bottle is superior to all aluminum bottles in the market and is sure to capture volume from our competition.

2. Next we have our second edition of our Budweiser Project 12 Beers that Brian mentioned.

This new line highlights the passion and love of brewing shared by our 12 Brew Masters. There were six beers sampled by consumers throughout last summer.

Three winners were selected, each with their own unique style. The first is a Beechwood Bock, which is brewed with chocolate and caramel malts and finished on beechwood chips for a crisp, mild taste.

The second is a North Pacific Lager which is brewed with a unique blend of hops including Cascade and Palisade hops delivering a bold hoppy flavor. The third beer is a Vanilla Bourbon Cask which is aged on bourbon barrel staves and vanilla beans for a slightly sweet taste.

3. Our Shock Top line continues to expand as Craft consumers thirst for variety.

We have a first of a kind cider- plus -beer hybrid with our new Shock Top Apple Wheat. Next, we have our winter seasonal. Shock Top Chocolate Wheat - this beer is brewed with chocolate malt for an incredible chocolate taste and aroma. We call it Choc-top.

4. The very successful “Chelada” line continues to delight our Latino consumers.

In late 2013 we launched our fourth variant Bud Light Chelada Extra Lime. This unique beer blend has an extra lime kick and zesty taste. On the share-of-throat side we have two key innovations which address those consumers with a sweeter palate looking for beverage alternatives.

1. First we have our new Stella Artois Cidre- Which is an excellent Euro Style cider with a not-to-sweet taste that we recommend be served in a wine glass
2. Lastly we have three new variants from our popular “Rita” line.

Our fall seasonal is Cran-Brrr-Rita- with a perfect balance of sweetness and tartness. We next have two new flavors for next spring which are Mang-o-rita and Razz-ber-rita. Both of these provide the just right balance of flavor and sweetness.

We suggest you enjoy over ice. These new products represent our commitment to innovation and leadership here at Anheuser-Busch. I hope you’re thirsty. Right after Q&A, you’ll have the opportunity to taste these products.

Thank you.