

Newbelco SA/NV

Capital increase through contribution in kind on or around 6 October 2016

Report of the statutory auditor

Free Translation – the original report is in Dutch/French

Content

	Page
1. Introduction	3
2. Identification of the proposed transaction	4
2.1. IDENTIFICATION OF THE COMPANY	4
2.2. BACKGROUND AND STRUCTURE OF THE PROPOSED TRANSACTION	5
3. Description of the proposed contribution in kind	8
4. Description of the elements that constitute the contribution in kind and of the valuation methods used	9
5. Compensation for the contribution in kind	14
6. Procedures performed	15
7. Events after valuation date	15
8. Conclusion	16
Appendix 1: Draft report by the board of directors of Newbelco NV in accordance with article 602 of the Belgian Companies Code	
Appendix 2: Glossary	

1. Introduction

In this report, words with capital letters, if not defined, have the meaning as indicated in the attached glossary (Appendix 2).

In the context of article 602 of the Belgian Companies Code, we are honored to report to you on the proposed capital increase on or around 6 October 2016 of the share capital (including share premium) of Newbelco SA/NV (hereafter the “**Company**” or “**Newbelco**”) by an amount of 75,400,000,000.00 GBP, to be converted to EUR at the GBP – EUR Reference Rate, through a contribution in kind of all the UK Scheme Shares by the UK Scheme Shareholders.

The contemplated contribution in kind to be made to Newbelco is to be effected in connection with the proposed business combination between SABMiller and AB InBev, as announced on 11 November 2015 by AB InBev and SABMiller, updated on 26 July 2016 and to be implemented through the Proposed Structure (the “**Transaction**”), which is expected to be completed on or around 10 October 2016. This contribution in kind is one element of the Transaction, which is subject to several conditions and will be performed in several steps. As a result, the contribution in kind and our report on the contribution in kind should be considered within the framework of the Transaction as further explained in this report.

The text of article 602 is as follows (free translation):

“In case a capital increase involves a contribution in kind, a report must be drawn up beforehand by the statutory auditor, or for companies that do not have a statutory auditor, an independent auditor appointed by the board of directors.

This report particularly relates to the description of each contribution in kind and the valuation methods used. The report should indicate whether the valuations resulting from the applied valuation methods, correspond at least to the number and nominal value or, in case there is no nominal value, to the par value and the share premium, if any, of the shares to be issued in consideration of the contribution. The report indicates the effective remuneration distributed in consideration for the contribution.

(...)”

The objective of our report is therefore to inform the Company’s shareholders about the valuation methods applied by the Newbelco Board to determine the value of the contribution in kind and to determine whether, given the circumstances, these methods are economically justified. Consequently, we did not perform a valuation of the contribution in kind nor the compensation, and we do not express an opinion on the lawfulness and fairness of the capital increase through contribution in kind.

This report is prepared for the exclusive use of the shareholders of the Company in the context of the capital increase as described above and cannot be used for any other purpose.

2. Identification of the proposed transaction

2.1. Identification of the Company

The limited liability company Newbelco SA/NV was incorporated on 3 March 2016 by a deed executed before Mr. Peter Van Melkebeke, notary in Brussels. The incorporation act was published in the Belgian State Gazette on 8 March 2016 under the numbers 2016.03.08-0305365 and 2016.03.08-0305366.

The Company has its registered office at 1000 Brussel, Koningsstraat 97, 4th floor and is registered with the Crossroads Bank for Enterprises under number 0649.641.563.

Newbelco's share capital at the date of this report amounts to 61,500.00 EUR, represented by 6,150,000 registered shares and without nominal value.

Upon incorporation act, the shareholding structure is as follows:

Shareholder	Number of Incorporation shares
SABMiller International BV	6,149,999
Phidias Management NV	1
Total	6,150,000

Note that the Incorporation Shares will be cancelled by the Newbelco shareholders at the same time as the decision of the approval of the contribution in kind.

The corporate purpose of the Company is currently defined in its bylaws as follows:

"The company's corporate purpose is:

- a) to produce and deal in all kinds of beers, drinks, foodstuffs and ancillary products, process and deal in all by-products and accessories, of whatsoever origin or form, of its industry and trade, and to design, construct or produce part or all of the facilities for the manufacture of the aforementioned products;*
- b) to purchase, construct, convert, sell, let and sublet, lease, license and operate in any form whatsoever all real property and real property rights and all businesses, movable property and movable property rights connected with its activities;*
- c) to acquire and manage participating interests and shares in companies or undertakings having a corporate purpose similar or related to, or likely to promote the attainment of, any of the foregoing corporate purposes, and in financial companies; to finance such companies or undertakings by means of loans, guarantees or in any other manner whatsoever; and to take part in the management of the aforesaid companies through membership of its board of directors or the like governing body; and*
- d) to carry out all administrative, technical, commercial and financial work and studies for the account of undertakings in which it holds an interest or on behalf of third parties.*

It may, within the scope of its corporate purpose, engage in all civil, commercial, industrial and financial transactions either within or outside Belgium.

It may take interests by way of asset contribution, merger, subscription, equity investment, financial support or otherwise in all undertakings, companies or associations having a corporate purpose similar or related to or likely to promote the furtherance of its corporate purpose."

2.2. Background and structure of the proposed Transaction

The contribution in kind to be made to Newbelco takes place in the framework of the Transaction.

The Transaction is intended to be implemented in a 3-stage process, being:

1. Step 1: A scheme of arrangement under Part 26 of the UK Companies Act 2006 (the “**UK Scheme**”);
2. Step 2: A voluntary and conditional takeover bid in cash by AB InBev on all of the Initial Newbelco Shares outstanding on the date of such bid pursuant to the Belgian Law of 1 April 2007 on takeover bids and the Belgian Royal Decree of 27 April 2007 on takeover bids (the “**Belgian Offer**”); and
3. Step 3: A merger of AB InBev into Newbelco through a merger by absorption of AB InBev under the Belgian Companies Code, pursuant to which the AB InBev Shareholders will become shareholders of Newbelco and Newbelco will be the surviving entity and the holding company for the Combined Group (the “**Belgian Merger**”).

The following paragraphs describe each of the 3 steps in more detail and explain how the contribution in kind serves to effect the UK Scheme in a Belgian legal context.

Completion of the Transaction is subject to numerous conditions, including obtaining antitrust and other regulatory approvals, as well as the necessary shareholders and UK Court approvals as described in more detail in the Merger Terms.

Step 1: The UK Scheme

A UK scheme of arrangement is a statutory procedure in the United Kingdom that allows a company to reach a binding arrangement or compromise with its shareholders or creditors, under Part 26 of the UK Companies Act 2006.

Under the terms of the UK Scheme, each UK Scheme Shareholder will transfer its UK Scheme Shares to Newbelco in consideration for which each UK Scheme Shareholder will receive 100 Initial Newbelco Shares for each UK Scheme Share it owns, thereby becoming a Newbelco Shareholder.

To become effective, the UK Scheme requires approval at the UK Scheme Court Meeting, which is a meeting convened with the permission of the UK Court, from a majority in number of the holders of UK Scheme Shares (or any class or classes thereof) as at the Voting Record Time who are present and voting at the meeting, either in person or by proxy, and who represent not less than 75% in value of the UK Scheme Shares voted by them.

It is currently intended that the UK Scheme Court Meeting will be held on or around 28 September 2016.

Implementation of the Transaction will also require the passing of the SABMiller Resolutions at the SABMiller General Meeting, which is expected to be held immediately after the UK Scheme Court Meeting.

Following the UK Scheme Court Meeting and the SABMiller General Meeting, the UK Scheme will need to be sanctioned by the UK Court. The UK Scheme Court Sanction Hearing is currently intended to be held on or around 4 October 2016.

The UK Scheme will only become effective once a copy of the UK Scheme Court Order is delivered to the UK Registrar of Companies. Upon the UK Scheme becoming effective, it will be binding on all UK Scheme Shareholders, irrespective of whether or not they attended or voted at the UK Scheme Court Meeting.

Following the UK Scheme becoming effective, the UK Scheme Shares will be legally transferred by the UK Scheme Shareholders to Newbelco, as part of the capital increase at Newbelco through the contribution in kind of all UK Scheme Shares which is the subject of this report (the “**Capital Increase**”).

Elections for Cash Consideration or the partial Share Alternative

Under the terms of the UK Scheme, each UK Scheme Shareholder will (subject to limited exceptions in relation to Restricted Overseas Shareholders) have the option to elect, by completing a hard copy form of election or making an equivalent electronic election, for:

- the Cash Consideration, i.e. cash proceeds in an amount of 45.00 GBP in respect of each UK Scheme Share it owns; or
- the Partial Share Alternative, i.e. cash proceeds in an amount of 4.6588 GBP as well as 0.483969 Restricted Newbelco Shares in respect of each UK Scheme Share it owns.

UK Scheme Shareholders (other than Nominee Shareholders) will only be able to elect for the Cash Consideration or the Partial Share Alternative in respect of their entire holding of UK Scheme Shares and not part only. Nominee Shareholders who hold UK Scheme Shares on behalf of more than one Underlying Shareholder may, in respect of their aggregate holding of UK Scheme Shares, elect for a mixture of the Cash Consideration and the Partial Share Alternative, provided certain conditions are met.

UK Scheme Shareholders who do not validly elect for the Partial Share Alternative, do not make a valid Election or any Election at all shall be deemed to have elected for the Cash Consideration in respect of their entire holding of UK Scheme Shares, unless this would be inconsistent with any contractual undertaking given to AB InBev to elect for the Partial Share Alternative (unless determined otherwise by AB InBev).

The Partial Share Alternative is limited to a maximum of 326,000,000 Restricted Newbelco Shares and 3,138,153,064 GBP in cash, which will be available in respect of approximately 40.67% of SABMiller's fully diluted share capital as of 31 July 2016. To the extent that Elections for the Partial Share Alternative cannot be satisfied in full, they will be scaled back pro rata to the size of such Elections (or as near thereto as AB InBev in its absolute discretion considers practicable) and the UK Scheme Shareholders who have made such Elections will be deemed to have elected for Cash Consideration in respect of the balance of the UK Scheme Shares held by them.

AB InBev has received irrevocable undertakings from Altria and BEVCO, the largest shareholders in SABMiller, to elect for the Partial Share Alternative in respect of their entire beneficial holdings of 430,000,000 and 225,000,000 SABMiller Shares respectively, representing in aggregate approximately 39.54% of SABMiller's fully diluted share capital as of 31 July 2016. If Elections for the Partial Share Alternative are scaled back as described above, the Election made by Altria and the Election made by BEVCO (or any relevant Nominee Shareholder that makes an Election on their respective behalf) will be scaled back on the same basis as each other UK Scheme Shareholder.

Step 2: The Belgian Offer

After completion of the UK Scheme (including the capital increase through contribution in kind at Newbelco), AB InBev will make the Belgian Offer, a voluntary cash takeover offer pursuant to the Belgian Law of 1 April 2007 on takeover bids and the Belgian Royal Decree of 27 April 2007 on takeover bids for all of the Initial Newbelco Shares. It is currently intended that the Belgian Offer will be made on the working day following the date on which the Capital Increase occurs, i.e. on or around 6 October 2016 or as soon as reasonably practicable thereafter.

