AB InBev

First Quarter 2018 Results

9 May 2018

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Highlights of the quarter

- **Beer volume growth**, led by Mexico, Argentina, Colombia and China
- Global brand revenue growth of **double-digits** outside of their home markets
- Continued **margin expansion** enhanced by synergy capture and cost savings
- Solid plans in place for **2018 FIFA World Cup™**
- Launch of **2025 Sustainability Goals**

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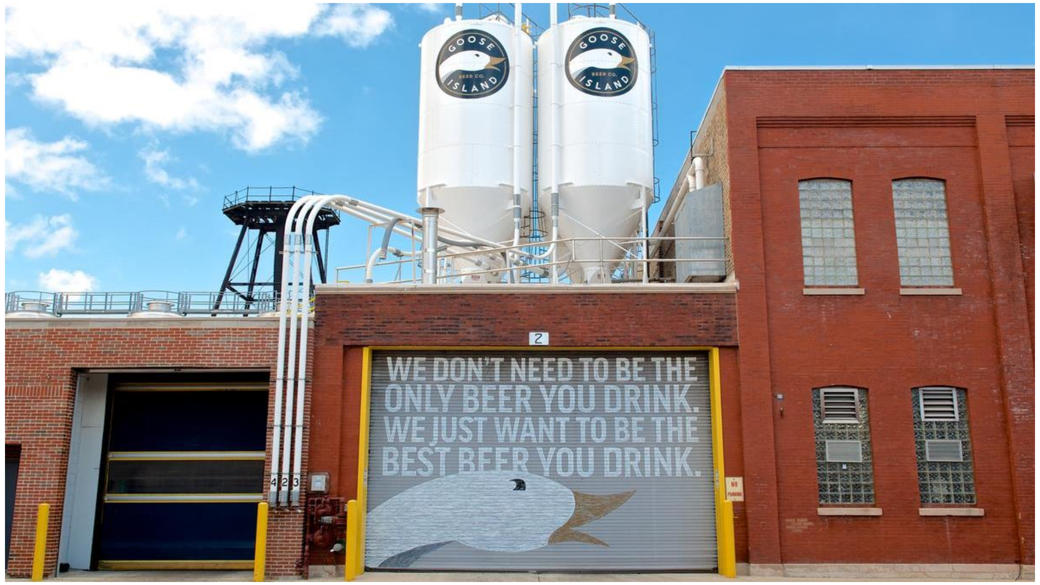
1Q18 Financial Summary

Total Revenue +4.7%

- Revenue per hl **+4.9%,**
  +5.3% on a constant geographic basis
- Global Brands **+7.9%,**
  +12.2% outside of their home markets



Total Volumes -0.2%

- Own beer **+0.5%,** non-beer **-6.9%**

EBITDA +6.6%, and EBITDA margin expanded by **70 bps** to **38.2%**

Normalized EPS decreased by **$0.01** to **$0.73** in 1Q18 from **$0.74** in 1Q17

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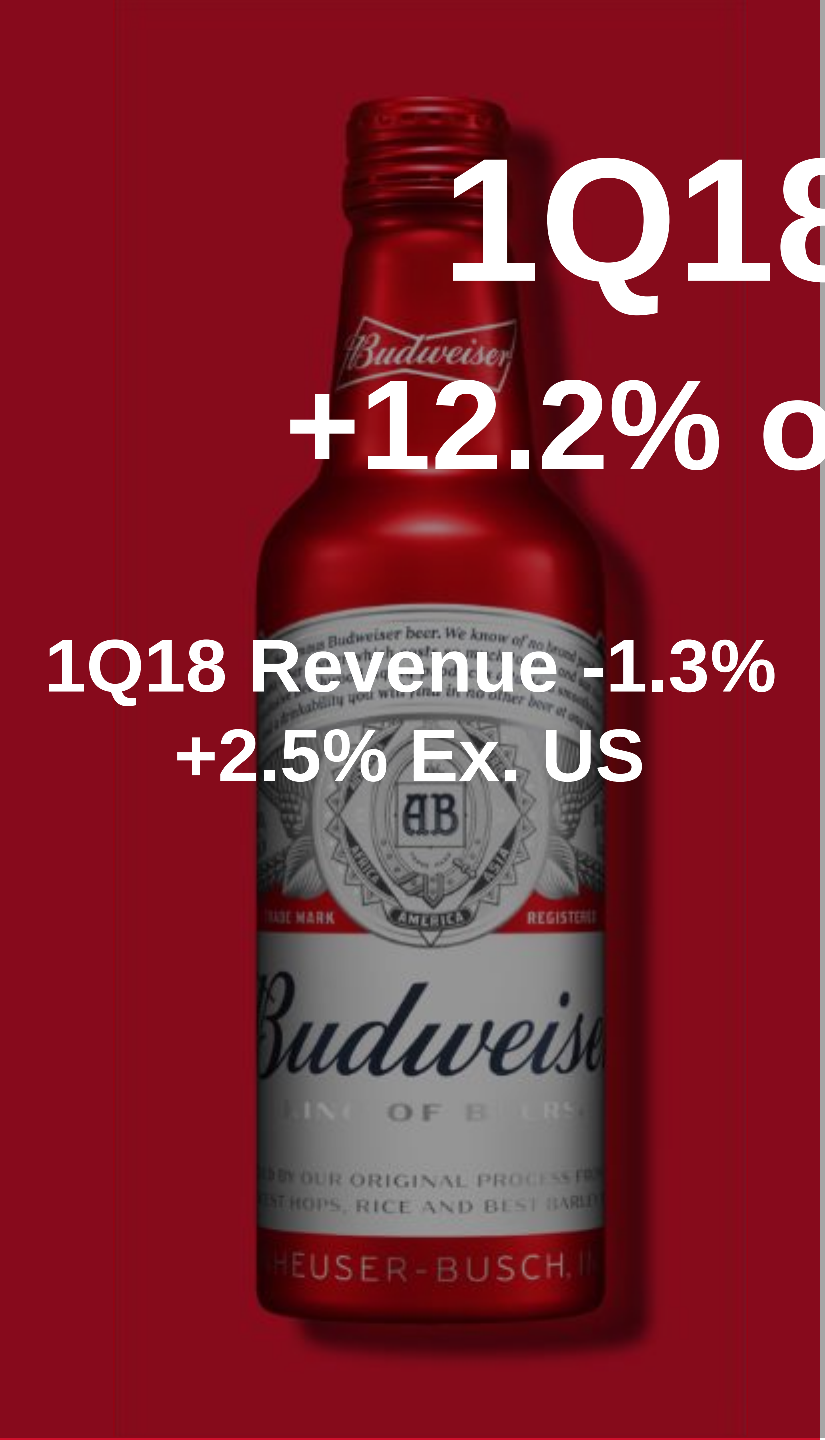
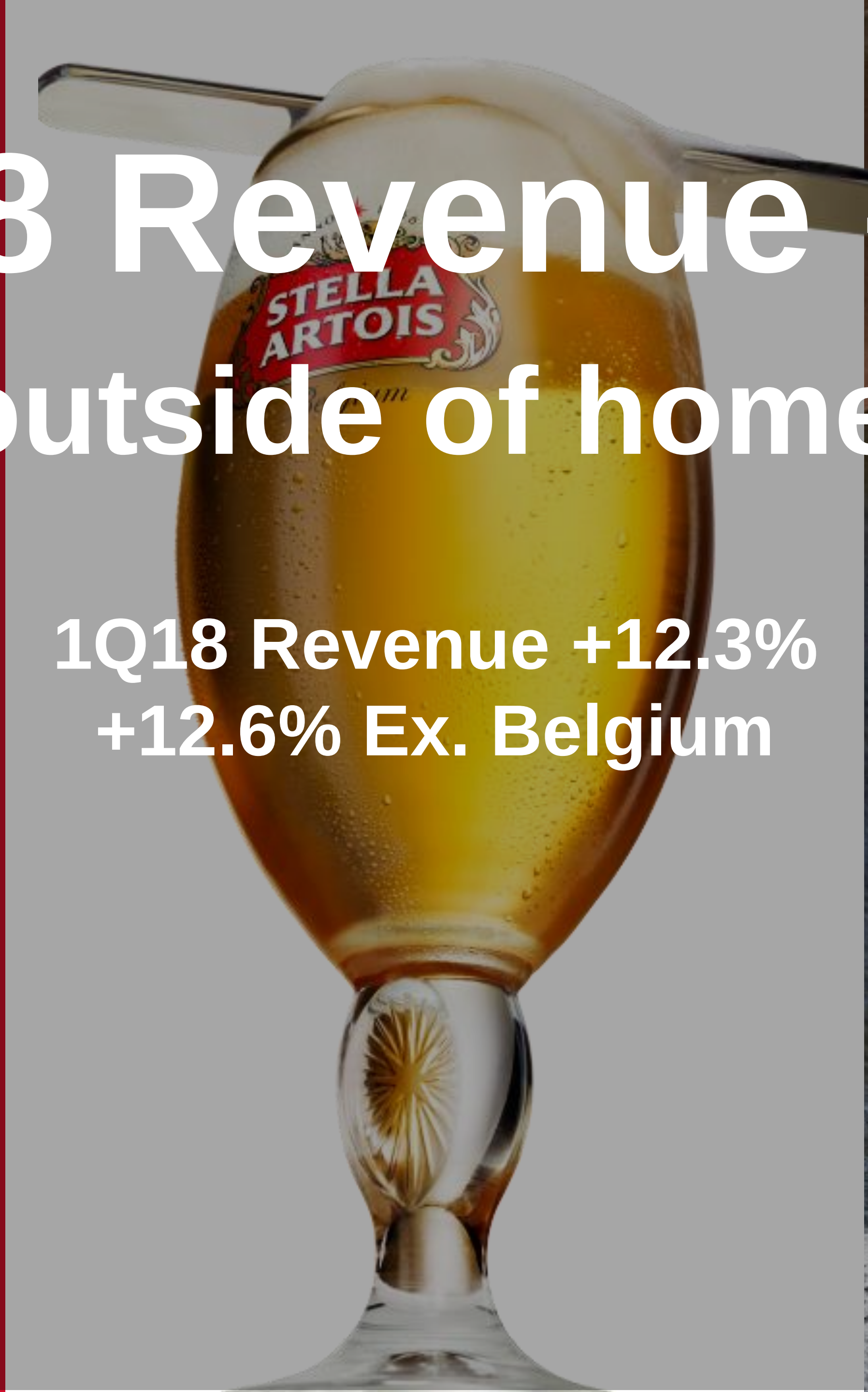
Global Brands

