Anheuser-Busch InBev SA/NV
(Exact name of Registrant as specified in its charter)

N/A
(Translation of Registrant's name into English)

Belgium
(Jurisdiction of incorporation or organization)

Brouwerijplein 1,
3000 Leuven, Belgium
(Address of principal executive offices)

Sabine Chalmers
Chief Legal and Corporate Affairs Officer
Brouwerijplein 1, 3000 Leuven
Belgium
Telephone No.: + 32 16 27 61 11
Fax No.: + 32 16 50 61 11
(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act.

<table>
<thead>
<tr>
<th>Title of each class</th>
<th>Name of each exchange on which registered</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ordinary shares without nominal value</td>
<td>New York Stock Exchange*</td>
</tr>
<tr>
<td>American Depositary Shares, each representing one ordinary share without nominal value</td>
<td>New York Stock Exchange</td>
</tr>
<tr>
<td>6.375% Notes due 2040 (issued January 2010)</td>
<td>New York Stock Exchange</td>
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<td>5.375% Notes due 2020 (issued January 2010)</td>
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<td>4.375% Notes due 2021 (issued January 2011)</td>
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<td>6.875% Notes due 2019 (issued February 2011)</td>
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<td>1.375% Notes due 2017 (issued July 2012)</td>
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<td>2.500% Notes due 2022 (issued July 2012)</td>
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</table>
Securities registered or to be registered pursuant to Section 12(g) of the Act.

None
(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act.

None
(Title of Class)

Indicate the number of outstanding shares of each of the issuer’s classes of capital or common stock as of the close of the period covered by the annual report.

1,608,242,156 ordinary shares

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☒ Yes ☐ No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. ☐ Yes ☒ No

Note – Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).* ☐ Yes ☒ No

* This requirement does not apply to the registrant in respect of this filing.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of “accelerated filer and large accelerated filer” in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐
Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

- U.S. GAAP
- International Financial Reporting Standards as issued by the International Accounting Standards Board
- Other

If “Other” has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow. N/A Item 17 Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

(APPLICABLE ONLY TO ISSUERS INVOLVED IN BANKRUPTCY PROCEEDINGS DURING THE PAST FIVE YEARS)

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Section 12, 13 or 15 (d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. N/A Yes No
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AB INBEV GROUP AUDITED CONSOLIDATED FINANCIAL STATEMENTS

F-1
GENERAL INFORMATION

In this annual report on Form 20-F (“Form 20-F”) references to:

- “AB InBev,” “we,” “us” and “our” are, as the context requires, to Anheuser-Busch InBev SA/NV or Anheuser-Busch InBev SA/NV and the group of companies owned and/or controlled by Anheuser-Busch InBev SA/NV;
- “AB InBev Group” are to Anheuser-Busch InBev SA/NV and the group of companies owned and/or controlled by Anheuser-Busch InBev SA/NV;
- “Anheuser-Busch” are to Anheuser-Busch Companies, LLC and the group of companies owned and/or controlled by Anheuser-Busch Companies, LLC, as the context requires;
- “Ambev” are to Ambev S.A., a Brazilian company listed on the New York Stock Exchange and on the São Paulo Stock Exchange, and successor of Companhia de Bebidas das Américas—Ambev (as described in “Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Ambev Stock Swap Merger”);
- “Combined Group” are to the combined group following the completion of the proposed acquisition of SABMiller plc, comprising the AB InBev Group, the SABMiller Group (as defined below) and Newbelco (as defined below);
- “Grupo Modelo” are to Grupo Modelo, S. de R.L. de C.V., a Mexican limited liability company;
- “Newbelco” are to Newbelco SA/NV, a newly incorporated, public limited liability company organized under the laws of Belgium, formed for the purposes of implementing the Transaction and being the ultimate holding company of the Combined Group following the completion of the proposed acquisition of SABMiller plc. In certain agreements, press releases and other documents entered into or disclosed prior to the date of this Annual Report on Form 20-F, certain of which are incorporated by reference as exhibits hereto, Newbelco was referred to by its indicative name, “Newco”;
- “SABMiller” are, as the context requires, to SABMiller plc or to SABMiller plc and the group of companies owned and/or controlled by SABMiller plc; and
- “SABMiller Group” are to SABMiller plc and the group of companies owned and/or controlled by SABMiller plc.
- “Transaction” are to the recommended acquisition by AB InBev of the entire issued and to be issued share capital of SABMiller.