UK Scheme Shareholders will, however, have had the opportunity to make an Election for the Cash Consideration or the Partial Share Alternative (and withdraw or revise that Election) and instruct the UK Agent during the UK Scheme process accordingly (from the time the UK Scheme Document is dispatched or made available to them).

Elections for the Cash Consideration or the Partial Share Alternative will continue to be capable of being made (and withdrawn or revised) following the UK Scheme becoming effective and the Capital Increase until the end of the Acceptance Period.

Acceptances by the UK Scheme Shareholders in respect of the Belgian Offer will be made by the UK Agent acting on behalf of such shareholders on the basis of the Elections (or deemed Elections) made by such UK Scheme Shareholders

After closing of the Belgian Offer and the subsequent Reclassification and Consolidation, and pending completion of the Belgian Merger, the shareholders of Newbelco will be AB InBev and the holders of the Restricted Newbelco Shares (being the UK Scheme Shareholders who elected for the Partial Share Alternative). For illustrative purposes, should only Altria and BEVCO elect for the Partial Share Alternative and all other UK Scheme Shareholders for the Cash Consideration, AB InBev would own approximately 64.55% of all shares in Newbelco. If sufficient UK Scheme Shareholders elect for the Partial Share Alternative so that the maximum of 326,000,000 Restricted Newbelco Shares are held by UK Scheme Shareholders, AB InBev would own approximately 63.54% of all shares in Newbelco.

Step 3: The Belgian Merger

Following the closing of the Belgian Offer, AB InBev will merge into Newbelco through a merger by absorption of AB InBev under the Belgian Companies Code, pursuant to which AB InBev Shareholders will become shareholders in Newbelco and Newbelco will be the surviving entity and the holding company of the Combined Group.

The Belgian Merger will be submitted to the vote of the AB InBev and Newbelco Shareholders at the occasion of a shareholders' meeting of both companies scheduled to take place on or around 28 September 2016. If approved, it is currently contemplated that the Belgian Merger will become effective on or around 10 October 2016, following the completion of Steps 1 and 2 described above.

The terms and conditions of the Belgian Merger are further detailed in the Merger Terms as required by Article 693 of the Belgian Companies Code. The merger will become effective due to execution of the final merger deed on or around 10 October 2016.

3. Description of the proposed contribution in kind

As noted above, following the UK Scheme becoming effective, the UK Scheme Shares will be legally transferred by the UK Scheme Shareholders to Newbelco, as part of the Capital Increase, being a capital increase through the contribution in kind of the UK Scheme Shares to Newbelco by the UK Scheme Shareholders at a total value of 75,400,000,000 GBP, to be converted to EUR at the GBP – EUR Reference Rate.

The Capital Increase will require the approval of the Newbelco Shareholders (i.e. at the time the approval will be sought, the holders of the Incorporation Shares). It is currently intended that the Newbelco General Meeting to approve such matters will be held on or around 28 September 2016.

It is expected that the number of UK Scheme Shares to be contributed to Newbelco as part of the Capital Increase will be 1,656,404,007. SABMiller's number of fully diluted shares outstanding of 1,656,404,007 as of 31 July 2016 is comprised of: (i) 1,612,416,771 basic shares (1,623,481,308 shares net of 11,064,537 shares held in SABMiller's Employee Benefit Trust); and (ii) 43,987,236 of other dilutive instruments (44,037,881 dilutive instruments net of 50,645 cash-settled shares).

However, the exact number of UK Scheme Shares to be contributed to Newbelco can only be determined shortly before the Capital Increase, through an extract of SABMiller's UK Share Register and South African Register, each as at the UK Scheme Record Time.

Similarly, considering that the SABMiller Shares can still be traded up until the UK Scheme Effective Time, the exact identification of the UK Scheme Shareholders can only be determined shortly before the Capital Increase, again based on the above mentioned extracts of SABMiller's UK Share Register and South African Register, in each case as at the UK Scheme Record Time.

Finally, the value of the contribution in kind is determined in GBP. That GBP value will be converted to EUR at the GBP – EUR Reference Rate.

The notary deed will be drafted by Mr. Tim Carnewal, notary in Brussels or another notary of the Berquin office.

4. Description of the elements that constitute the contribution in kind and of the valuation methods used

The value at which the UK Scheme Shares will be contributed has been determined by the Newbelco Board at the EUR amount obtained by converting 75,400,000,000 GBP at the GBP – EUR Reference Rate. This value was determined by the Newbelco Board based on the following reasoning, which is also explained in more detail in section 3 of the Newbelco draft Board report included in Appendix 1.

The business of the SABMiller Group has been valued in a bid between AB InBev and SABMiller, two independent parties, as announced on 11 November 2015 and updated on 26 July 2016. The Newbelco Board therefore considers the terms of the Transaction to be the most relevant basis to value the contribution in kind.

Under the terms of the Transaction, for each UK Scheme Share, each UK Scheme Shareholder will be entitled to elect for:

- the Cash Consideration, i.e. cash proceeds in an amount of 45.00 GBP in respect of each UK Scheme Share it owns; or
- the Partial Share Alternative, i.e. cash proceeds in an amount of 4.6588 GBP as well as 0.483969 Restricted Newbelco Shares in respect of each UK Scheme Share it owns.

The total deal value for the Transaction is therefore a combination of the value of the Cash Consideration and the value of the Partial Share Alternative.

As a result, the retained value used for the contribution in kind is in fact a blended value per share, resulting from the value per share in the Cash Consideration and the value per share under the Partial Share Alternative. Both are being valued separately, as explained in the following paragraphs.

Valuation of the Cash Consideration

The amount of the Cash Consideration and the terms of the Partial Share Alternative, and, consequently, the price of the Belgian Offer are the result of negotiations between AB InBev and SABMiller, two independent parties.

The Belgian Offer price of 0.45 GBP is the value that AB InBev, an independent third party, is willing to pay per Initial Newbelco Share. Each SABMiller Share represents 100 Initial Newbelco Shares.

This 45 GBP per SABMiller Share offered is also within the blended value per share range obtained through the valuation methods applied for the Partial Share Alternative (see section “Valuation of the Partial Share Alternative” and “Calculation of the blended value per share” below).

The fair value of the SABMiller Shares that will be elected for the Cash Consideration can therefore be estimated at 45 GBP per SABMiller Share for the purpose of the valuation of the contribution in kind.

As a condition precedent to the contribution in kind, the different steps of the Transaction will have to be approved as discussed in section 2.2 of this report and as summarized in the conclusion of this report. Therefore, the valuation method applied is only relevant to the extent that the entire Transaction will be successfully completed.

Valuation of the Partial Share Alternative

As noted above, the Partial Share Alternative comprises 4.6588 GBP in cash and 0.483969 Restricted Newbelco Shares in respect of each UK Scheme Share. Accordingly, the value of the Partial Share Alternative is directly impacted by the value of the Restricted Newbelco Shares upon completion of the Transaction.

The following valuation methodologies were taken into account to estimate the value of the Restricted Newbelco Shares and therefore the value of the consideration offered by AB InBev for SABMiller Shares under the Partial Share Alternative:

- Discounted cash flow analysis based on projections with regard to the future performance of Newbelco; and

- Selected public companies analysis.

For purpose of the valuation, the Newbelco Board have assumed that only Altria and BEVCO, each of which has given an irrevocable undertaking to elect for the Partial Share Alternative in respect of their entire beneficial holdings of 430,000,000 and 225,000,000 SABMiller Shares, respectively, elect for the Partial Share Alternative, and therefore that 316,999,695 Restricted Newbelco Shares will be issued.

The different valuation methodologies include a cost savings potential in excess of current SABMiller standalone initiatives.

Discounted cash flow analysis

A discounted cash flow analysis aims at determining the Enterprise Value of a company by discounting the future free cash flows. From the Enterprise Value, the net financial debt and debt-like items are deducted and cash-like items are added to obtain the Equity Value. This valuation metric is strongly influenced by (i) the projections with regard to performance of the companies, (ii) the weighted average cost of capital used to discount the future cash flows and terminal values, and (iii) the Terminal Growth Rate used to compute the terminal value.

The discounted cash flow analysis of Newbelco was performed using information contained in public filings as well as Newbelco/AB InBev's internally developed models and business plans.

The discounted cash flow analysis was performed as of 17 August 2016.

Applying a range of discount rates of 7.36% - 7.86% to (i) after-tax unlevered free cash flows expected to be generated during the calendar years 2016 through 2024 and (ii) estimated terminal values using a range of terminal growth rates of 2.25% - 2.75% results in an enterprise value range of 302 GBP – 361 billion GBP for Newbelco. The ranges of discount and terminal growth rates applied to Newbelco reflect the new geographic mix post Transaction.

The Newbelco Equity Value is then obtained by deducting the following items:

- AB InBev's standalone net debt as of 30 June 2016;
- AB InBev's standalone pensions as of 30 June 2016;
- AB InBev's new acquisition debt;
- SABMiller's rolled-over standalone net debt as of 31 March 2016 adjusted for the August 2016 dividend payment;
- the non-controlling interests in Ambev SA not held by AB InBev; and
- the non-controlling interests in SABMiller Retained's controlled business not held (directly or indirectly) by SABMiller,

and by adding the value of the Transaction-related Divestitures proceeds net of estimated tax payments as well as the value of AB InBev's associates and joint-ventures. In order to reach a value per Newbelco Share, the resulting Newbelco Equity Value was divided by the expected number of Initial Newbelco Shares following the Capital Increase.

The value of the non-controlling interests in Ambev SA not held by AB InBev and the minority interest in SABMiller Retained's controlled business not held (directly or indirectly) by SABMiller are based on a WACC range of 8.73% - 9.23% and 9.49% - 9.99%, respectively, and on a terminal growth rate range of 2.75% - 3.25% and 3.00% - 3.50%, respectively.

This analysis results in a range of implied value of approximately 87.28 GBP – 113.39 GBP per Restricted Newbelco Share.

Based on the formula underlying the valuation of the Partial Share Alternative mentioned in the introduction part of this section 4, it implies a Partial Share Alternative value range of 46.90 GBP – 59.54 GBP.

Selected public companies analysis

The selected public companies analysis aims at measuring the relative value of a company based on the market value of publicly trading peers.

This method applies the average enterprise value/EBITDA multiple 2016E of the selected peer group to Newbelco's 2016E EBITDA:

- Enterprise value/EBITDA multiple: divide (i) the enterprise value (ii) by the EBITDA;
- Apply this multiple to Newbelco's previously estimated 2016E EBITDA.

The selected public company analysis is focused on Equity Value/EBITDA multiples. The reference to sales multiples was disregarded for the purpose of this valuation as they do not take into account differences in profitability levels of the companies. Multiples based on operating income were also omitted due to the discrepancies in the depreciation and amortization policies.

Certain financial information and commonly used valuation measurements for Newbelco with corresponding financial information and valuation measurements were reviewed and compared for the following companies operating in the global consumer products industry:

- Coca-Cola Co.;
- Colgate-Palmolive Co.;
- Diageo Plc.;
- Heineken N.V.;
- Kraft Heinz Co.;
- L'Oréal SA;
- Mondelez International, Inc.;
- Nestlé S.A.;
- PepsiCo, Inc.;
- Procter & Gamble Co.;
- Reckitt Benckiser Group Plc.; and
- Unilever Plc.