1Q18 Revenue +7.9%

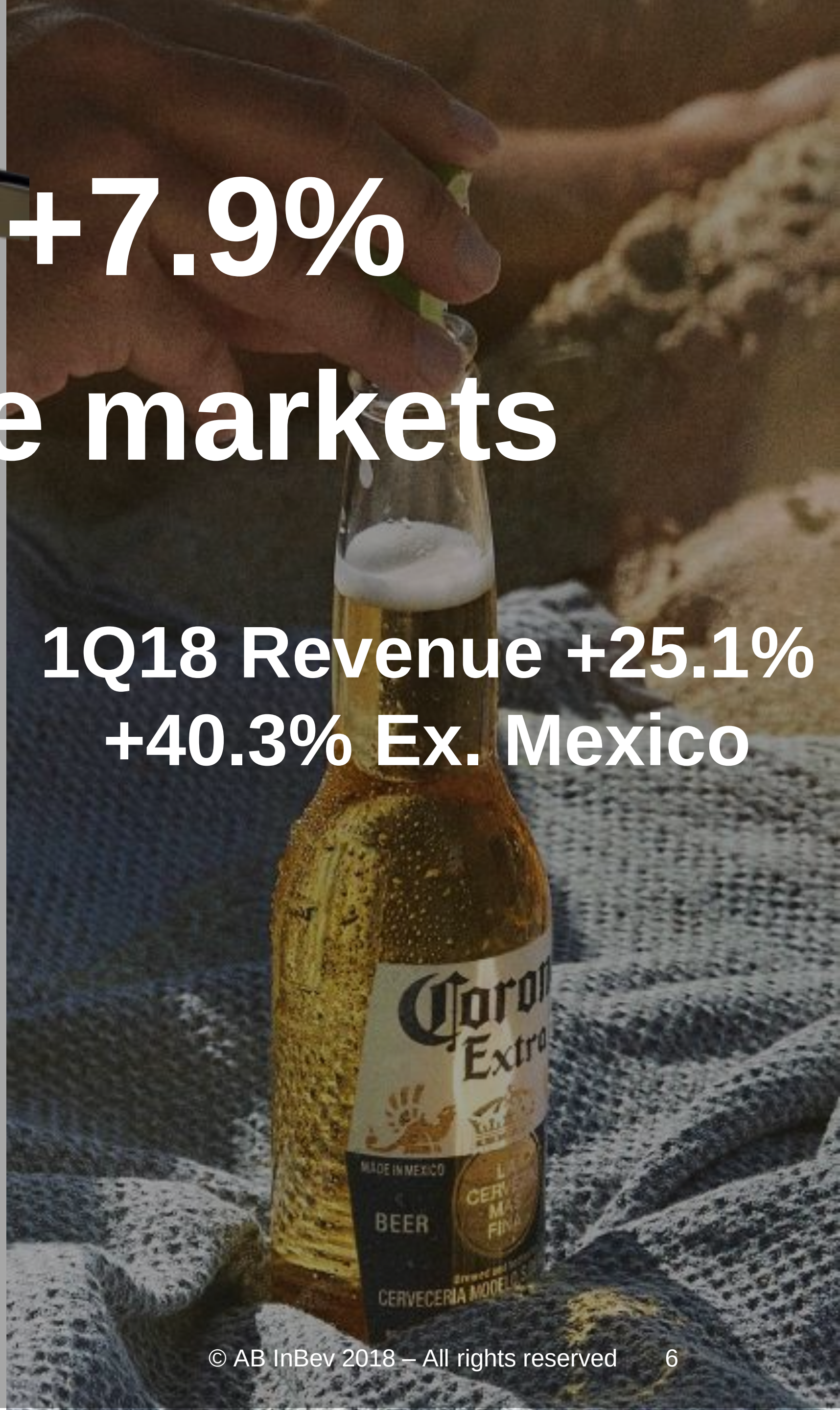
+12.2% outside of home markets



1Q18 Revenue -1.3%
+2.5% Ex. US

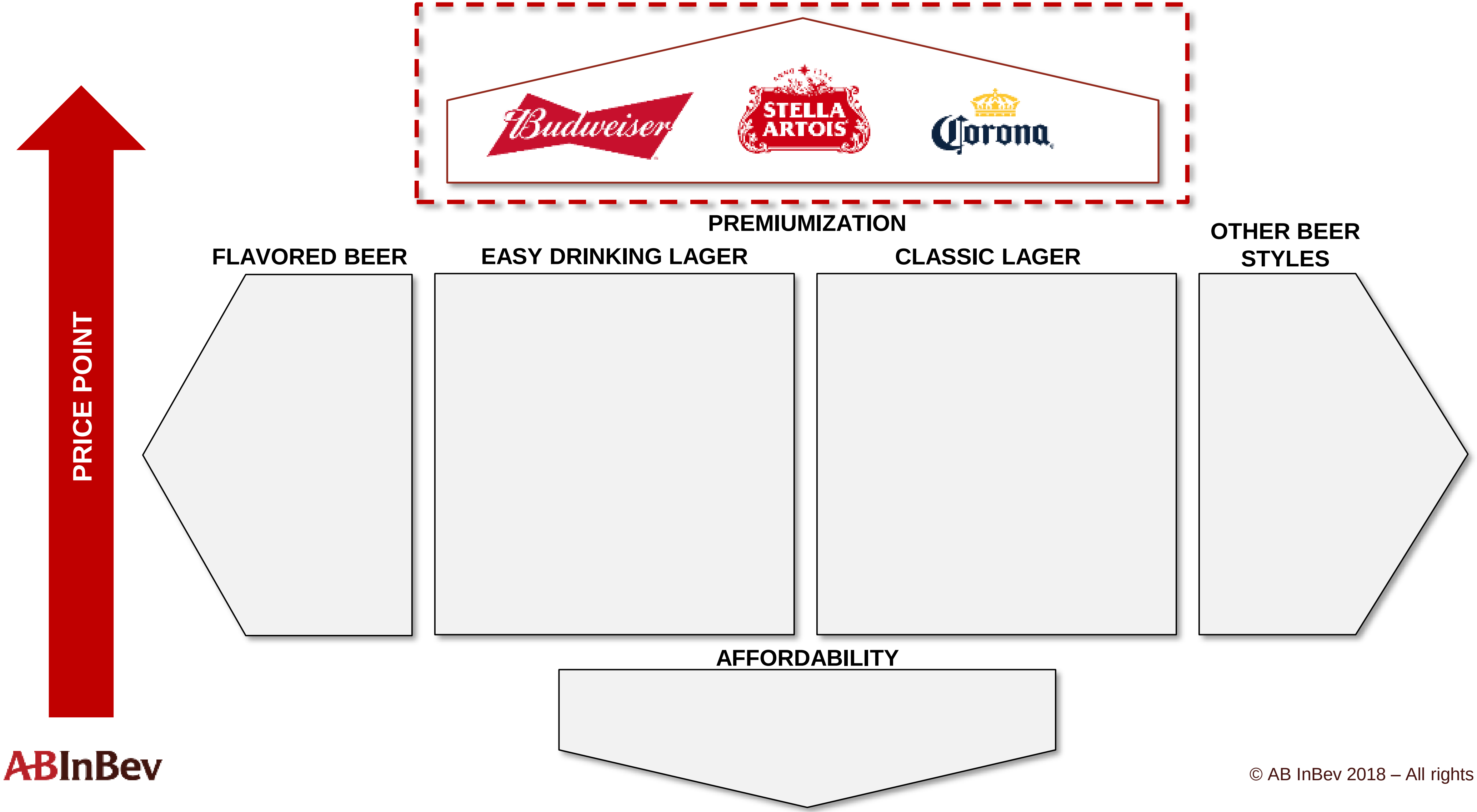


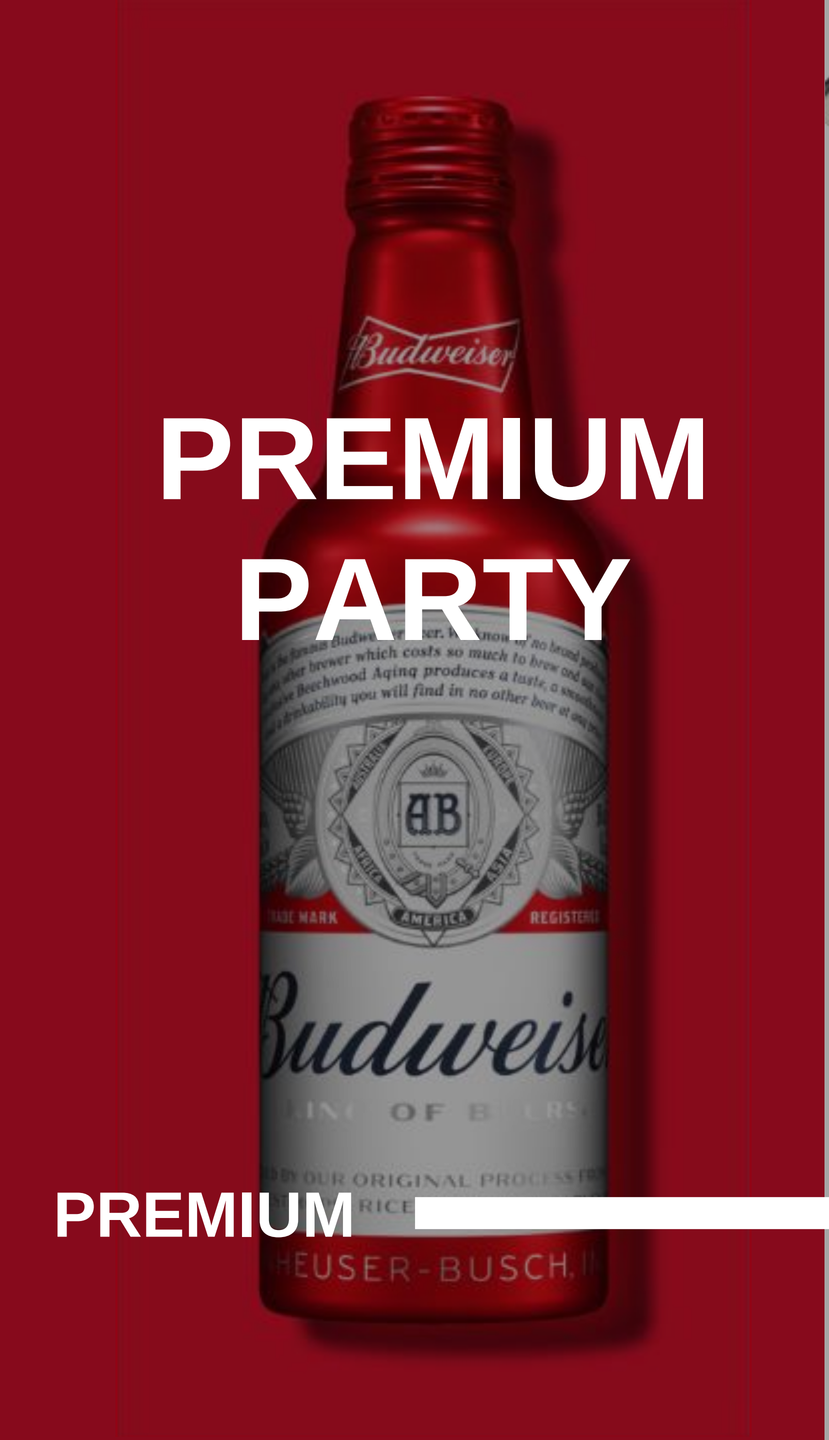
1Q18 Revenue +12.3%
+12.6% Ex. Belgium