PRESENTATION OF FINANCIAL AND OTHER DATA

We have prepared our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015, in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and in conformity with International Financial Reporting Standards as adopted by the European Union (“IFRS”). Unless otherwise specified, the financial information analysis in this Form 20-F is based on our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015. Unless otherwise specified, all financial information included in this Form 20-F has been stated in U.S. dollars.

All references in this Form 20-F to (i) “Euro” or “EUR” are to the common currency of the European Union, (ii) “U.S. dollar,” “$,” or “USD” are to the currency of the United States, (iii) “CAD” are to the currency of Canada, (iv) “RS,” “real” or “reais” are to the currency of Brazil, (v) “GBP” (pound sterling) are to the currency of the United Kingdom, (vi) “MXN” (Mexican peso) are to the currency of Mexico, (vii) “RUB” (Russian ruble) are to the currency of Russia and (viii) “UAH” (Ukrainian hryvnia) are to the currency of Ukraine.
Unless otherwise specified, volumes, as used in this Form 20-F, include beer (including near beer) and non-beer (primarily carbonated soft drinks) volumes. In addition, unless otherwise specified, our volumes include not only brands that we own or license, but also third-party brands that we brew or otherwise produce as a subcontractor, and third-party products that we sell through our distribution network, particularly in Western Europe. Our volume figures in this Form 20-F reflect 100% of the volumes of entities that we fully consolidate in our financial reporting and a proportionate share of the volumes of entities that we proportionately consolidate in our financial reporting, but do not include volumes of our associates or non-consolidated entities.

Following the combination with Grupo Modelo, we are fully consolidating Grupo Modelo in our financial reporting as of 4 June 2013 and are reporting the Grupo Modelo volumes in the reported volumes as of that date. The Grupo Modelo operations are reported according to their geographical presence in the following segments: the Mexico beer and packaging businesses are reported in the Mexico zone, the Export business is reported in the Global Export & Holding Companies segment and the sale of Modelo brands by our affiliates is reported in the respective Zones where these affiliates operate. Effective 1 April 2014, we discontinued the reporting of volumes sold to Constellation Brands, Inc. under the interim supply agreement, since these volumes do not form part of the underlying performance of our business.

The Oriental Brewery business is reported in the Asia Pacific zone as from 1 April 2014.

Effective 1 January 2014, we created a single Europe zone by combining the Western Europe zone and the Central & Eastern Europe zone, we transferred the responsibility of our Spanish operations from Global Export & Holding Companies to the Europe zone, we transferred the export of Corona to a number of European countries and we transferred our joint venture in Cuba to the Latin America North zone. The Western Europe, Central & Eastern Europe and Latin America North information for 2013 has been adjusted in this Form 20-F for comparative purposes. Certain monetary amounts and other figures included in this Form 20-F have been subject to rounding adjustments. Accordingly, any discrepancies in any tables between the totals and the sums of amounts listed are due to rounding.

PRESENTATION OF MARKET INFORMATION

Market information (including market share, market position and industry data for our operating activities and those of our subsidiaries or of companies acquired by us) or other statements presented in this Form 20-F regarding our position (or that of companies acquired by us) relative to our competitors largely reflect the best estimates of our management. These estimates are based upon information obtained from customers, trade or business organizations and associations, other contacts within the industries in which we operate and, in some cases, upon published statistical data or information from independent third parties. Except as otherwise stated, our market share data, as well as our management’s assessment of our comparative competitive position, has been derived by comparing our sales figures for the relevant period to our management’s estimates of our competitors’ sales figures for such period, as well as upon published statistical data and information from independent third parties, and, in particular, the reports published and the information made available by, among others, the local brewers’ associations and the national statistics bureaus in the various countries in which we sell our products. The principal sources generally used include Plato Logic Limited and AC Nielsen, as well as internal estimations based on data from the Beer Institute and IRI (for the United States), the Brewers Association of Canada (for Canada), CIES (for Bolivia), AC Nielsen (for Argentina, Brazil, Chile, the Dominican Republic, Guatemala, Paraguay, Russia, Ukraine and Uruguay), Cámara Nacional de la Industria de la Cerveza y de la Malta (for Mexico), Belgian Brewers Association (for Belgium), German Brewers Association (for Germany), Seema International Limited (for China), the British Beer and Pub Association (for the United Kingdom), Centraal Brouwerij Kantoor—CBK (for the Netherlands), Association des Brasseurs de France and IRI (for France), Plato Logic Limited (for Italy), the Korean International Trade Association (for South Korea) and other local brewers’ associations. You should not rely on the market share and other market information presented herein as precise measures of market share or of other actual conditions.