Although none of these selected companies are considered to be directly comparable to Newbelco, the companies included were selected because they are publicly traded companies with financial and operating characteristics that, for the purposes of analysis, may be considered similar to those of Newbelco. Accordingly, the analysis of publicly traded companies was not purely mathematical. Rather, it involved complex considerations and qualitative judgments concerning differences in financial and operating characteristics of the selected companies and other factors that could affect the public trading value of such companies.

The value of the non-controlling interests in Ambev SA not held by AB InBev and the minority interest in SABMiller Retained's controlled business not held (directly or indirectly) by SABMiller are also based on the selected public companies analysis methodology.

Based upon Equity Value/EBITDA multiples of the selected companies, ranges of estimated implied value per Newbelco share were calculated by applying multiples of enterprise value to Newbelco, Ambev SA and SABMiller Retained's 2016 estimated EBITDA.

This analysis results in an enterprise value range of 255 GBP - 293 billion GBP for Newbelco and a range of implied value of approximately 63.94 GBP – 79.78 GBP per Restricted Newbelco share.

Based on the formula underlying the valuation of the Partial Share Alternative mentioned in the introduction part of this section 4, it implies a Partial Share Alternative value range of 35.60 GBP – 43.27 GBP.

As a condition precedent to the contribution in kind, the different steps of the Transaction will have to be approved as discussed in section 2.2 of this report and as summarized in the conclusion of this report. Therefore, the valuation method applied is only relevant to the extent that the entire Transaction will be successfully completed.

Calculation of the blended value per share

The above valuation methodologies lead to the following:

- For the Partial Share Alternative:

Valuation methodology	Calculated value
Discounted cash flow	46.90 GBP – 59.54 GBP
Selected public companies analysis	35.60 GBP – 43.27 GBP

- For the Cash Consideration: 45.00 GBP per UK Scheme Share

The blended value per share is then calculated by assigning a weight to the Partial Share Alternative and the Cash Consideration, assuming that only Altria and BEVCO will elect for the Partial Share Alternative:

- Total estimated SABMiller shares (fully diluted): 1,656,404,007 (100%)
- Total SABMiller shares held by Altria and BEVCO: 655,000,000 (39.54 %)

Accordingly, the blended value per share is determined by the following formula:

- For the discounted cash flow method:

$$(46.90 \text{ GBP} - 59.54 \text{ GBP}) * 39.54\% + 45 \text{ GBP} * 60.46\% = 45.75 \text{ GBP} - 50.75 \text{ GBP}$$
- For the selected public companies analysis:

$$(35.60 \text{ GBP} - 43.27 \text{ GBP}) * 39.54\% + 45 \text{ GBP} * 60.46\% = 41.28 \text{ GBP} - 44.32 \text{ GBP}$$

The average blended value per share was obtained by applying an equal weight to the calculated values in the different valuation models. The order in which the analyses are described above does not represent the relative importance or weight given to the analyses given by the Newbelco Board.

As a result, the average blended value per share is calculated in a range of 43.52 GBP – 47.53 GBP, which translates into an equity value between 72.1 billion GBP and 78.7 billion GBP, with a mid-point of 75.4 billion GBP.

The Newbelco Board notes that on 26 July 2016, AB InBev in its public communication had valued SABMiller's entire issued and to be issued share capital at approximately 79 billion GBP, as at 25 July 2016, with a revised Partial Share Alternative equivalent to a value of 51.14 GBP per SABMiller Share on 25 July 2016. This statement of value was made based upon an alternative methodology of valuing the Partial Share Alternative, which valued the Restricted Newbelco Share element of the Partial Share Alternative on a see-through basis by reference to the prevailing AB InBev share price.

The aggregate value of 79 billion GBP was calculated based on AB InBev's closing share price of 114.80 EUR on 25 July 2016, based on a EUR to GBP exchange rate of 0.8365 and a fully diluted share capital of SABMiller of 1,657,262,457 shares as of 30 June 2016, assuming that Altria and BEVCO elect for the Partial Share Alternative in respect of their entire beneficial holdings of 430,000,000 and 225,000,000 SABMiller Shares respectively and all other SABMiller Shareholders elect for the Cash Consideration. An equity value of 79 billion GBP would translate into a blended value per share of approximately 47.45 GBP, which is at the higher end of the determined range; therefore this methodology is not withheld for purpose of valuing the contribution.

Based on the above, the Newbelco Board concludes that a contribution value of 75.4 billion GBP, which is the mid-point of the implied equity value range calculated above and which is below the 79 billion GBP announced in the AB InBev press release on 26 July 2016, to be appropriate.

This will result in a capital increase (capital and share premium combined) of the Company that is equal to the EUR-equivalent of such contribution value, using the GBP – EUR Reference Rate.

5. Compensation for the contribution in kind

Under the terms of the UK Scheme, the UK Scheme Shareholders will receive 100 Initial Newbelco Shares in respect of each UK Scheme share. Accordingly, as compensation for the described contribution in kind of an estimated of 1,656,404,007 UK Scheme Shares for a value of 75,400,000,000 GBP, 165,640,400,700 new registered Initial Newbelco Shares without nominal value will be issued to the respective UK Scheme Shareholders. These Initial Newbelco Shares will be booked for an amount of 7,540,000,000 GBP as share capital, and 67,860,000,000 GBP as share premium, both to be converted to EUR at the GBP – EUR Reference Rate.

At the date of this report, Newbelco's share capital amounts to EUR 61,500 divided into 6,150,000 Incorporation Shares, representing a par value per share of 0.01 EUR.

Under the terms of the UK Scheme, it is a condition to the UK Scheme becoming effective that Newbelco's shareholders have approved the cancellation of all the Incorporation Shares. It is intended that Newbelco's shareholders meeting will approve such cancellation at the same time as the decision to approve the contribution in kind. Such cancellation will have effect simultaneously with the completion of the Capital Increase.

Accordingly, immediately following the Capital Increase and the cancellation of the Incorporation Shares, Newbelco's share capital and share premium and the number of shares issued are established as follows:

	Situation prior to the Capital Increase and cancellation of Incorporation Shares	Capital Increase¹	Cancellation of Incorporation Shares	Situation after the Capital Increase and cancellation of Incorporation Shares
Capital (in EUR)	61,500	8,702,677,747.00	-61,500	8,702,677,747.00
Share Premium (in EUR)	0	78,324,099,722.99	0	78,324,099,722.99
Equity (in EUR)	61,500	87,026,777,469.99	-61,500	87,026,777,469.99
Number of shares	6,150,000	165,640,400,700	-6,150,000	165,640,400,700
Fraction value per share (in EUR)	0.01	0.0525	-0.01	0.0525
Equity value per share (in EUR)	0.01	0.5254	-0.01	0.5254

As a result, following the Capital Increase and the cancellation of the Incorporation Shares, the UK Scheme Shareholders will be the only shareholders in Newbelco and will own all outstanding shares of Newbelco. The shareholders' register of Newbelco will mirror the register of members of SABMiller at the UK Scheme Record Time, with the only difference being that, for each UK Scheme Share previously held, each UK Scheme Shareholder will instead own 100 Initial Newbelco Shares.

Consequently, considering that the only assets in Newbelco after the Capital Increase and the cancellation of the Incorporation Shares will be the UK Scheme Shares, the value of each UK Scheme Share previously held is the same as the value of 100 Initial Newbelco Shares.

¹ For purposes of this table, the value of the contribution in GBP has been converted into EUR at an exchange rate of 0.8664 GBP/EUR. As mentioned, the exchange rate for purpose of the Capital Increase will be the European Central Bank EUR/GBP [mid-day] fixing rate at the business day prior to the date of the Capital Increase.

The contribution in kind will be followed by the Belgian Offer and the Reclassification and Consolidation as detailed in the Merger Terms.

6. Procedures performed

Our work performed in the framework of this report was performed in accordance with the auditing standards applicable in Belgium, as issued by the “Institut des Réviseurs d’Entreprises/Instituut van de Bedrijfsrevisoren” and included sample testing and the required review procedures in these circumstances, including a general review of the administration and accounting procedures and the internal control environment of the Company, that we assessed as sufficient to deliver our report.

We asked the Company, taking into account the relative importance of each contributed asset, to provide us with the documents and economic data which we deem necessary to give an assessment over the description of the elements which constitute the contribution in kind. We verified the valuation and the motivation of the withheld methods by the Newbelco Board.

7. Events after valuation date

At date of this report no important events which could have a significant impact on the valuation of the contribution in kind, or on the determined compensation have occurred since 17 August 2016, date upon which the value of the contribution and the resulting compensation was determined.

8. Conclusion

The contribution in kind consists of the UK Scheme Shares (being an estimated number of 1,656,404,007 SABMiller Shares).

The ownership and exact number of UK Scheme Shares to be contributed to Newbelco can only be determined shortly before the Capital Increase. The exact number of UK Scheme Shares to be contributed to Newbelco will be determined through an extract of SABMiller's UK Share Register and South African Register, each as at the UK Scheme Record Time.

The resulting increase in equity (capital and share premium combined) at Newbelco will amount to the euro-equivalent of 75,400,000,000 GBP, using the GBP – EUR Reference Rate.

This transaction was reviewed in accordance with the standards relating to contributions in kind as issued by the "Institut des Réviseurs d'Entreprises/Instituut van de Bedrijfsrevisoren". The board of directors of Newbelco is responsible for the valuation of the contribution in kind, as well as for the determination of the number of shares to be issued as remuneration of the contribution in kind.

Based upon our work performed, we are of the opinion that:

- the description of each contribution in kind meets the usual requirements of accuracy and clearness; and
- the valuation methods retained by the parties for the contribution in kind are justified from an economic point of view and the value of the contribution resulting from these valuation methods mathematically equals at least the number and the par value and share premium of the shares to be issued, so that the contribution in kind is not overstated.

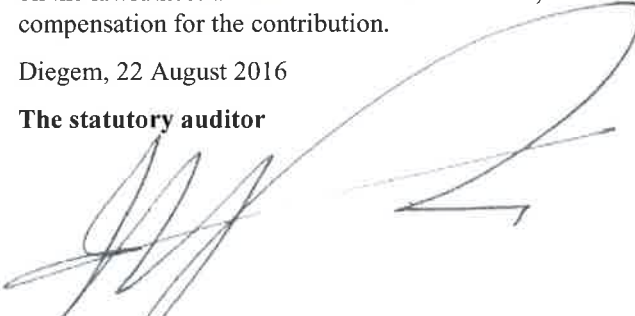
We would like to point out that the Transaction and therefore the contribution in kind is subject to several conditions which are still outstanding at the date of this report. These conditions include (i) obtaining regulatory approvals from applicable antitrust or competition law authorities, (ii) the UK Scheme becoming effective following the approval of the shareholders of SABMiller plc. and the sanctioning by the UK Court, (iii) the passing of various resolutions at the AB InBev General Meeting, the UK Scheme Court Meeting, the Newbelco General Meeting and the SABMiller General Meeting.