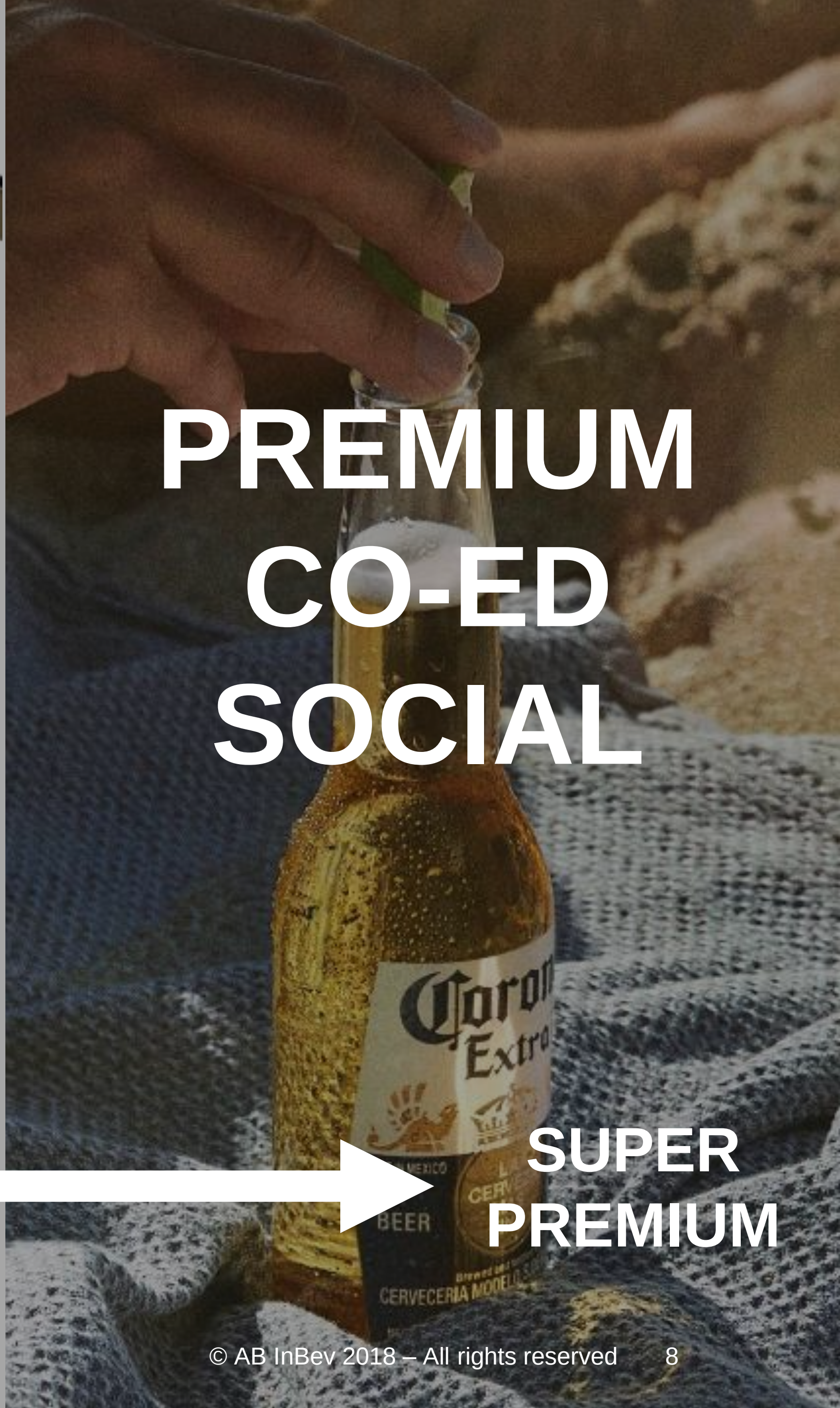


1Q18 Revenue +25.1%
+40.3% Ex. Mexico

The role of the global brands is to premiumize and expand the category







PREMIUM PARTY

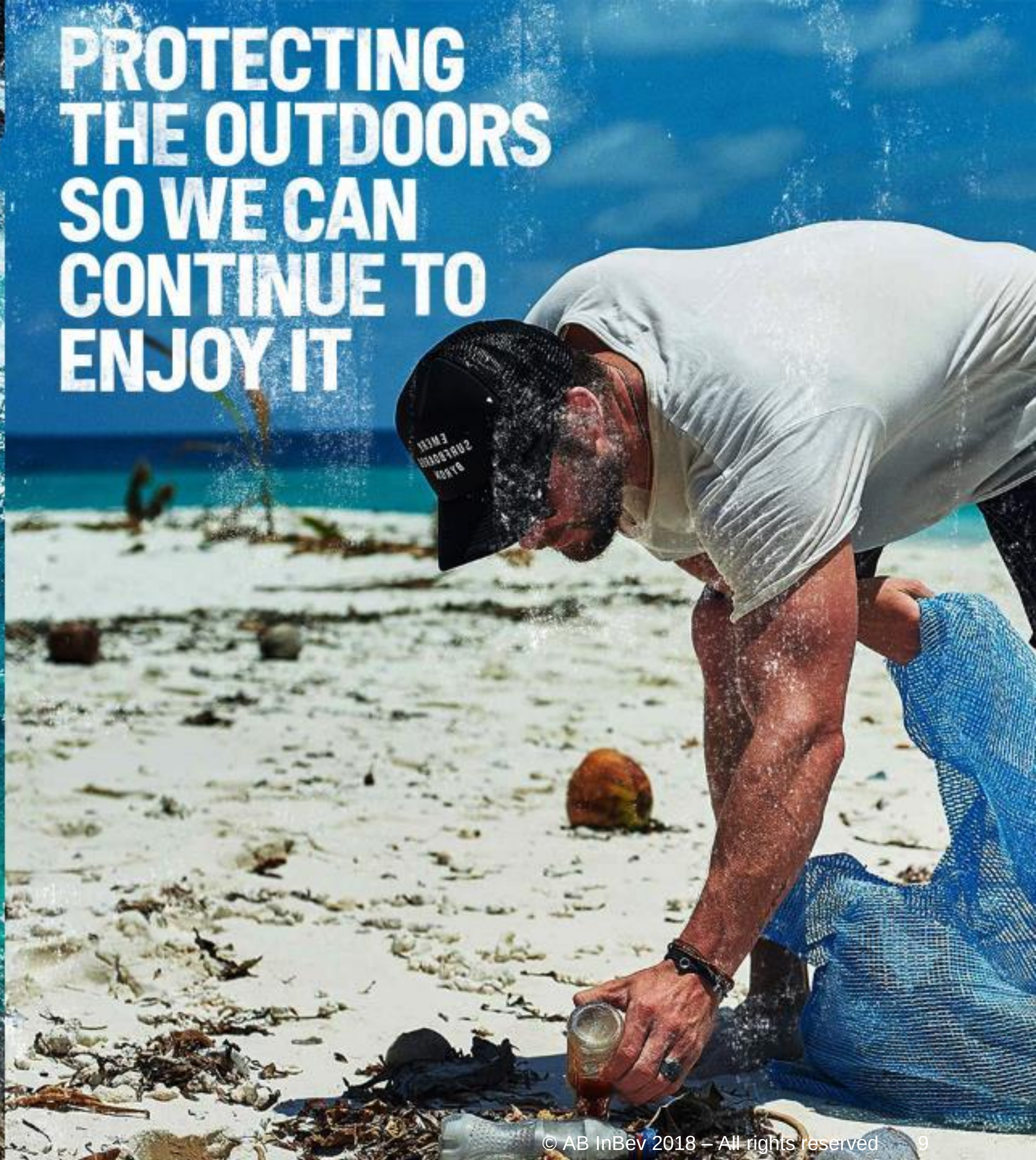
PREMIUM MEAL

PREMIUM CO-ED SOCIAL

PRICE POINT

PREMIUM → SUPER PREMIUM


GETTING PEOPLE
TO SPEND MORE
TIME OUTDOORS


PROTECTING
THE OUTDOORS
SO WE CAN
CONTINUE TO
ENJOY IT

Stella Artois invites you to raise a glass to the Joie de Bière.

BUDWEISER ENERGIZES PEOPLE IN CITIES AROUND THE WORLD TO SEIZE THEIR OPPORTUNITY.