FORWARD-LOOKING STATEMENTS

There are statements in this Form 20-F, such as statements that include the words or phrases “will likely result,” “are expected to,” “will continue,” “is anticipated,” “anticipate,” “estimate,” “project,” “may,” “might,” “could,” “believe,” “expect,” “plan,” “potential,” “we aim,” “our goal,” “our vision,” “we intend” or similar expressions that are forward-looking statements. These statements are subject to certain risks and uncertainties. Actual results may differ materially from those suggested by these statements due to, among others, the risks or uncertainties listed below. See also “Item 3. Key Information—D. Risk Factors” for further discussion of risks and uncertainties that could impact our business.

These forward-looking statements are not guarantees of future performance. Rather, they are based on current views and assumptions and involve known and unknown risks, uncertainties and other factors, many of which are outside our control and are difficult to predict, that may cause actual results or developments to differ materially from any future results or developments expressed or implied by the forward-looking statements. Factors that could cause actual results to differ materially from those contemplated by the forward-looking statements include, among others:

- local, regional, national and international economic conditions, including the risks of a global recession or a recession in one or more of our key markets, and the impact they may have on us and our customers and our assessment of that impact;
- financial risks, such as interest rate risk, foreign exchange rate risk (in particular as against the U.S. dollar, our reporting currency), commodity risk, asset price risk, equity market risk, counterparty risk, sovereign risk, liquidity risk, inflation or deflation;
- continued geopolitical instability, which may result in, among other things, economic and political sanctions and currency exchange rate volatility, and which may have a substantial impact on the economies of one or more of our key markets;
- changes in government policies and currency controls;
• continued availability of financing and our ability to achieve our targeted coverage and debt levels and terms, including the risk of constraints on financing in the event of a credit rating downgrade;

• the monetary and interest rate policies of central banks, in particular the European Central Bank, the Board of Governors of the U.S. Federal Reserve System, the Bank of England, Banco Central do Brasil, Banco Central de la República Argentina, the Central Bank of China, the South African Reserve Bank, Banco de la República in Colombia and other central banks;

• changes in applicable laws, regulations and taxes in jurisdictions in which we operate, including the laws and regulations governing our operations and changes to tax benefit programs, as well as actions or decisions of courts and regulators;

• limitations on our ability to contain costs and expenses;

• our expectations with respect to expansion plans, premium growth, accretion to reported earnings, working capital improvements and investment income or cash flow projections;

• our ability to continue to introduce competitive new products and services on a timely, cost-effective basis;

• the effects of competition and consolidation in the markets in which we operate, which may be influenced by regulation, deregulation or enforcement policies;

• changes in consumer spending;

• changes in pricing environments;

• volatility in the prices of raw materials, commodities and energy;

• difficulties in maintaining relationships with employees;

• regional or general changes in asset valuations;

• greater than expected costs (including taxes) and expenses;

• the risk of unexpected consequences resulting from acquisitions, joint ventures, strategic alliances, corporate reorganizations or divestiture plans, and our ability to successfully and cost-effectively implement these transactions and integrate the operations of businesses or other assets we have acquired;

• the outcome of pending and future litigation, investigations and governmental proceedings;

• natural and other disasters;

• any inability to economically hedge certain risks;

• inadequate impairment provisions and loss reserves;

• technological changes and threats to cybersecurity;

• other statements included in this annual report that are not historical; and

• our success in managing the risks involved in the foregoing.
The forward-looking statements contained in this Form 20-F also include statements relating to the Transaction, the related divestitures and the financing of the Transaction, including the expected effects of the Transaction on us and/or the SABMiller Group and the expected timing of the Transaction. These forward-looking statements may include statements relating to: expected characteristics of the Combined Group; expected ownership of Newbelco by our shareholders and SABMiller shareholders; expected customer reach of the Combined Group; expected benefits of the proposed Transaction and the financing of the proposed Transaction.