The contribution in kind should be considered within the framework of the entire Transaction. More specifically, the valuation of the contribution in kind as reflected in section 4 of this report, is only relevant to the extent that the conditions summarized above have been fulfilled on the date of the Capital Increase.

Finally, we remind you that in accordance with the standards relating to contribution in kind as issued by the "Institut des Réviseurs d'Entreprises/Instituut van de Bedrijfsrevisoren", our mission does not consist of expressing an opinion on the lawfulness and fairness of the transaction, nor on the value of the contribution or on the value of the compensation for the contribution.

Diegem, 22 August 2016

The statutory auditor


DELOITTE Bedrijfsrevisoren / Réviseurs d'Entreprises
BV o.v.v.e. CVBA / SC s.f.d. SCRL
Represented by Joël Brehmen

Appendix 1

Draft report by the board of directors of Newbelco NV in accordance with article 602 of the Belgian Companies Code

[please see separate document]

NEWBELCO SA/NV

**Rue Royale/Koningsstraat 97, 4th Floor
1000 Brussels
0649.641.563 RPM/RPR (Brussels)**

CONTRIBUTION IN KIND OF THE ENTIRE SHARE CAPITAL OF SABMILLER PLC TO NEWBELCO

REPORT OF THE BOARD OF DIRECTORS PREPARED IN ACCORDANCE WITH ARTICLE 602 OF THE BELGIAN COMPANIES CODE

The board of directors of Newbelco has prepared this Report in connection with the contemplated contribution in kind to be made to Newbelco in connection with the proposed business combination between SABMiller and AB InBev announced on 11 November 2015 by AB InBev and SABMiller.

This Report should be read in conjunction with the report prepared in accordance with article 602 of the Belgian Companies Code by the statutory auditor of Newbelco, Deloitte Bedrijfsrevisoren BV CVBA – Réviseurs d'Entreprises SC SCRL, with registered office at Berkenlaan 8b, B-1831 Diegem, Belgium, represented by Mr. Joël Brehmen. The report of the auditor is attached hereto as Schedule 1.

Capitalised terms used in this Report shall have the meaning set out in the glossary attached to this Report as Schedule 2.

1. DESCRIPTION OF THE CONTEMPLATED CONTRIBUTION IN KIND

This Report relates to the contribution in kind of the UK Scheme Shares to Newbelco by the UK Scheme Shareholders. Such contribution and the related Capital Increase are part of the proposed Transaction.

The Newbelco Board refers to the following sections of the Merger Terms adopted by the Newbelco Board and the AB InBev Board and dated 1 August 2016 for a description of:

- the overview of the Transaction (section 1); and
- the structure of the Transaction (section 2),

which are deemed to be incorporated in this Report as if they were reproduced herein.

As set out in the Merger Terms, the first step of the Transaction consists of the UK Scheme, a UK court-sanctioned scheme of arrangement between SABMiller and the UK Scheme Shareholders under Part 26 of the UK Companies Act 2006, pursuant to which each UK Scheme Shareholder will receive 100 Initial Newbelco Shares in consideration for each of its UK Scheme Shares.

To become effective, the UK Scheme requires approval at the UK Scheme Court Meeting, which is a meeting (or meetings) convened with the permission of the UK Court, from a majority in number of

those holders of UK Scheme Shares (or any class or classes thereof) as at the Voting Record Time who are present and voting at the meeting, either in person or by proxy, and who represent not less than 75% in value of the UK Scheme Shares voted by them.

It is currently intended that the UK Scheme Court Meeting will be held on or around 28 September 2016. Implementation of the Transaction will also require the passing of the SABMiller Resolutions at the SABMiller General Meeting, which is expected to be held immediately after the UK Scheme Court Meeting.

Implementation of the UK Scheme will also require the Newbelco Shareholders (i.e., at the time the approval will be sought, the holders of the Incorporation Shares) to have approved the Capital Increase. It is currently intended that the Newbelco General Meeting to approve such matters will be held on or around 28 September 2016.

Following the UK Scheme Court Meeting and the SABMiller General Meeting, the UK Scheme will need to be sanctioned by the UK Court. The UK Scheme Court Sanction Hearing is currently intended to be held on or around 4 October 2016.

The UK Scheme will only become effective once a copy of the UK Scheme Court Order is delivered to the UK Registrar of Companies. Upon the UK Scheme becoming effective, it will be binding on all UK Scheme Shareholders, irrespective of whether or not they attended or voted at the UK Scheme Court Meeting.

Following the UK Scheme becoming effective, it is currently expected that the Capital Increase will complete on or around 6 October 2016 (assuming that the legal transfer of the UK Scheme Shares from the UK Scheme Shareholders to Newbelco will be completed within one Business Day of the UK Scheme becoming effective).

In addition to the above shareholders' approval conditions and sanction by the UK Court, the UK Scheme is subject to a certain number of other outstanding conditions. Such conditions include the passing of the AB InBev Resolutions and the Newbelco Resolutions. In addition, all conditions to the Belgian Offer and the Belgian Merger (other than the UK Scheme becoming effective and certain procedural conditions) must be satisfied in order for the UK Scheme to become effective.

2. CONTRIBUTION VALUE AND CAPITAL INCREASE

2.1 Contribution value and valuation methodologies

The value at which the UK Scheme Shares will be contributed to Newbelco will be set at the amount in euro that will be obtained by converting GBP 75,400,000,000 into euro at the GBP – EUR Reference Rate. The amount of GBP 75,400,000,000 was determined by the Newbelco Board to be appropriate taking into account the valuation methodologies set out in Schedule 3 to this Report.

2.2 Number of Newbelco Shares to be issued upon the Capital Increase

At the date of this Report, Newbelco's share capital amounts to EUR 61,500, divided into 6,150,000 Incorporation Shares.

Under the terms of the UK Scheme, it is a condition to the UK Scheme becoming effective that Newbelco's shareholders have approved the cancellation of all the Incorporation Shares. It is intended that Newbelco's shareholders meeting will approve such cancellation at the same time as the decision to approve the contribution in kind. Such cancellation will take effect simultaneously with the completion of the Capital Increase and will result in a capital decrease of EUR 61,500.

Under the terms of the UK Scheme, the UK Scheme Shares will be transferred to Newbelco in consideration for which UK Scheme Shareholders will receive 100 Initial Newbelco Shares in respect of each UK Scheme Share. It is expected that the maximum number of UK Scheme Shares to be contributed to Newbelco as part of the Capital Increase will be 1,656,404,007. This is calculated on the basis of (i) SABMiller's issued share capital as at the close of business on 31 July 2016 of 1,623,481,308 (excluding 57,769,932 treasury shares); and (ii) 43,987,236 SABMiller Shares which may be issued on or after 1 August 2016 on the exercise of options or vesting of awards under the SABMiller share plans (excluding 50,645 cash settled options and stock appreciation rights), netted off against 11,064,537 SABMiller Shares held in SABMiller's Employee Benefit Trust as at the close of business on 31 July 2016. For the avoidance of doubt, the exact number of UK Scheme Shares in issue as at the UK Scheme Record Time may end up being higher or lower than 1,656,404,007 shares. If the shares held by SABMiller's Employee Benefit Trust are not used to settle the outstanding options, up to an additional 11,064,537 SABMiller Shares will need to be issued (or transferred out of treasury).

Upon completion of the Capital Increase, the following steps will take place simultaneously:

- (i) the share capital of Newbelco will be increased by an amount in euro equal to GBP 7,540,000,000, and an issue premium will be recorded by Newbelco for an amount in euro equal to GBP 67,860,000,000, each such amounts to be multiplied by the GBP - EUR Reference Rate¹;
- (ii) 165,640,400,700 Initial Newbelco Shares² will be issued to the UK Scheme Shareholders, each UK Scheme Shareholder receiving 100 Initial Newbelco Shares for each UK Scheme Share; and
- (iii) the Incorporation Shares will be cancelled and the share capital of Newbelco decreased by EUR 61,500.

Following the Capital Increase and the cancellation of the Incorporation Shares, the UK Scheme Shareholders will be the only shareholders in Newbelco and will own all outstanding shares of Newbelco. The shareholders' register of Newbelco will be a mirror of the register of members of SABMiller immediately prior to the UK Scheme Record Time, with the only difference being that, for each SABMiller Share previously held, each UK Scheme Shareholder will instead own 100 Initial Newbelco Shares.

Consequently, the contribution value of the UK Scheme Shares will not be relevant for the purpose of determining the number of Initial Newbelco Shares to be issued to each UK Scheme Shareholder.

3. INTEREST OF NEWBELCO IN THE TRANSACTION AND THE CAPITAL INCREASE

The Newbelco Board refers to sections 4 of the Merger Terms for a description of the rationale of the Transaction, which is deemed to be incorporated in this Report as if it was reproduced herein.

Pursuant to the Proposed Structure:

¹ The amounts of the capital increase and issue premium will remain at the same level even if the number of SABMiller Shares outstanding as at the UK Scheme Record Time exceeds 1,656,404,007, provided however that such amounts will be increased if the number of SABMiller Shares outstanding as at the UK Scheme Record Time was higher than 1,666,000,000.

² The number of Initial Newbelco Shares set out in this paragraph assumes that, prior to or at the UK Scheme Record Time, there are 1,656,404,007 UK Scheme Shares in issue. Please see the third paragraph of section 2.2. for the calculation of the number of 1,656,404,007 UK Scheme Shares.

- Newbelco will become the holder of the entire issued and to be issued share capital of SABMiller after the UK Scheme has become effective, as well as of all of the assets and liabilities of AB InBev upon Completion and will therefore become the new holding company for the Combined Group; and
- the shareholders of Newbelco upon Completion will be (i) the AB InBev Shareholders; and (ii) those UK Scheme Shareholders who will hold Restricted Newbelco Shares after the Reclassification and Consolidation.³

The UK Scheme and related contribution in kind and Capital Increase constitute necessary steps for the implementation of the Proposed Structure.

Therefore and after having taken all relevant considerations into account, the Newbelco Board has concluded that the contribution of the UK Scheme Shares to Newbelco by the UK Scheme Shareholders and the related Capital Increase are in the best interest of Newbelco.

4. REPORT OF THE AUDITOR

Deloitte Bedrijfsrevisoren BV CVBA – Réviseurs d'Entreprises SC SCRL, with registered office at Berkenlaan 8b, B-1831 Diegem, Belgium, represented by Mr Joël Brehmen, as statutory auditor of Newbelco, has issued a report regarding the contribution in kind described in this Report pursuant to article 602 of the Belgian Companies Code.

The conclusion of the statutory auditor is as follows:

“The contribution in kind consists of the UK Scheme Shares (being an estimated number of 1,656,404,007 SABMiller Shares).

The ownership and exact number of UK Scheme Shares to be contributed to Newbelco can only be determined shortly before the Capital Increase. The exact number of UK Scheme Shares to be contributed to Newbelco will be determined through an extract of SABMiller's UK Share Register and South African Register, each as at the UK Scheme Record Time.

The resulting increase in equity (capital and share premium combined) at Newbelco will amount to the euro-equivalent of 75,400,000,000 GBP, using the GBP – EUR Reference Rate.