LIGHT UP
THE FIFA
WORLD CUP™
Budweiser
FIFA WORLD CUP
RUSSIA
2018

A BRAND BUILDING CAMPAIGN

We are tapping into that unmatched level of consumer excitement to energize football fans around the world to seize their opportunity

MORE THAN
3.2 BILLION PEOPLE
COMING TOGETHER
AROUND THE
WORLD'S BIGGEST
SPORTING EVENT

A TRULY GLOBAL CAMPAIGN

Budweiser's activation of the FIFA World Cup 2018™ will be the largest by any brand in AB InBev history

BUDWEISER WILL ACTIVATE THE FIFA WORLD CUP 2018 IN **OVER 50 COUNTRIES**

AN AMBITIOUS CAMPAIGN

Our global advertising campaign champions the role Budweiser and our Red Light Cups will play in the FIFA World Cup™ and represents the largest, most ambitious beer delivery ever

A JOURNEY OF **BEER DELIVERY DRONES** HEADING FROM ST. LOUIS TO MOSCOW

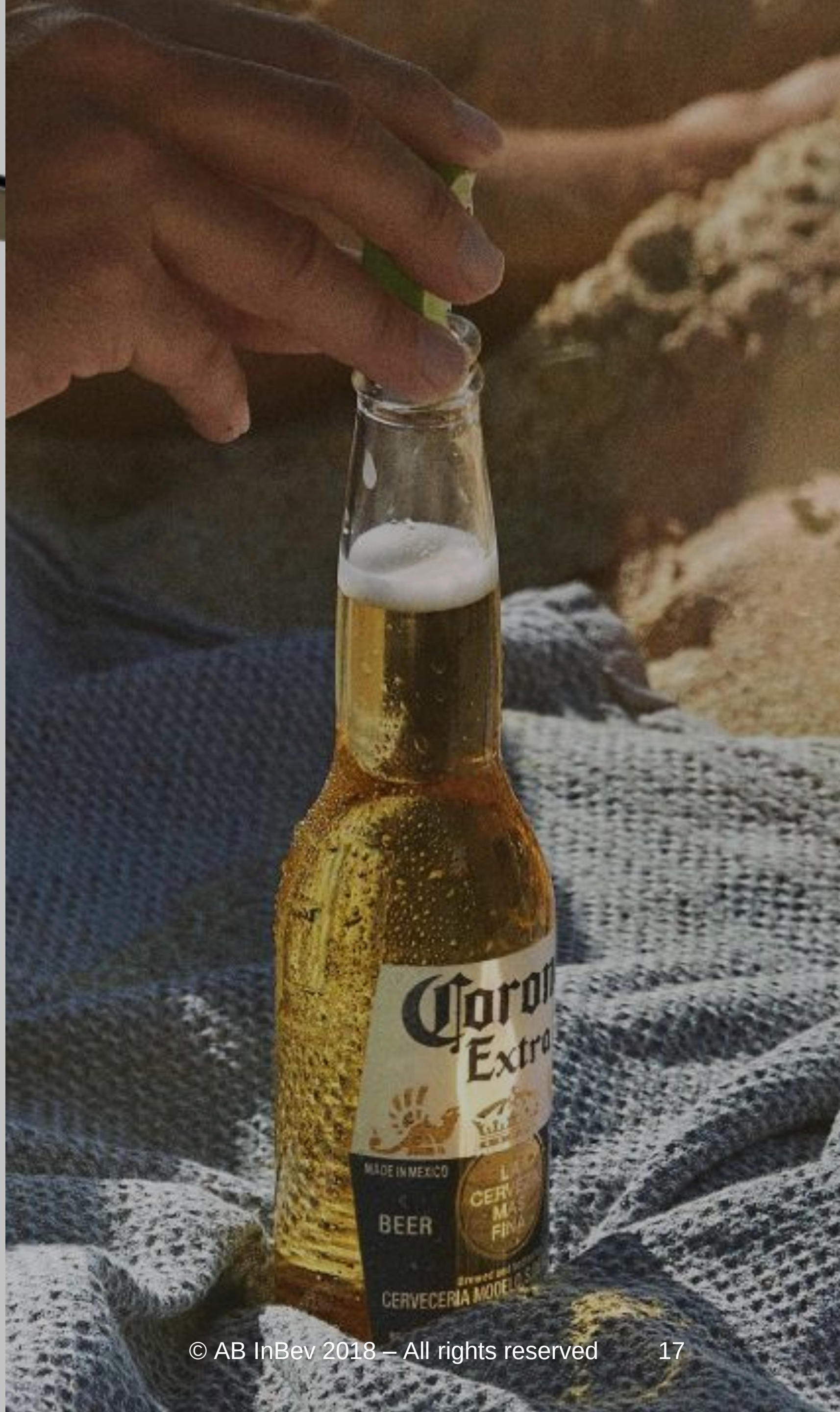
AN ENERGIZING CAMPAIGN

The true star of the "Light Up the FIFA World Cup™" campaign is our Red Light Cup, which embodies and responds to the euphoric energy of fans watching the tournament

INTRODUCING THE **RED LIGHT CUP**


Budweiser
TRADE MARK
REGISTERED
AMERICA


STELLA ARTOIS
Belgium

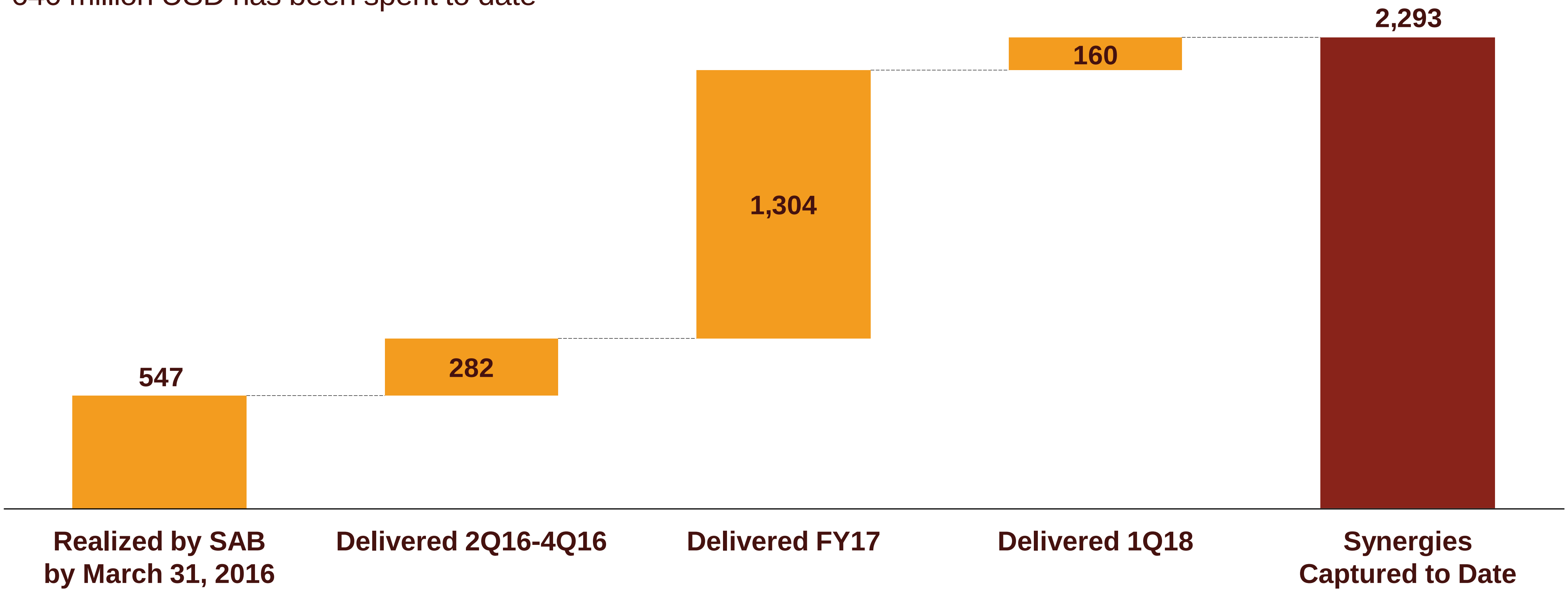

MADE IN MEXICO
BEER

2025 Sustainability Goals and 100+ Accelerator

Sustainability *is* our business

Synergy capture continues

- Continue to expect estimated incremental pre-tax synergies of **3.2 billion USD per annum** (on a constant currency basis as of August 2016), including the 1.05 billion USD cost and efficiency savings identified by SAB, to be delivered over the next 2-3 years, and **does not include** any top line or working capital synergies
- Estimated one-off cash costs of **~1 billion USD** over the first 3 years following the close of the combination, of which 640 million USD has been spent to date