All statements regarding the Transaction, the related divestitures and the financing of the Transaction, other than statements of historical facts, are forward-looking statements. You should not place undue reliance on these forward-looking statements, which reflect the current views of our management, and are subject to numerous risks and uncertainties about us, the SABMiller Group, and the Combined Group, and are dependent on many factors, some of which are outside of our and their control. There are important factors, risks and uncertainties that could cause actual outcomes and results to be materially different, including the satisfaction of the pre-conditions and the conditions to the Transaction; the ability to realize the anticipated benefits and synergies of the Transaction, including as a result of a delay in completing the Transaction or difficulty in integrating the businesses of the companies involved; the ability to obtain the regulatory approvals related to the Transaction, the ability to satisfy any conditions required to obtain such approvals and the impact of any conditions imposed by various regulatory authorities on the AB InBev Group, the SABMiller Group and the Combined Group; the potential costs associated with the complex cross-border structure of the Transaction; the financial and operational risks in refinancing the Transaction and due to our increased level of debt; any change of control or restriction on merger provisions in agreements to which we or SABMiller or our respective subsidiaries, associates and/or joint ventures are a party that might be triggered by the Transaction; the impact of foreign exchange rates; the performance of the global economy; the capacity for growth in beer, alcoholic beverage and non-alcoholic beverage markets; the consolidation and convergence of the industry, its suppliers and its customers; the effect of changes in governmental regulations; disruption from the Transaction making it more difficult to maintain relationships with customers, employees, suppliers, associates or joint venture partners as well as governments in the territories in which the SABMiller Group and the AB InBev Group operate; the impact of any potential impairments of goodwill or other intangible assets on the financial condition and results of operations of the Combined Group; the impact that the size of the Combined Group, contractual limitations it is subject to and its position in the markets in which it operates may have on its ability to successfully carry out further acquisitions and business integrations, and the success of the AB InBev Group and/or the Combined Group in managing the risks involved in the foregoing. For further information on the Transaction, please see “Item 4. Information on the Company—A. History and Development of the Company.”

Our statements regarding financial risks, including interest rate risk, foreign exchange rate risk, commodity risk, asset price risk, equity market risk, counterparty risk, sovereign risk, inflation and deflation, are subject to uncertainty. For example, certain market and financial risk disclosures are dependent on choices about key model characteristics and assumptions and are subject to various limitations. By their nature, certain of the market or financial risk disclosures are only estimates and, as a result, actual future gains and losses could differ materially from those that have been estimated.

We caution that the forward-looking statements in this Form 20-F are further qualified by the risk factors disclosed in “Item 3. Key Information—D. Risk Factors” that could cause actual results to differ materially from those in the forward-looking statements. Subject to our obligations under Belgian and U.S. law in relation to disclosure and ongoing information, we undertake no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise.
PART I

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

A. DIRECTORS AND SENIOR MANAGEMENT

Not applicable.

B. ADVISERS

Not applicable.

C. AUDITORS

Not applicable.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

A. OFFER STATISTICS

Not applicable.

B. METHOD AND EXPECTED TIMETABLE

Not applicable.

ITEM 3. KEY INFORMATION

A. SELECTED FINANCIAL DATA

The selected historical financial information presented below as of 31 December 2015, 2014, 2013, 2012 and 2011, and for the five years ended 31 December 2015, has been derived from our audited consolidated financial statements, which were prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and in conformity with International Financial Reporting Standards as adopted by the European Union (“IFRS”). Unless otherwise specified, all financial information included in this Form 20-F has been stated in U.S. dollars.

The selected historical financial information presented in the tables below should be read in conjunction with, and is qualified in its entirety by reference to, our audited consolidated financial statements and the accompanying notes. The audited consolidated financial statements and the accompanying notes as of 31 December 2015 and 2014 and for the three years ended 31 December 2015 have been included in this Form 20-F.