This transaction was reviewed in accordance with the standards relating to contributions in kind as issued by the “Institut des Réviseurs d'Entreprises/Instituut van de Bedrijfsrevisoren”. The board of directors of Newbelco is responsible for the valuation of the contribution in kind, as well as for the determination of the number of shares to be issued as remuneration of the contribution in kind.

Based upon our work performed, we are of the opinion that:

- *the description of each contribution in kind meets the usual requirements of accuracy and clearness; and*
- *the valuation methods retained by the parties for the contribution in kind are justified from an economic point of view and the value of the contribution resulting from these valuation methods mathematically equals at least the number and the par value and share premium of the shares to be issued, so that the contribution in kind is not overstated.*

We would like to point out that the Transaction and therefore the contribution in kind is subject to several conditions which are still outstanding at the date of this report. These conditions include (i) obtaining regulatory approvals from applicable antitrust or competition law authorities, (ii) the UK Scheme becoming effective following the approval of the shareholders of SABMiller plc. and the sanctioning by the UK Court, (iii) the passing of various resolutions at the AB InBev General

³ Except for the Newbelco Shares which will be held in treasury by Newbelco.

Meeting, the UK Scheme Court Meeting, the Newbelco General Meeting and the SABMiller General Meeting.

The contribution in kind should be considered within the framework of the entire Transaction. More specifically, the valuation of the contribution in kind as reflected in section 4 of this report, is only relevant to the extent that the conditions summarized above have been fulfilled on the date of the Capital Increase.

Finally, we remind you that in accordance with the standards relating to contribution in kind as issued by the “Institut des Réviseurs d’Entreprises/Instituut van de Bedrijfsrevisoren”, our mission does not consist of expressing an opinion on the lawfulness and fairness of the transaction, nor on the value of the contribution or on the value of the compensation for the contribution.”

The Newbelco Board, after reviewing the contents of the report of the statutory auditor, acknowledges and agrees with the conclusion set forth in such report.

5. LANGUAGES

This Report has been drawn up in French, Dutch and English. The contents of this Report have been discussed and agreed by Newbelco in the English language. In case of differences between the French, Dutch and English versions of this Report, the English version will prevail.

[signature page follows]

For the Newbelco Board, executed on 22 August 2016, in two originals.

One original will be deposited in the corporate file of Newbelco with the registry of the commercial court of Brussels. The other original will be kept at Newbelco's registered seat.

Christophe Tans

Director

Wouter Vanmechelen

Director

Schedules:

1. *Report of the statutory auditor*
2. *Definitions*
3. *Valuation methodologies*

Schedule 1

Report of the statutory auditor

[Please see separate document]

Schedule 2

Definitions

2016E EBITDA	estimated EBITDA for the 2016 calendar year
AB InBev	Anheuser-Busch InBev SA/NV, a limited liability company (<i>société anonyme / naamloze vennootschap</i>) incorporated in Belgium, with its registered address at Grand'Place/Grote Markt 1, 1000 Brussels, Belgium and administrative office at Brouwerijplein 1, 3000 Leuven, Belgium and registered with the Crossroads Bank of Enterprises under number 0417.497.106 RPM/RPR (Brussels)
AB InBev ADSs	American Depositary Shares of AB InBev
AB InBev Board	the board of directors of AB InBev
AB InBev General Meeting	the general meeting of AB InBev Shareholders (and any adjournment thereof) to be convened in connection with the Belgian Offer, the Belgian Merger and the Transaction for the purpose of considering, and, if thought fit, approving, the AB InBev Resolutions
AB InBev Group	AB InBev and the group of companies owned and/or controlled by AB InBev
AB InBev Resolutions	any resolutions to be taken by the AB InBev General Meeting as are necessary or useful to approve, implement and effect: (i) the Belgian Offer; (ii) the Belgian Merger; and (iii) any other step of the Transaction
AB InBev Shareholders	holders of AB InBev Shares and/or AB InBev ADSs from time to time
ADR	American Depositary Receipt
ADS	American Depositary Share
Ambev Business Exchange	the transfer of SABMiller's Panamanian business from AB InBev to Ambev, and the transfer of Ambev's business in Colombia, Peru and Ecuador to AB InBev
Belgian Companies Code	the Belgian law of 7 May 1999, setting out the Companies Code, as amended from time to time
Belgian Merger	the merger of AB InBev into Newbelco through a merger by absorption of AB InBev under the Belgian Companies Code, pursuant to which the AB InBev Shareholders will become Newbelco Shareholders and Newbelco will be the surviving entity and the holding company for the Combined Group

<i>Belgian Offer</i>	the voluntary cash takeover offer to be made by AB InBev for all of the Initial Newbelco Shares pursuant to the Takeover Law and the Takeover Royal Decree
<i>Broad Based Black Economic Empowerment</i>	the Zenzele Broad-Based Black Economic Empowerment scheme established by the SABMiller Group in 2010
<i>Business Day</i>	a day (other than a Saturday, Sunday, public or bank holiday) on which banks are open for business in each of London, Brussels, Johannesburg and New York
<i>Capital Increase</i>	the capital increase of Newbelco against the contribution in kind by the UK Scheme Shareholders of their UK Scheme Shares and the issue of Initial Newbelco Shares to such UK Scheme Shareholders in exchange for such contribution to be approved by the Newbelco General Meeting in connection with the implementation of the UK Scheme
<i>Cash Consideration</i>	the cash proceeds to be received by the UK Scheme Shareholders who do not elect (or are deemed not to elect) for the Partial Share Alternative under and subject to the terms of the Transaction
<i>Combined Group</i>	the enlarged group following the Transaction, comprising the AB InBev Group, the SABMiller Group and Newbelco
<i>Completion</i>	completion of the Belgian Merger (which will not occur until after (i) the UK Scheme has become effective; and (ii) the subsequent closing of the Belgian Offer)
<i>CR Snow Divestiture</i>	the sale of SABMiller's 49% interest in CR Snow to China Resources Beer (Holdings) Co. Ltd.
<i>EBITDA</i>	earnings before interest, income taxes, depreciation and amortisation of the consolidated entity, it being understood that, with respect to SABMiller, EBITDA (historical and forecasted figures) (i) refers to the SABMiller group EBITDA, which includes the share of EBITDA of the associates and joint-ventures, (ii) fully reflects the impact of the creation of Coca-Cola Beverages Africa and (iii) has been adjusted for those items given their material and recurring impact
<i>Enterprise Value</i>	the Equity Value (i) plus net debt (defined as gross interest bearing debt less cash and cash equivalents) (ii) plus the value of the pensions (iii) plus the value of minority interests (iv) less the value of associates and joint-ventures except otherwise noted, it being understood that, with respect to SABMiller, the Enterprise Value (i) refers to the SABMiller group Enterprise Value, which includes the value of the

	associates and joint-ventures, (ii) fully reflects the impact of the creation of Coca-Cola Beverages Africa and (iii) has been adjusted for those items given their material and recurring impact
<i>Equity Value</i>	the value determined as the product of the share price and the diluted number of shares outstanding at the relevant time
<i>European Divestitures</i>	the following divestitures: <ul style="list-style-type: none"> - the sale of SABMiller's Peroni, Grolsch and Meantime brand families and their associated businesses in Italy, the Netherlands, the UK and internationally, to Asahi; and - the envisaged sale of the entirety of assets of SABMiller in Central and Eastern Europe (Hungary, Romania, Czech Republic, Slovakia and Poland)
<i>GBP – EUR Reference Rate</i>	the European Central Bank's euro foreign exchange reference rate GBP – EUR which will be published on the European Central Bank's website at around 16:00 CET on the business day prior to the date on which the Capital Increase will be effective
<i>Incorporation Shares</i>	the 6,150,000 registered shares without nominal value issued by Newbelco on 3 March 2016 and outstanding as at the date of this Report, which will be cancelled with effect simultaneously with the completion of the Capital Increase
<i>Initial Newbelco Shares</i>	the ordinary shares in the capital of Newbelco to be issued to UK Scheme Shareholders pursuant to the terms of the UK Scheme
<i>Merger Terms</i>	the common draft terms of merger dated 1 August 2016 as prepared by the respective boards of directors of AB InBev and Newbelco in relation to the Belgian Merger in accordance with Article 693 of the Belgian Companies Code
<i>MillerCoors Divestiture</i>	the sale of SABMiller's interest in MillerCoors and SABMiller's portfolio of Miller brands outside the U.S. to Molson Coors
<i>Newbelco</i>	Newbelco SA/NV, a limited liability company (société anonyme / naamloze vennootschap) incorporated in Belgium, with its registered address at Rue Royale/Koningsstraat 97, 4th floor, 1000 Brussels, Belgium and registered with the Crossroads Bank of Enterprises under number 0649.641.563 RPM/RPR (Brussels)

<i>Newbelco ADS</i>	an ADS of Newbelco, represented by an ADR
<i>Newbelco Board</i>	the board of directors of Newbelco
<i>Newbelco 2016E EBITDA</i>	the sum of AB InBev estimated EBITDA for the 2016 calendar year, SABMiller Retained estimated EBITDA for the 2016 calendar year and the estimated run-rate impact of the synergies on the EBITDA for 2016 calendar year
<i>Newbelco General Meeting</i>	the general meeting of the Newbelco Shareholders (and any adjournment thereof) to be convened in connection with the Transaction for the purpose of considering, and, if thought fit, approving, the Newbelco Resolutions
<i>Newbelco Resolutions</i>	any resolutions to be taken by the Newbelco General Meeting (composed at the moment such resolutions are adopted of the holders of the Incorporation Shares) as are necessary or useful to approve, implement and effect (i) the Capital Increase; (ii) the Belgian Merger; (iii) the adoption of new articles of association of Newbelco with effect from completion of the Belgian Offer; (iv) the appointment of new board members of Newbelco nominated by AB InBev with effect from completion of the Belgian Offer; (v) the cancellation of the Newbelco Shares held by the incorporators of Newbelco; and (vi) any other step of the Transaction
<i>Newbelco Shares</i>	the Incorporation Shares, the Initial Newbelco Shares, the Restricted Newbelco Shares or the New Ordinary Shares, as applicable
<i>Newbelco Shareholders</i>	holders of Newbelco Shares and/or Newbelco ADSs from time to time
<i>New Ordinary Shares</i>	the ordinary shares in Newbelco (i) resulting from the consolidation of the Initial Newbelco Shares acquired by AB InBev in the context of the Belgian Offer, (ii) to be issued to AB InBev Shareholders pursuant to the Belgian Merger upon Completion, and (iii) to be issued from time to time following Completion and into which the Restricted Newbelco Shares can be converted in accordance with their terms
<i>Partial Share Alternative</i>	the alternative whereby UK Scheme Shareholders (other than Restricted Overseas Shareholders) may elect (or are deemed to elect) to receive Restricted Newbelco Shares and cash instead of the Cash Consideration under and subject to the terms of the Transaction
<i>Proposed Structure</i>	the proposed structure of the Transaction, as set out in