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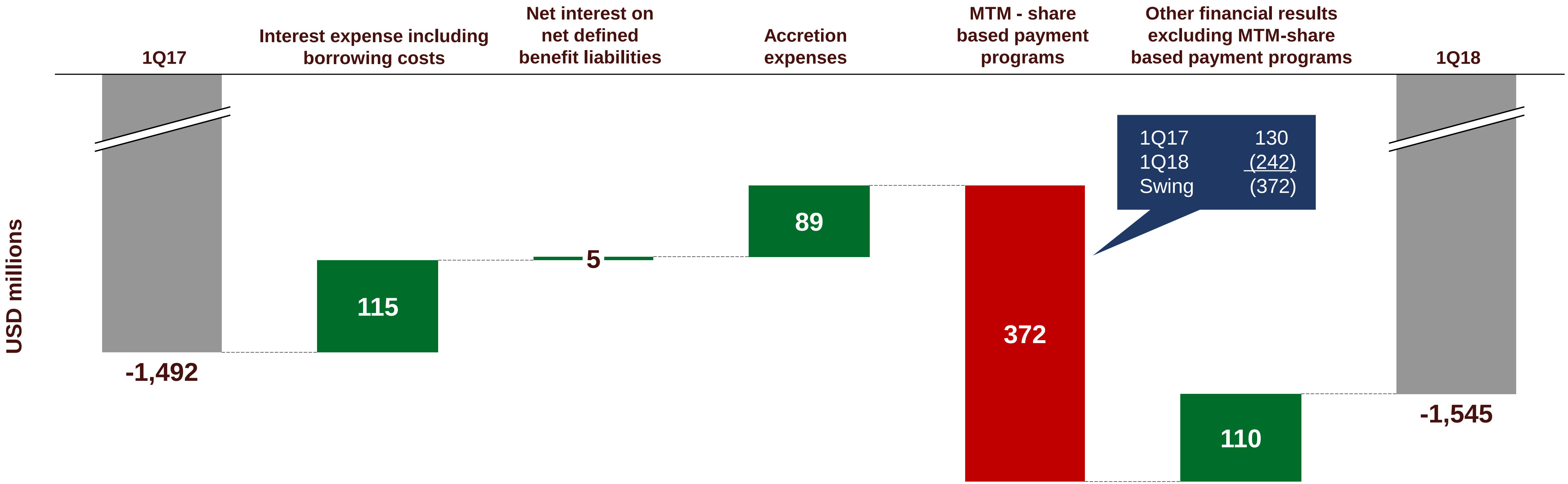
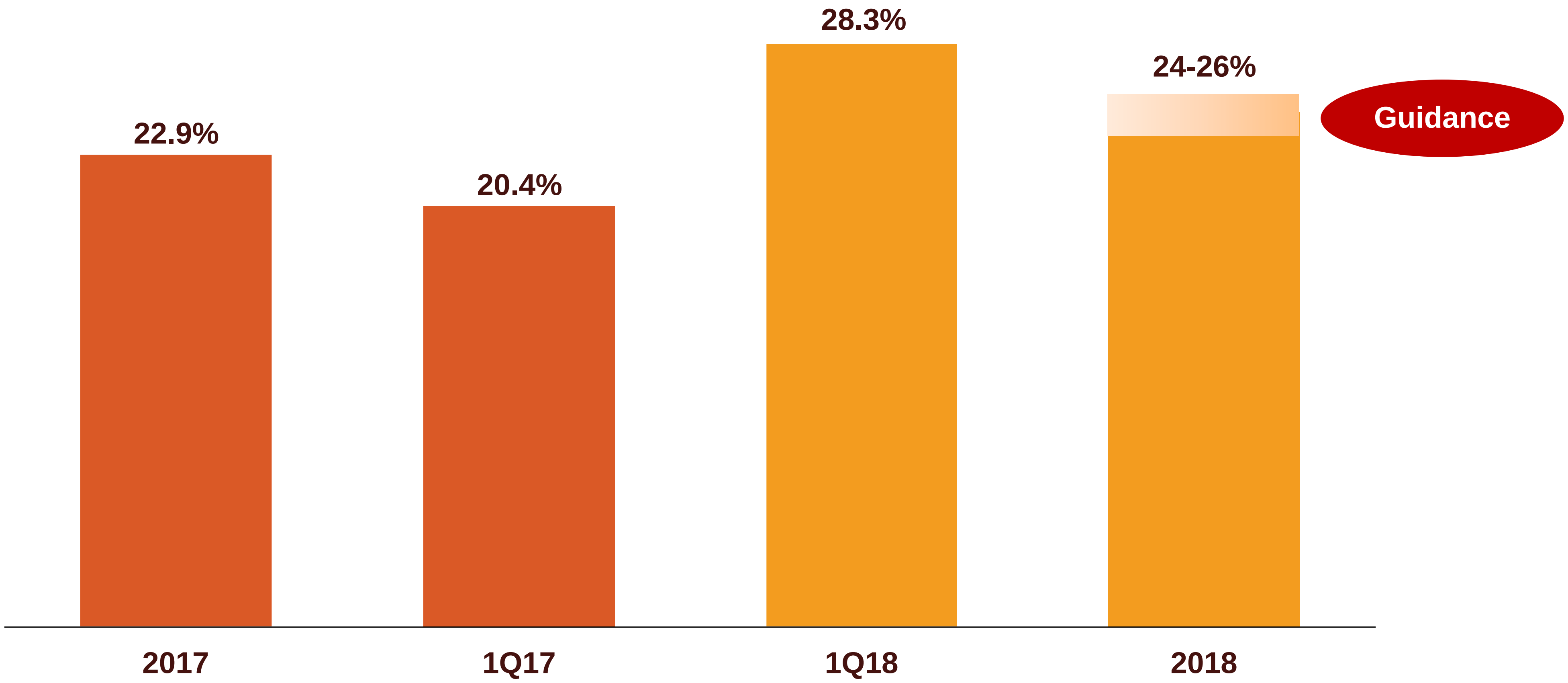
Increase in Net Finance Costs driven by MTM of hedging of share-based payment programs