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<th>2011(0)</th>
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<td>(USD million, unless otherwise indicated)</td>
<td>(audited)</td>
<td></td>
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<td>Income Statement Data</td>
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<td>Revenue(1)</td>
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<td>47,063</td>
<td>43,195</td>
<td>39,758</td>
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<td>Profit from operations</td>
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<td>15,111</td>
<td>20,443</td>
<td>12,747</td>
<td>12,346</td>
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<tr>
<td>Profit</td>
<td>9,867</td>
<td>11,302</td>
<td>16,518</td>
<td>9,325</td>
<td>7,859</td>
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<tr>
<td>Profit attributable to our equity holders</td>
<td>8,273</td>
<td>9,216</td>
<td>14,394</td>
<td>7,160</td>
<td>5,779</td>
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<tr>
<td>Weighted average number of ordinary shares (million shares)(2)</td>
<td>1,638</td>
<td>1,634</td>
<td>1,617</td>
<td>1,600</td>
<td>1,595</td>
</tr>
</tbody>
</table>
NOTES:

B. CAPITALIZATION AND INDEBTEDNESS
Not Applicable.

C. REASONS FOR THE OFFER AND USE OF PROCEEDS
Not Applicable.

D. RISK FACTORS

Investing in our shares involves risk. We expect to be exposed to some or all of the risks described below in our future operations. Such risks include, but are not limited to, the risk factors described below. Any of the risk factors described below, as well as additional risks of which we are not currently aware, could also affect our business operations and have a material adverse effect on our business activities, financial condition, results of operations and prospects and cause the value of our shares to decline. Moreover, if and to the extent that any of the risks described below materialize, they may occur in combination with other risks which would compound the adverse effect of such risks on our business activities, financial condition, results of operations and prospects. Investors in our shares and American Depositary Shares (“ADSs”) could lose all or part of their investment.

You should carefully consider the following information in conjunction with the other information contained or incorporated by reference in this document. The sequence in which the risk factors are presented below is not indicative of their likelihood of occurrence or of the potential magnitude of their financial consequences.
**Risks Relating to Our Existing Business**

*We are exposed to the risks of an economic recession, credit and capital market volatility and economic and financial crisis, which could adversely affect the demand for our products and adversely affect the market price of our shares and ADSs.*

We are exposed to the risk of a global recession or a recession in one or more of our key markets, credit and capital market volatility and an economic or financial crisis, which could result in lower revenue and reduced profit.

Beer, other alcoholic beverage and soft drink consumption in many of the jurisdictions in which we operate is closely linked to general economic conditions, with levels of consumption tending to rise during periods of rising per capita income and fall during periods of declining per capita income. Additionally, per capita consumption is inversely related to the sale price of our products.

Besides moving in concert with changes in per capita income, beer and other alcoholic beverage consumption also increases or decreases in accordance with changes in disposable income.

Currently, disposable income is low in many of the developing countries in which we operate compared to disposable income in more developed countries. Any decrease in disposable income resulting from an increase in inflation, income taxes, the cost of living, unemployment levels, political or economic instability or other factors would likely adversely affect the demand for beer. Moreover, because a significant portion of our brand portfolio consists of premium beers, our volumes and revenue may be impacted to a greater degree than those of some of our competitors, as some consumers may choose to purchase value or discount brands rather than premium or core brands. For additional information on the categorization of the beer market and our positioning, see “Item 4. Information on the Company—B. Business Overview—2. Principal Activities and Products—Beer.”

Capital and credit market volatility, such as that experienced recently, may result in downward pressure on stock prices and the credit capacity of issuers. A continuation or worsening of the levels of market disruption and volatility seen in the recent past could have an adverse effect on our ability to access capital, on our business, results of operations and financial condition, and on the market price of our shares and ADSs.

*Our results of operations are affected by fluctuations in exchange rates.*

Although we report our consolidated results in U.S. dollars, in 2015, we derived approximately 66% of our revenue from operating companies that have non-U.S. dollar functional currencies (in most cases, in the local currency of the respective operating company). Consequently, any change in exchange rates between our operating companies’ functional currencies and the U.S. dollar will affect our consolidated income statement and balance sheet when the results of those operating companies are translated into U.S. dollars for reporting purposes, as we cannot hedge against translational exposures. Decreases in the value of our operating companies’ functional currencies against the U.S. dollar will tend to reduce those operating companies’ contributions in dollar terms to our financial condition and results of operations.