Section 2 of the Merger Terms

<i>Reclassification and Consolidation</i>	<p>(a) the automatic reclassification and consolidation of any Initial Newbelco Shares which are retained after closing of the Belgian Offer by UK Scheme Shareholders who validly elected (or are deemed to have elected) for the Partial Share Alternative on the basis of one Restricted Newbelco Share for every 185.233168056448 Initial Newbelco Shares held (rounded down to the nearest whole number of Restricted Newbelco Shares) and;</p> <p>(b) the automatic consolidation of any Initial Newbelco Shares which are acquired by AB InBev in the context of the Belgian Offer on the basis of one New Ordinary Share for every 185.233168056448 Initial Newbelco Shares held (rounded down to the nearest whole number of New Ordinary Shares),</p> <p>in each case, upon the passing of the notarial deed acknowledging the completion of the Belgian Offer.</p>
<i>Report</i>	this report, prepared by the Newbelco Board in accordance with Article 602 of the Belgian Companies Code
<i>Restricted Newbelco Shares</i>	restricted shares in the capital of Newbelco, which will come into existence as a result of the Reclassification and Consolidation
<i>Restricted Overseas Shareholders</i>	a UK Scheme Shareholder whom AB InBev requires SABMiller to treat as a Restricted Overseas Shareholder pursuant to the terms of the UK Scheme
<i>SABMiller</i>	SABMiller plc, a public limited company incorporated in England and Wales with its registered address at SABMiller House, Church Street West, Woking, Surrey GU21 6HS and company number 03528416
<i>SABMiller General Meeting</i>	the general meeting of SABMiller Shareholders (and any adjournment thereof) to be convened in connection with the Transaction for the purpose of considering and, if thought fit, approving, the SABMiller Resolutions
<i>SABMiller Group</i>	SABMiller and the group of companies owned and/or controlled by SABMiller
<i>SABMiller Retained</i>	entity which parameter represents SABMiller pro forma for the Transaction-related Divestitures except for the Ambev Business Exchange which is being ignored for immateriality reasons

<i>SABMiller Resolutions</i>	such shareholder resolutions of SABMiller as are necessary to approve, implement and effect the UK Scheme, the Belgian Merger, changes to SABMiller's articles of association and the buy-back of the deferred shares of GBP 1 each in the capital of SABMiller
<i>SABMiller Shareholders</i>	the holders of SABMiller Shares from time to time
<i>SABMiller Shares</i>	the ordinary shares of US\$0.10 each in the capital of SABMiller
<i>Takeover Law</i>	the Belgian law of 1 April 2007 on public takeover bids
<i>Takeover Royal Decree</i>	the Belgian Royal Decree of 27 April 2007 on public takeover bids
<i>Terminal Growth Rate</i>	the constant rate at which the free cash flows of a company are expected to grow in perpetuity beyond the final year of the projection period
<i>Transaction</i>	the proposed business combination between SABMiller and AB InBev, to be effected by the Proposed Structure
<i>Transaction-related Divestitures</i>	the MillerCoors Divestiture, the CR Snow Divestiture, the European Divestitures and the Ambev Business Exchange
<i>Treasury Stock Method</i>	the method assuming that the proceeds that a company receives from an in-the-money option exercise are used to repurchase common shares in the market
<i>UK Court</i>	the High Court of Justice in England and Wales
<i>UK Registrar of Companies</i>	the Registrar of Companies in England and Wales
<i>UK Scheme</i>	the proposed scheme of arrangement under Part 26 of the UK Companies Act 2006 between SABMiller and UK Scheme Shareholders to implement the acquisition of SABMiller by Newbelco with or subject to any modification, addition or condition approved or imposed by the UK Court (and agreed to by AB InBev and SABMiller)
<i>UK Scheme Court Meeting</i>	the meeting or meetings of holders of UK Scheme Shares (or any class or classes thereof) convened pursuant to section 896 of the UK Companies Act 2006 to consider and, if thought fit, approve the UK Scheme, including any adjournment thereof
<i>UK Scheme Court Order</i>	the order of the UK Court sanctioning the UK Scheme pursuant to section 899 of the Companies Act
<i>UK Scheme Court Sanction Hearing</i>	the hearing of the UK Court to sanction the UK Scheme pursuant to section 899 of the UK Companies Act 2006 including any adjournment thereof

<i>UK Scheme Document</i>	the document to be dispatched to SABMiller Shareholders including the particulars required by section 897 of the UK Companies Act 2006 and incorporating the notice of the SABMiller General Meeting
<i>UK Scheme Record Time</i>	the time and date specified as such in the UK Scheme
<i>UK Scheme Shareholders</i>	holders of UK Scheme Shares as at the UK Scheme Record Time
<i>UK Scheme Shares</i>	<p>(a) the SABMiller Shares in issue at the date of the UK Scheme Document;</p> <p>(b) any SABMiller Shares issued after the date of the UK Scheme Document and prior to the Voting Record Time; and</p> <p>(c) any SABMiller Shares issued at or after the Voting Record Time and at or prior to the UK Scheme Record Time on terms that the holder thereof shall be bound by the UK Scheme, or in respect of which the original or any subsequent holders thereof shall have agreed in writing to be bound by the UK Scheme,</p> <p>in each case remaining in issue at the UK Scheme Record Time, but excluding any SABMiller Shares held by SABMiller in treasury</p>
<i>Voting Record Time</i>	6.30 p.m. London time on the day which is two days prior to the date of the UK Scheme Court Meeting or, if the UK Scheme Court Meeting is adjourned, 6.30 p.m. on the day which is two days before the date of such adjourned meeting
<i>WACC</i>	the Weighted Average Cost of Capital which is the average rate of return a company expects to compensate all its different investors (the weights being the fraction of each financing source in the company's target capital structure)

Schedule 3

Valuation methodologies

1. Introduction and assumptions

The amount of the Cash Consideration and the terms of the Partial Share Alternative, and, consequently, the price of the Belgian Offer are the result of negotiations between AB InBev and SABMiller.

As noted in the Merger Terms, AB InBev has received irrevocable undertakings from Altria and BEVCO, the largest shareholders in SABMiller, to elect for the Partial Share Alternative in respect of their entire beneficial holdings of 430,000,000 and 225,000,000 SABMiller Shares respectively.

For the purposes of valuing the UK Scheme Shares that will be contributed by the UK Scheme Shareholders to Newbelco, the Newbelco Board has assumed that Altria and BEVCO elect for the Partial Share Alternative in respect of the entire capital of SABMiller beneficially owned by them in accordance with the terms of such irrevocable undertakings and that all other UK Scheme Shareholders elect for the Cash Consideration.

The analysis therefore assumes that: (i) 316,999,695 Restricted Newbelco Shares will be elected for by UK Scheme Shareholders; (ii) accordingly, the number of the SABMiller shares held by UK Scheme Shareholders that elect for the Partial Share Alternative is 655,000,000; and (iii) the number of SABMiller shares held by UK Scheme Shareholders that elect for the Cash Consideration is based on SABMiller's number of fully diluted shares outstanding as of 31 July 2016 less 655,000,000 shares.

SABMiller's number of fully diluted shares outstanding of 1,656,404,007 as of 31 July 2016 is comprised of: (i) 1,612,416,771 basic shares (1,623,481,308 shares net of 11,064,537 shares held in SABMiller's Employee Benefit Trust); and (ii) 43,987,236 of other dilutive instruments (44,037,881 dilutive instruments net of 50,645 cash-settled shares). The valuation is not based on the Treasury Stock Method: the proceeds from the exercise of dilutive instruments are not assumed to be used to buy-back shares but are assumed to increase the cash balance instead.

The blended value of the Cash Consideration and the Partial Share Alternative, weighted by the number of SABMiller shares that will be satisfied with the Cash Consideration and with the Partial Share Alternative, based on the above assumptions is referred to in this Schedule 3 as the ***"Blended Offer Price"***.

Exchange rates are based on spot rates as of 17 August 2016 (dollars to pounds sterling of 0.7688 and euros to pounds sterling of 0.8664, except for GBP 46 billion equivalent of Newbelco's net debt at closing, representing the cash consideration that was hedged at a blended dollar to pound sterling of 0.6546 per 30 June 2016 unaudited interim financial statements of AB InBev).

Given that SABMiller has a fiscal year-end on 31 March, SABMiller's financials have been calendarised to 31 December (in-line with AB InBev's fiscal year-end).

2. Valuation of the Cash Consideration

The amount of the Cash Consideration and the terms of the Partial Share Alternative, and, consequently, the price of the Belgian Offer are the result of negotiations between AB InBev and SABMiller, two independent parties.

The Belgian Offer price of GBP 0.45 is the value that AB InBev, an independent third party, is willing to pay per Initial Newbelco Share (on the assumption that Altria and BEVCO elect for the Partial Share Alternative in accordance with their irrevocable undertakings). Each SABMiller Share will be contributed in exchange for the issue of 100 Initial Newbelco shares. The fair value of the SABMiller shares held by the UK Scheme Shareholders that elect for the Cash Consideration can therefore be estimated at GBP 45 per share for the purpose of the valuation of the contribution.

3. Valuation of the Partial Share Alternative

The valuation of the Partial Share Alternative excludes any discount for non-transferability, which could be applied to the value of the Restricted Newbelco Shares to reflect the fact that they will be unlisted, not admitted to trading on any stock exchange, not capable of being deposited in an ADR programme and subject to, among other things, restrictions on transfer until converted into New Ordinary Shares.

The following valuation methodologies were taken into account to estimate the value of the Restricted Newbelco Shares and therefore the value of the Partial Share Alternative:

- a discounted cash flow analysis based on projections with regard to the future performance of Newbelco; and
- a selected public companies analysis.

The different valuation methodologies include a cost savings potential in excess of current SABMiller initiatives.

The analysis disregards the Ambev Business Exchange as the delta of the marginal impact on AB InBev's leakage from non-controlling interests is not material.

3.1 Discounted cash flow analysis

A discounted cash flow analysis aims at determining the Enterprise Value of a company by discounting the future free cash flows of that company. From the Enterprise Value, the net financial debt and debt-like items are deducted and cash-like items are added to obtain the Equity Value. This valuation metric is strongly influenced by (i) the projections with regard to performance of the companies, (ii) the WACC used to discount the future cash flows and terminal values, and (iii) the Terminal Growth Rate used to compute the terminal value.

In this case, Newbelco performed the discounted cash flow analysis of Newbelco using information contained in public filings as well as Newbelco/AB InBev's internal developed models and business plans. The discounted cash flow analysis was performed as of 17 August 2016.

Newbelco applied a range of discount rates of 7.36% - 7.86% to: (i) after-tax unlevered free cash flows expected to be generated during the calendar years 2016 through 2024; and (ii) estimated terminal values using a range of Terminal Growth Rates of 2.25% - 2.75%, which resulted in an Enterprise Value range of GBP 302 - GBP 361 billion for Newbelco. The ranges of discount and Terminal Growth Rates applied to Newbelco reflect the expected geographic scope of Newbelco's business after Completion.