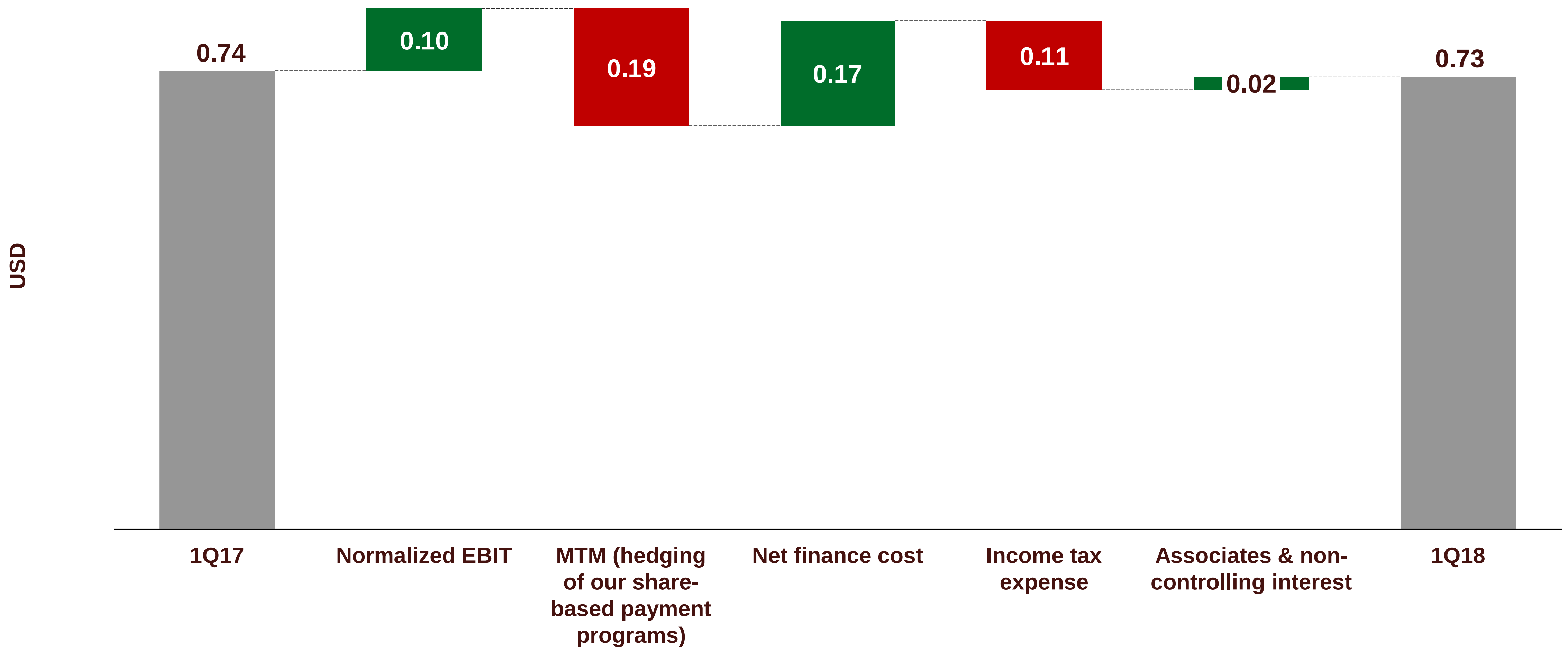
1Q18 Net Finance Costs mainly driven by:

- Negative MTM adjustment of 242 million USD linked to the hedging of our share-based payment programs in 1Q18, compared to a gain of 130 million USD in 1Q17
- YoY savings in all other components

Normalized Effective Tax Rate (ETR)



Normalized EPS of $0.73 versus $0.74 in 1Q17



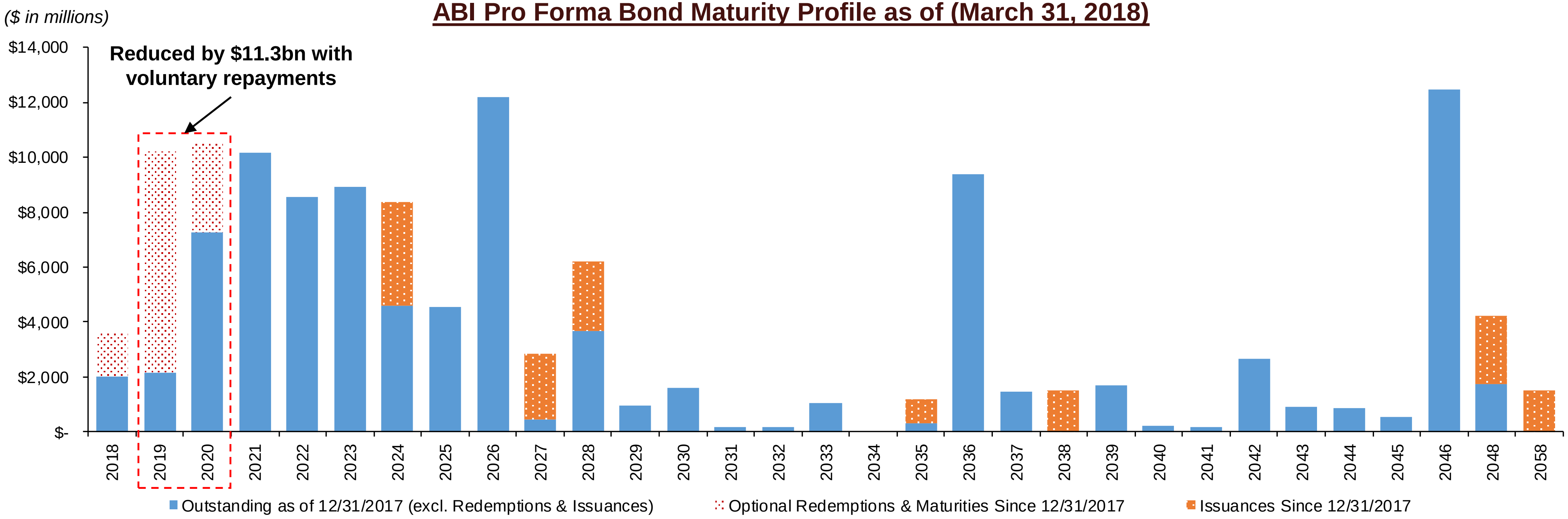
Note: YTD March 2017 calculated based upon weighted average number of shares of 1 970 million shares. YTD March 2018 based upon weighted average number of shares of 1 974 million shares.

We have already repaid most of our debt with near term maturities in 2019 and 2020, while placing new long dated debt at attractive levels

EUR Offering Highlights (January 2018)
- 9 year weighted average maturity
- 0.9% weighted average coupon

USD Offering Highlights (March 2018)
- 20 year weighted average maturity
- 4.2% weighted average coupon

ABI Pro Forma Bond Maturity Profile as of (March 31, 2018)



Notes:
1. Assumes FX rates as reported in December 31, 2017. Pro forma for EUR bond offering in January 2018, the USD offering in March 2018, bond maturities since December 31, 2017, the early redemption of $2.5bn notes due in 2019, the $7.8bn early redemption of several notes due in 2019 and 2020 completed in April of 2018 and $1.0bn early redemption of a series of notes due in 2020 announced in May of 2018.
2. Graph represents total bond portfolio (>95% of total debt outstanding) and does not include commercial paper or local bank debt.

Capital Allocation objectives

Our **optimal capital structure** is a Net Debt/EBITDA ratio of approximately 2x.

The priorities for the use of cash are as follows:

1. **Organic growth:** Investing in the organic growth of our business

2. **Deleveraging:** Deleveraging to around the 2x level remains our commitment

3. **Selective M&A:** Non-organic, external growth is a core competency and we will continue to consider suitable opportunities when and if they arise, subject to our strict financial discipline and deleveraging commitment