During 2014 and 2015, several currencies, such as the Argentine peso, Mexican peso, the Brazilian reais, the Canadian dollar, the Russian ruble and the euro, underwent significant devaluation compared to the U.S. dollar. Our total consolidated revenue was USD 43.6 billion for the year ended 31 December 2015, a decrease of USD 3.5 billion compared to the year ended 31 December 2014. The negative impact of unfavorable currency translation effects on our consolidated revenue in the year ended 31 December 2015 was USD 6.0 billion, primarily as a result of the impact of the currencies listed above.

More than half of the unfavorable currency translation impact described above resulted from negative currency translation effects in our Latin American North zone, predominately as the result of a devaluation in the
Brazilian real to the U.S. dollar. The 2015 results in Brazilian real were translated at an average rate of 3.26 Brazilian real per U.S. dollar compared to 2014 results which were translated at a rate of 2.35 Brazilian real per U.S. dollar, representing a devaluation of 27.9% year over year.

Several currencies continue to undergo further significant devaluations. As an example, the Brazilian real reached an exchange rate of 3.90 Brazilian real per U.S. dollar on 31 December 2015 and in December 2015, the Argentine peso underwent a severe devaluation and reached 13.00 Argentine pesos per U.S. dollar by 31 December 2015 (compared to an average translation rate of 9.11 Argentine pesos per U.S. dollar in 2015 and 8.12 Argentine pesos per U.S. dollar in 2014). Significant changes in the value of foreign currencies relative to the U.S. dollar could adversely affect the amounts we record for our foreign assets, liabilities, revenues and expenses, and could have a negative effect on our results of operations and profitability. See “Item 5. Operating and Financial Review—E. Results of Operations—Year Ended 31 December 2015 Compared to the Year Ended 31 December 2014” for further details on the impact of currency translation effects on our results of operations.

Moreover, following the completion of the Transaction, the Combined Group will continue to report its consolidated results in U.S. dollars. After taking into account the effects of the MillerCoors divestiture, the SABMiller Group derives the vast majority of its revenues from operating companies that have non-U.S. dollar functional currencies (in most cases, in the local currency of the respective operating company). After the completion of the acquisition of SABMiller, we expect that over 75% of the revenues of the Combined Group (not accounting for any possible divestitures other than the MillerCoors divestiture) would be derived from operating companies that have non-U.S. dollar functional currencies, increasing the exposure of our results to changes in exchange rates.

In addition to currency translation risk, we incur currency transaction risks whenever one of our operating companies enters into transactions using currencies other than their respective functional currencies, including purchase or sale transactions and the issuance or incurrence of debt. Although we have hedge policies in place to manage commodity price and foreign currency risks to protect our exposure to currencies other than our operating companies’ functional currencies, there can be no assurance that such policies will be able to successfully hedge against the effects of such foreign exchange exposure, particularly over the long-term.

In connection with the acquisition of SABMiller, we are committed to paying the cash consideration to former SABMiller shareholders in British pounds sterling (and, to the extent required for some SABMiller shareholders, South African rand), but the committed debt facilities we entered into are denominated in U.S. dollars, and we expect that as of the completion of the acquisition of SABMiller, a significant majority of our debt will be denominated in U.S. dollars. We have entered into, and may in the future enter into, financial transactions to mitigate exchange risk between U.S. dollars and British pounds sterling, but these financial transactions and any other efforts taken to better hedge our exposure to the British pound sterling may result in increased costs.

Moreover, although we seek to proactively address and manage the relationship between borrowing currency liabilities and functional currency cash flows, much of our debt is denominated in U.S. dollars, while a significant portion of our cash flows are denominated in currencies other than the U.S. dollar. From time to time we enter into financial instruments to mitigate currency risk, but these transactions and any other efforts taken to better match the effective currencies of our liabilities to our cash flows could result in increased costs.

See “Item 11. Quantitative and Qualitative Disclosures About Market Risk—Market Risk, Hedging and Financial Instruments” and note 27 to our audited financial information as of 31 December 2015 and 2014, and for the three years ended 31 December 2015, for further details on our approach to hedging commodity price and foreign currency risk.

Changes in the availability or price of raw materials, commodities and energy could have an adverse effect on our results of operations.