The equity value is then obtained by taking the above Enterprise Value and deducting the following items:

- AB InBev's standalone net debt as of 30 June 2016;

- AB InBev's standalone pensions as of 30 June 2016;
- AB InBev's new acquisition debt;
- SABMiller's rolled-over standalone net debt as of 31 March 2016 adjusted for the August 2016 dividend payment;
- the non-controlling interests in Ambev SA not held by AB InBev; and
- the non-controlling interests in SABMiller Retained's controlled businesses not held (directly or indirectly) by SABMiller,

and by adding the following items:

- the value of the disposal proceeds net of estimated tax payments; and
- the value of AB InBev's associates and joint-ventures.

In order to reach a value per Newbelco Share, the Equity Value resulting from the above calculation was divided by the expected number of Newbelco Shares following Completion.

The value of the non-controlling interests in Ambev SA not held by AB InBev and the non-controlling interests in SABMiller Retained's controlled businesses not held (directly or indirectly) by SABMiller are based on a WACC range of 8.73% - 9.23% and 9.49% - 9.99%, respectively, and on a Terminal Growth Rate range of 2.75% - 3.25% and 3.00% - 3.50%, respectively.

This analysis results in a range of implied value of GBP 87.28 - GBP 113.39 per Restricted Newbelco Share.

It implies a Partial Share Alternative value range of GBP 46.90 - GBP 59.54.

3.2 Selected public companies analysis

The selected public companies analysis aims at measuring the relative value of a company based on the market value of publicly trading peers.

Newbelco applied an Enterprise Value/EBITDA multiple based on the Enterprise Value/EBITDA multiples of a selected peer group to Newbelco's 2016E EBITDA, as follows:

- the Enterprise Value/EBITDA multiples were calculated by dividing (i) the Enterprise Value of the selected peer group companies; by (ii) the EBITDA of such selected peer group companies; and
- a multiple based on the Enterprise Value/EBITDA multiples of a selected peer group was then applied to Newbelco's previously estimated 2016E EBITDA.

The selected public company analysis is focused on EV/EBITDA multiples. The reference to sales multiples was disregarded for the purpose of this valuation as they do not take into account differences in profitability levels of the companies. Multiples based on operating income were also omitted due to the discrepancies in the depreciation and amortization policies.

Certain financial information and commonly used valuation measurements for Newbelco were reviewed and compared with corresponding financial information and valuation measurements were reviewed and compared for the following companies operating in the global consumer products industry:

- Coca-Cola Co.;
- Colgate-Palmolive Co;

- Diageo Plc.;
- Heineken N.V.;
- Kraft Heinz Co.;
- L'Oréal SA;
- Mondelez International, Inc.;
- Nestlé S.A.;
- PepsiCo, Inc.;
- Procter & Gamble Co.;
- Reckitt Benckiser Group Plc.; and
- Unilever Plc.

Although none of these selected companies are directly comparable to Newbelco, they were selected because they are publicly traded companies with financial and operating characteristics that, for the purposes of this analysis, may be considered similar to those of Newbelco. Accordingly, the analysis of publicly traded companies was not purely mathematical. Rather, it involved complex considerations and qualitative judgments concerning differences in financial and operating characteristics of the selected companies and other factors that could affect the public trading value of such companies.

The value of the non-controlling interests in Ambev SA not held by AB InBev and the non-controlling interests in SABMiller Retained's controlled businesses not held (directly or indirectly) by SABMiller are also based on the selected public companies analysis methodology.

Based upon EV/EBITDA multiples of the selected companies, ranges of estimated implied value per Newbelco share were calculated by applying multiples of Enterprise Value to Newbelco, Ambev SA and SABMiller Retained's 2016 estimated EBITDA.

This analysis results in an Enterprise Value range of GBP 255 - GBP 293 billion for Newbelco and a range of implied value of GBP 63.94 - GBP 79.78 per Restricted Newbelco Share.

It implies a Partial Share Alternative value range of GBP 35.60 - GBP 43.27.

4. Valuation of the Blended Offer Price

The Blended Offer price was calculated by weighing the value of the Cash Consideration of GBP 45.00 and the value of the Partial Share Alternative, weighted by the number of SABMiller Shares held by SABMiller Shareholders that, for the purposes of this valuation, it is assumed will elect for the Cash Consideration and the Partial Share Alternative.

As noted above, for the purposes of this valuation Newbelco has assumed that (i) the Partial Share Alternative is elected for by Altria and BEVCO, in accordance with the irrevocable undertakings they have given to AB InBev, in respect of the 655,000,000 SABMiller Shares beneficially held by them; and (ii) the remaining UK Scheme Shareholders will elect for the Cash Consideration in respect of the remaining 1,001,404,007 SABMiller Shares.

The Partial Share Alternative value range of GBP 46.90 - GBP 59.54 implied in the discounted cash flow analysis implies a Blended Offer Price range of GBP 45.75 - GBP 50.75.

The Partial Share Alternative value range of GBP 35.60 - GBP 43.27 implied in the selected public companies analysis implies a Blended Offer Price range of GBP 41.28 - GBP 44.32.

No specific weights were assigned to any particular analyses. The order in which the analyses are described above does not represent the relative importance or weight given to the analyses.

The blended values of each Newbelco Share, of the Partial Share Alternative and of the Blended Offer Price were obtained by applying an equal weight to the value ranges described above:

- the Newbelco Share blended value range of GBP 75.61 - GBP 96.58 is based on the equally-weighted value ranges of GBP 87.28 - GBP 113.39 and GBP 63.94 - GBP 79.78 obtained in the discounted cash flow analysis and selected public companies analysis, respectively;
- the Partial Share Alternative blended value ranges of GBP 41.25 - GBP 51.40 is based on the equally-weighted value ranges of GBP 46.90 - GBP 59.54 and GBP 35.60 - GBP 43.27 obtained in the discounted cash flow analysis and selected public companies analysis, respectively; and
- the Blended Offer Price blended value range of GBP 43.52 - GBP 47.53 is based on the equally-weighted value ranges of GBP 45.75 - GBP 50.75 and GBP 41.28 - GBP 44.32 obtained in the discounted cash flow analysis and, selected public companies analysis, respectively.

METHODOLOGY	NEWBELCO VALUE PER SHARE		VALUE OF PARTIAL SHARE ALTERNATIVE		VALUE OF BLENDED OFFER PRICE	
DISCOUNTED CASH FLOWS	£87.28	£113.39	£46.90	£59.54	£45.75	£50.75
TRADING COMPARABLES	£63.94	£79.78	£35.60	£43.27	£41.28	£44.32
BLENDED VALUE	£75.61	£96.58	£41.25	£51.40	£43.52	£47.53

The Newbelco Board has determined that the Blended Offer Price ranges between GBP 43.52 and GBP 47.53 which translates into an equity value ranging between GBP 72.1 billion and GBP 78.7 billion with a mid-point of GBP 75.4 billion.

The Newbelco Board notes that on 26 July, 2016 AB InBev in its public communication had valued SABMiller's entire issued and to be issued share capital at approximately GBP 79 billion, as at 25 July 2016, with a revised Partial Share Alternative equivalent to a value of GBP 51.14 per SABMiller Share on 25 July 2016. This statement of value was made based upon an alternative methodology of valuing the Partial Share Alternative, which valued the Restricted Newbelco Share element of the Partial Share Alternative on a see-through basis by reference to the prevailing AB InBev share price.

The aggregate value of GBP 79 billion was calculated based on AB InBev's closing share price of 114.80 euro on 25 July 2016, based on a euros to pounds sterling exchange rate of 0.8365 and a fully diluted share capital of SABMiller of 1,657,262,457 shares as of 30 June 2016, assuming that Altria and BEVCO elect for the Partial Share Alternative in respect of their entire beneficial holdings of 430,000,000 and 225,000,000 SABMiller shares respectively and all other SABMiller shareholders elect for the Cash Consideration. An equity value of GBP 79 billion would translate into a blended Offer Price of approximately GBP 47.45, which is at the higher end of the determined range; therefore this methodology is not withheld for purpose of valuing the contribution.

The Newbelco Board believes that the established valuation methodologies of discounted cash flow analysis and selected public companies analysis are more appropriate than this 'see-through' methodology for the purposes of estimating the value of the Partial Share Alternative in the calculation of the Blended Offer price.

Based on the above, the Newbelco Board concludes that a contribution value of GBP 75.4 billion, which is the mid-point of the implied equity value range and which is below the GBP 79 billion announced in the AB InBev press release on 26 July 2016, to be appropriate.

The Newbelco Board has therefore determined that the UK Scheme Shares will be contributed at the value obtained by converting GBP 75.4 billion into euro at the GBP – EUR Reference Rate.

Appendix 2

Glossary

Capitalized terms used in this report shall have the meaning set out below:

<i>2016E EBITDA</i>	estimated EBITDA for the 2016 calendar year
<i>AB InBev</i>	Anheuser-Busch InBev SA/NV, a limited liability company (<i>société anonyme / naamloze vennootschap</i>) incorporated in Belgium, with its registered address at Grand'Place/Grote Markt 1, 1000 Brussels, Belgium and administrative office at Brouwerijplein 1, 3000 Leuven, Belgium and registered with the Crossroads Bank of Enterprises under number 0417.497.106 RPM/RPR (Brussels)
<i>AB InBev General Meeting</i>	the general meeting of AB InBev Shareholders (and any adjournment thereof) to be convened in connection with the Belgian Offer, the Belgian Merger and the Transaction for the purpose of considering, and, if thought fit, approving, the AB InBev Resolutions
<i>AB InBev Group</i>	AB InBev and the group of companies owned and/or controlled by AB InBev
<i>AB InBev Resolutions</i>	any resolutions to be taken by the AB InBev General Meeting as are necessary or useful to approve, implement and effect: (i) the Belgian Offer; (ii) the Belgian Merger; and (iii) any other step of the Transaction
<i>AB InBev Shareholders</i>	holders of AB InBev Shares and/or AB InBev ADSs from time to time
<i>ADS</i>	American Depositary Share
<i>Altria</i>	Altria Group, Inc.
<i>Ambev Business Exchange</i>	the transfer of SABMiller's Panamanian business from AB InBev to Ambev, and the transfer of Ambev's business in Colombia, Peru and Ecuador to AB InBev
<i>Belgian Companies Code</i>	the Belgian law of 7 May 1999, setting out the Companies Code, as amended from time to time
<i>Belgian Merger</i>	the merger of AB InBev into Newbelco through a merger by absorption of AB InBev under the Belgian Companies Code,

	pursuant to which the AB InBev Shareholders will become Newbelco Shareholders and Newbelco will be the surviving entity and the holding company for the Combined Group
<i>Belgian Offer</i>	the voluntary cash takeover offer to be made by AB InBev for all of the Initial Newbelco Shares pursuant to the Takeover Law and the Takeover Royal Decree
<i>BEVCO</i>	BEVCO Ltd.
<i>Capital Increase</i>	the capital increase of Newbelco against the contribution in kind by the UK Scheme Shareholders of their UK Scheme Shares and the issue of Initial Newbelco Shares to such UK Scheme Shareholders in exchange for such contribution to be approved by the Newbelco General Meeting in connection with the implementation of the UK Scheme
<i>Cash Consideration</i>	the cash proceeds to be received by the UK Scheme Shareholders who do not elect (or are deemed not to elect) for the Partial Share Alternative under and subject to the terms of the Transaction
<i>Combined Group</i>	the enlarged group following the Transaction, comprising the AB InBev Group, the SABMiller Group and Newbelco
<i>CR Snow Divestiture</i>	the sale of SABMiller's 49% interest in CR Snow to China Resources Beer (Holdings) Co. Ltd.
<i>EBITDA</i>	earnings before interest, income taxes, depreciation and amortisation of the consolidated entity, it being understood that, with respect to SABMiller, EBITDA (historical and forecasted figures) (i) refers to the SABMiller group EBITDA, which includes the share of EBITDA of the associates and joint-ventures, (ii) fully reflects the impact of the creation of Coca-Cola Beverages Africa and (iii) has been adjusted for those items given their material and recurring impact
<i>Election</i>	an election made for the Cash Consideration or the Partial Share Alternative, including both an Electronic Election and an election made by the Form of Election, and (where the context so requires) an election deemed to have been made pursuant to the terms of the UK Scheme