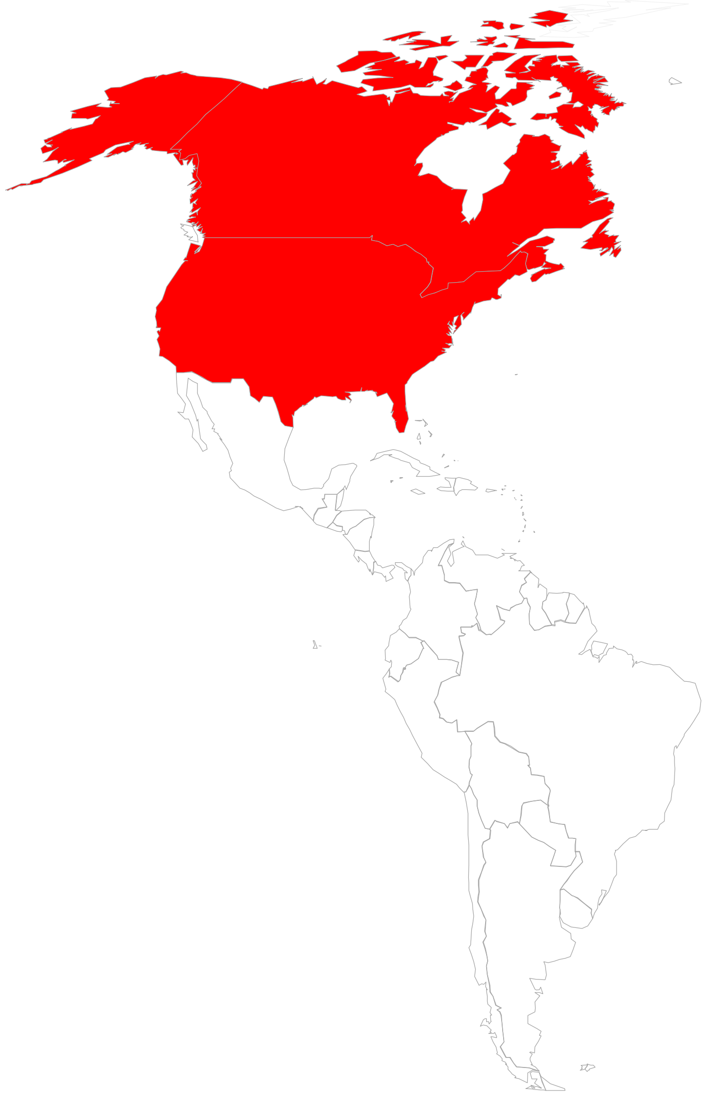
4. **Return of cash to shareholders:** Our goal is for dividends to be a growing flow over time in line with the non-cyclical nature of our business. Given the importance of deleveraging, dividend growth is expected to be modest.

Q&A

Appendix

North America – 1Q18 Summary

- Revenue **-2.2%**
  - Revenue per hl **+1.9%** as a result of revenue management initiatives and favorable brand mix
- Volumes **-4.1%**
- EBITDA **-4.7%** with **margin contraction** of **99 bps** to **37.8%**



US – 1Q18 Summary

- Industry STRs **-2.3%**
- ABI STRs **-3.3%**
- Market share **decline** of **50 bps**
- ABI volumes (STWs) **-4.4%**
- Revenue **-2.5%**
  - Revenue per hl growth of **+1.9%**
- Gross margin up **23 bps** to **61.0%**
- EBITDA **-5.0%** with **margin contraction** of **102 bps** to **39.0%**

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Latin America West – 1Q18 Summary

- Revenue **+14.0%**
  - Revenue per hl **+5.1%** as a result of premiumization and revenue management initiatives
- Volumes **+8.4%**
- EBITDA **+16.6%** with **margin expansion** of **105 bps** to **47.5%**

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Latin America North – 1Q18 Summary

- Revenue **flat**
  - Revenue per hl **+10.1%** as a result of revenue management initiatives and strong global brand growth
- Volumes **-9.2%**
- EBITDA **+8.0%** with **margin expansion** of **309 bps** to **41.7%**

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Brazil – 1Q18 Summary

- Revenue **-1.8%**
- **Industry** beer volumes **declined low to mid-single digits**
- **ABI** volumes **-11.0%**
  - Beer volumes **-8.1%,** non-beer volumes **-19.4%**
- EBITDA **+5.5%** with **margin expansion** of **291 bps** to **41.6%**

Latin America South – 1Q18 Summary

- Revenue **+24.4%**
  - Revenue per hl **+17.8%** due to price increases in line with inflation and premiumization
- Volumes **+5.6%**
- EBITDA **+25.1%** with **margin expansion** of **27 bps** to **45.6%**

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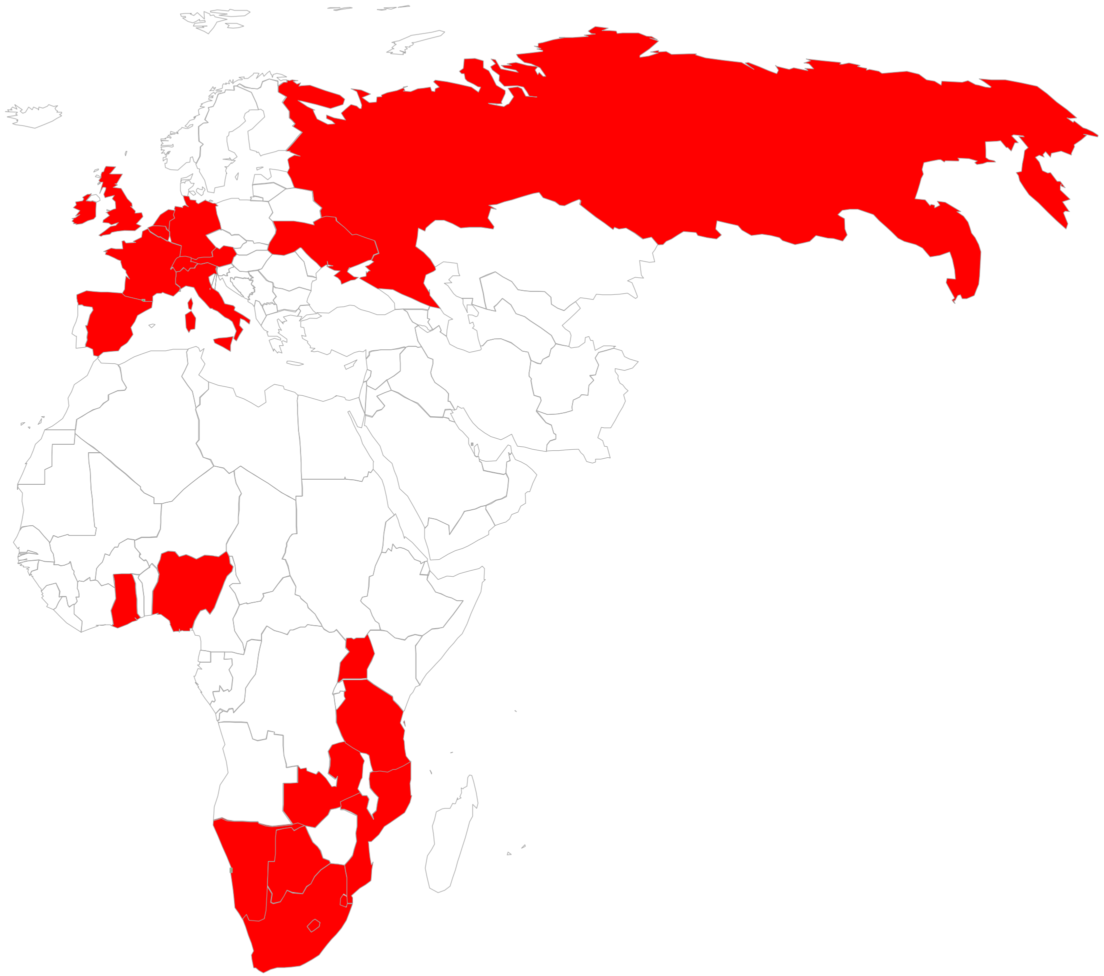
Europe, Middle East & Africa – 1Q18 Summary

- Revenue **+4.2%**
  - Revenue per hl **+2.3%,** due to premiumization as well as revenue management initiatives
- Volumes **+1.8%**
  - Own beer volumes **+1.4%**
- EBITDA **+1.0%** with **margin contraction** of **100 bps** to **31.8%**



Asia Pacific – 1Q18 Summary

- Revenue **+5.2%**
  - Revenue per hl **+2.6%,** due to a balanced mix in China and growth of the high end segment in the region
- Volumes **+2.5%**
- EBITDA **+8.6%** with **margin expansion** of **116 bps** to **37.2%**

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