A significant portion of our operating expenses are related to raw materials and commodities, such as malted barley, wheat, corn grits, corn syrup, rice, hops, flavored concentrate, fruit concentrate, sugar, sweetener, water, glass, polyethylene terephthalate (“PET”) and aluminum bottles, aluminum or steel cans and kegs, aluminum can stock, labels, plastic crates, metal and plastic closures, folding cartons, cardboard products and plastic films.
The supply and price of raw materials and commodities used for the production of our products can be affected by a number of factors beyond our control, including the level of crop production around the world, export demand, quality and availability of supply, speculative movements in the raw materials or commodities markets, currency fluctuations, governmental regulations and legislation affecting agriculture, trade agreements among producing and consuming nations, adverse weather conditions, natural disasters, economic factors affecting growth decisions, political developments, various plant diseases and pests.

We cannot predict future availability or prices of the raw materials or commodities required for our products. The markets in certain raw materials or commodities have experienced and may in the future experience shortages and significant price fluctuations. The foregoing may affect the price and availability of ingredients that we use to manufacture our products, as well as the cans and bottles in which our products are packaged. We may not be able to increase our prices to offset these increased costs or increase our prices without suffering reduced volume, revenue and operating income. To some extent, derivative financial instruments and the terms of supply agreements can protect against increases in materials and commodities costs in the short term. However, derivatives and supply agreements expire and upon expiry are subject to renegotiation and therefore cannot provide complete protection over the medium or longer term. To the extent we fail to adequately manage the risks inherent in such volatility, including if our hedging and derivative arrangements do not effectively or completely hedge against changes in commodity prices, our results of operations may be adversely impacted. In addition, it is possible that the hedging and derivative instruments we use to establish the purchase price for commodities in advance of the time of delivery may lock us into prices that are ultimately higher than actual market prices at the time of delivery. See “Item 11. Quantitative and Qualitative Disclosures About Market Risk—Market Risk, Hedging and Financial Instruments” for further details on our approach to hedging commodity price risk.

The production and distribution of our products require material amounts of energy, including the consumption of oil-based products, natural gas, biomass, coal and electricity. Energy prices have been subject to significant price volatility in the recent past and may be again in the future. High energy prices over an extended period of time, as well as changes in energy taxation and regulation in certain geographies, may result in a negative effect on operating income and could potentially challenge our profitability in certain markets. There is no guarantee that we will be able to pass along increased energy costs to our customers in every case.

The production of our products also requires large amounts of water, including water consumption in the agricultural supply chain. Changes in precipitation patterns and the frequency of extreme weather events may affect our water supply and, as a result, our physical operations. Water may also be subject to price increases in certain areas, and changes in water taxation and regulation in certain geographies may result in a negative effect on operating income which could potentially challenge our profitability in certain markets. There is no guarantee that we will be able to pass along increased water costs to our customers in every case.

We may not be able to obtain the necessary funding for our future capital or refinancing needs and may face financial risks due to our level of debt (including as a result of the acquisition of SABMiller), uncertain market conditions and as a result of the potential downgrading of our credit ratings.

We may be required to raise additional funds for our future capital needs or to refinance our current indebtedness through public or private financing, strategic relationships or other arrangements. There can be no assurance that the funding, if needed, will be available on attractive terms, or at all.

In connection with the Transaction, we entered into a USD 75.0 billion senior facilities agreement (the “2015 Senior Facilities Agreement”) on 28 October 2015, consisting of a USD 15.0 billion 364-day bridge facility, a second USD 15.0 billion 364-day bridge facility (with an option to extend for an additional 12 months), a USD 10.0 billion 364-day disposals bridge facility, a USD 25.0 billion two-year term facility (with an option to extend for an additional 12 months) and a USD 10.0 billion five-year term facility. As of 31 December 2015, we had not made any drawdowns under the 2015 Senior Facilities Agreement.
In January 2016, we issued bonds in debt capital markets offerings resulting in aggregate net proceeds of approximately USD 47.0 billion (see “Item 5. Operating and Financial Review—G. Liquidity and Capital Resources—Funding Sources—Borrowings.”). Upon receipt of these proceeds, we were required to cancel the two USD 15.0 billion bridge facilities under the 2015 Senior Facilities Agreement, and, in addition, we elected to cancel USD 12.5 billion of the two-year term facility. As a result of such cancellations, as of the date of this Form 20-F, the total committed amount under the 2015 Senior Facilities Agreement comprised USD 22.5 billion under the term facilities and USD 10.0 billion under the disposals bridge facility.