Enterprise Value

the Equity Value (i) plus net debt (defined as gross interest bearing debt less cash and cash equivalents) (ii) plus the value of the pensions (iii) plus the value of minority interests (iv) less the value of associates and joint-ventures except otherwise noted, it being understood that, with respect to SABMiller, the Enterprise Value (i) refers to the SABMiller group Enterprise Value, which includes the value of the associates and joint-ventures, (ii) fully reflects the impact of the creation of Coca-Cola Beverages Africa and (iii) has been adjusted for those items given their material and recurring impact

Equity Value

the value determined as the product of the share price and the diluted number of shares outstanding at the relevant time

European Divestitures

the following divestitures:

- the sale of SABMiller's Peroni, Grolsch and Meantime brand families and their associated businesses in Italy, the Netherlands, the UK and internationally, to Asahi; and
- the envisaged sale of the entirety of assets of SABMiller in Central and Eastern Europe (Hungary, Romania, Czech Republic, Slovakia and Poland)

GBP – EUR Reference Rate

the European Central Bank's euro foreign exchange reference rate GBP – EUR which will be published on the European Central Bank's website at around 16:00 CET on the business day prior to the date on which the Capital Increase will be effective

Incorporation Shares

the 6,150,000 registered shares without nominal value issued by Newbelco on 3 March 2016 and outstanding as at the date of this Report, which will be cancelled with effect simultaneously with the completion of the Capital Increase

Initial Newbelco Shares

the ordinary shares in the capital of Newbelco to be issued to UK Scheme Shareholders pursuant to the terms of the UK Scheme

Merger Terms

the common draft terms of merger dated 2 August 2016 and published in the annexes to the Belgian Official Journal of 12 August 2016 with reference number 2016.08.02-0114394 and 2016.08.02-0114395 as prepared by the respective boards of directors of AB InBev and Newbelco in relation to

	the Belgian Merger in accordance with Article 693 of the Belgian Companies Code
<i>MillerCoors Divestiture</i>	the sale of SABMiller's interest in MillerCoors and SABMiller's portfolio of Miller brands outside the U.S. to Molson Coors
<i>Newbelco or the Company</i>	Newbelco SA/NV, a limited liability company (société anonyme / naamloze vennootschap) incorporated in Belgium, with its registered address at Rue Royale/Koningsstraat 97, 4th floor, 1000 Brussels, Belgium and registered with the Crossroads Bank of Enterprises under number 0649.641.563 RPM/RPR (Brussels)
<i>Newbelco Board</i>	the board of directors of Newbelco
<i>Newbelco General Meeting</i>	the general meeting of the Newbelco Shareholders (and any adjournment thereof) to be convened in connection with the Transaction for the purpose of considering, and, if thought fit, approving, the Newbelco Resolutions
<i>Newbelco Resolutions</i>	any resolutions to be taken by the Newbelco General Meeting (composed at the moment such resolutions are adopted of the holders of the Incorporation Shares) as are necessary or useful to approve, implement and effect (i) the Capital Increase; (ii) the Belgian Merger; (iii) the adoption of new articles of association of Newbelco with effect from completion of the Belgian Offer; (iv) the appointment of new board members of Newbelco nominated by AB InBev with effect from completion of the Belgian Offer; (v) the cancellation of the Newbelco Shares held by the incorporators of Newbelco; and (vi) any other step of the Transaction
<i>Newbelco Shares</i>	the Incorporation Shares, the Initial Newbelco Shares, the Restricted Newbelco Shares or the New Ordinary Shares, as applicable
<i>Newbelco Shareholders</i>	holders of Newbelco Shares and/or Newbelco ADSs from time to time
<i>New Ordinary Shares</i>	the ordinary shares in Newbelco (i) resulting from the consolidation of the Initial Newbelco Shares acquired by AB InBev in the context of the Belgian Offer, (ii) to be issued to AB InBev Shareholders pursuant to the Belgian Merger upon

Completion, and (iii) to be issued from time to time following Completion and into which the Restricted Newbelco Shares can be converted in accordance with their terms

Nominee Shareholders

a UK Scheme Shareholder that holds UK Scheme Shares in a business or professional capacity for and on behalf of one or more persons

Partial Share Alternative

the alternative whereby UK Scheme Shareholders (other than Restricted Overseas Shareholders) may elect to receive Restricted Newbelco Shares and cash instead of the Cash Consideration under and subject to the terms of the Transaction

Proposed Structure

the proposed structure of the Transaction, as set out in section 2 of the Merger Terms

Reclassification and Consolidation

- (a) the automatic reclassification and consolidation of any Initial Newbelco Shares which are retained after closing of the Belgian Offer by UK Scheme Shareholders who validly elected (or are deemed to have elected) for the Partial Share Alternative on the basis of one Restricted Newbelco Share for every 185.233168056448 Initial Newbelco Shares held (rounded down to the nearest whole number of Restricted Newbelco Shares) and;
- (b) the automatic consolidation of any Initial Newbelco Shares which are acquired by AB InBev in the context of the Belgian Offer on the basis of one New Ordinary Share for every 185.233168056448 Initial Newbelco Shares held (rounded down to the nearest whole number of New Ordinary Shares),

in each case, upon the passing of the notarial deed acknowledging the completion of the Belgian Offer.

Restricted Newbelco Shares

restricted shares in the capital of Newbelco, which will come into existence as a result of the Reclassification and Consolidation

Restricted Overseas Shareholders

a UK Scheme Shareholder whom AB InBev requires SABMiller to treat as a Restricted Overseas Shareholder pursuant to the terms of the UK Scheme

<i>SABMiller</i>	SABMiller plc, a public limited company incorporated in England and Wales with its registered address at SABMiller House, Church Street West, Woking, Surrey GU21 6HS and company number 03528416
<i>SABMiller General Meeting</i>	the general meeting of SABMiller Shareholders (and any adjournment thereof) to be convened in connection with the Transaction for the purpose of considering and, if thought fit, approving, the SABMiller Resolutions
<i>SABMiller Group</i>	SABMiller and the group of companies owned and/or controlled by SABMiller
<i>SABMiller Resolutions</i>	such shareholder resolutions of SABMiller as are necessary to approve, implement and effect the UK Scheme, the Belgian Merger, changes to SABMiller's articles of association and the buy-back of the deferred shares of £1 each in the capital of SABMiller
<i>SABMiller Retained</i>	entity which parameter represents SABMiller pro forma for the Transaction-related Divestitures except for the Ambev Business Exchange which is being ignored for immateriality reasons
<i>SABMiller Shareholders</i>	the holders of SABMiller Shares from time to time
<i>SABMiller Shares</i>	the ordinary shares of US\$0.10 each in the capital of SABMiller
<i>South African Register</i>	the branch register of members of SABMiller within the meaning of section 129 of the Companies Act and article 116 of SABMiller's Articles of Association kept and maintained on behalf of SABMiller by Computershare Investor Services Proprietary Limited, in South Africa
<i>Terminal Growth Rate</i>	the constant rate at which the free cash flows of a company are expected to grow in perpetuity beyond the final year of the projection period
<i>Transaction</i>	the proposed business combination between SABMiller and AB InBev, to be effected by the Proposed Structure

<i>Transaction-related Divestitures</i>	the MillerCoors Divestiture, the CR Snow Divestiture, the European Divestitures and the Ambev Business Exchange
<i>UK Agent</i>	a third party agreed by SABMiller and AB InBev, being the agent irrevocably appointed by the UK Scheme Shareholders pursuant to the UK Scheme
<i>UK Court</i>	the High Court of Justice in England and Wales
<i>UK Registrar of Companies</i>	the Registrar of Companies in England and Wales
<i>UK Scheme</i>	the proposed scheme of arrangement under Part 26 of the UK Companies Act 2006 between SABMiller and UK Scheme Shareholders to implement the acquisition of SABMiller by Newbelco with or subject to any modification, addition or condition approved or imposed by the UK Court (and agreed to by AB InBev and SABMiller)
<i>UK Scheme Court Meeting</i>	the meeting of holders of UK Scheme Shares convened pursuant to section 896 of the UK companies Act 2006 to consider and, if thought fit, approve the UK Scheme, including any adjournment thereof
<i>UK Scheme Court Order</i>	the order of the UK Court sanctioning the UK Scheme pursuant to section 899 of the Companies Act
<i>UK Scheme Document</i>	the document to be dispatched to SABMiller Shareholders including the particulars required by section 897 of the UK Companies Act 2006 and incorporating the notice of the SABMiller General Meeting
<i>UK Scheme Record Time</i>	the time and date specified as such in the UK Scheme
<i>UK Scheme Shareholders</i>	holders of UK Scheme Shares as at the UK Scheme Record Time
<i>UK Scheme Shares</i>	<ul style="list-style-type: none"> (a) the SABMiller Shares in issue at the date of the UK Scheme Document; (b) any SABMiller Shares issued after the date of the UK Scheme Document and prior to the Voting Record Time; and (c) any SABMiller Shares issued at or after the Voting Record Time and at or prior to the UK Scheme Record Time on terms that the holder thereof shall be bound by the UK Scheme, or in respect of which the

original or any subsequent holders thereof shall have agreed in writing to be bound by the UK Scheme,

in each case remaining in issue at the UK Scheme Record Time, but excluding any SABMiller Shares held by SABMiller in treasury

UK Share Register

the register of members within the meaning of section 113 of the UK Companies Act 2006 of SABMiller kept and maintained on behalf of SABMiller by Equiniti Limited

Underlying Shareholders

(a) in respect of UK Scheme Shares held outside of the STRATE system by a Nominee Shareholder, the person on whose behalf the Nominee Shareholder is holding such UK Scheme Shares; and

(b) in respect of UK Scheme Shares held in the STRATE system, the person on whose behalf the relevant CSDP is holding such UK Scheme Shares,

in each case irrespective of whether or not such person holds or may hold the beneficial interest in the relevant UK Scheme Shares

Voting Record Time

6.30 p.m. London time on the day which is two days prior to the date of the UK Scheme Court Meeting or, if the UK Scheme Court Meeting is adjourned, 6.30 p.m. on the day which is two days before the date of such adjourned meeting

WACC

the Weighted Average Cost of Capital which is the average rate of return a company expects to compensate all its different investors (the weights being the fraction of each financing source in the company's target capital structure)