The disposals bridge facility is repayable in full on the first anniversary of the completion of the Transaction. Subject to certain exceptions, we are required to apply the entirety of the proceeds from any asset disposal in excess of USD 1 billion to cancel or repay the commitments or outstanding loans under the disposals bridge facility. Upon completion, the net proceeds of the MillerCoors divestiture will repay part of the disposals bridge facility, and we intend to refinance the remainder of the disposals bridge facility from a combination of the proceeds of certain asset divestitures (for example, if a sale is agreed, using the proceeds of the sale of SABMiller’s Peroni, Grolsch and Meantime brand families and associated business) and debt capital markets offerings. Such asset divestitures and debt capital markets offerings are not conditioned upon one another and may be consummated at various times. However, we may not be able to effect any offerings or divestitures at the time intended, or at all or at the desired price, especially in challenging market conditions. In addition, any asset divestiture could itself be the subject of regulatory restrictions or challenges or litigation and a regulatory authority or court could delay any such transactions or prohibit them from occurring on their proposed terms, or from occurring at all, which could adversely affect the funding, synergies and cost-savings sought to be achieved in connection with the Transaction.

Failure to complete the anticipated asset divestitures and debt capital markets offerings would constrain our ability to refinance this indebtedness and require us to seek alternative refinancing sources, which may be unavailable or result in higher costs. Whether or not we are able to refinance the indebtedness incurred in connection with the Transaction through asset disposals, the portion of our consolidated balance sheet that will be represented by debt will increase substantially as compared to our historical position.

The terms of the 2015 Senior Facilities Agreement and our USD 9.0 billion revolving credit facility maturing in August 2020, as well as their intended uses, are described under “Item 10. Additional Information—C. Material Contracts.”

We expect the portion of our consolidated balance sheet represented by debt to remain significantly higher as compared to our historical position. Our continued increased level of debt could have significant consequences, including:

- increasing our vulnerability to general adverse economic and industry conditions;
- limiting our ability to fund future working capital and capital expenditures, to engage in future acquisitions or development activities or to otherwise realize the value of our assets and opportunities fully;
- limiting our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate;
- impairing our ability to obtain additional financing in the future, or requiring us to obtain financing involving restrictive covenants;
- requiring us to issue additional equity (possibly under unfavorable conditions), which could dilute our existing shareholders equity; and
- placing us at a competitive disadvantage compared to our competitors that have less debt.
In addition, ratings agencies may downgrade our credit ratings below their current levels, including as a result of the incurrence of the financial indebtedness related to the Transaction. As of 31 December 2015, our credit rating from Standard & Poor’s Rating Services was A- for long-term obligations and A-2 for short-term obligations, with a stable outlook, and our credit rating from Moody’s Investors Service was A2 for long-term obligations and P-1 for short-term obligations, and was under review for downgrade. Any further downgrading of our credit ratings would result in an increase to the coupon payable on each of the facilities under our 2015 Senior Facilities Agreement, and may result in the need to refinance some of the outstanding indebtedness of SABMiller which provides holders with redemption rights at a premium when a change of control is accompanied by a rating downgrade below investment grade. Any credit rating downgrade could materially adversely affect our ability to finance our ongoing operations, and our ability to refinance the debt incurred to fund the Transaction, including by increasing our cost of borrowing and significantly harming our financial condition, results of operations and profitability, including our ability to refinance our other existing indebtedness.

In recent years, we have given priority to deleveraging, with surplus free cash flow being used to reduce the level of outstanding debt. In light of the increased debt that would result from the completion of the Transaction, deleveraging will remain a priority and may restrict the amount of dividends we are able to pay.

Our ability to repay and renegotiate our outstanding indebtedness will depend upon market conditions. In recent years, the global credit markets experienced significant price volatility, dislocations and liquidity disruptions that caused the cost of debt financings to fluctuate considerably. The markets also put downward pressure on stock prices and credit capacity for certain issuers without regard to those issuers’ underlying financial strength. Reflecting concern about the stability of the financial markets generally and the strength of counterparties, many lenders and institutional investors reduced and, in some cases, ceased to provide funding to borrowers. If such uncertain conditions persist, our costs could increase beyond what is anticipated. Such costs could have a material adverse impact on our cash flows, results of operations or both. In addition, an inability to refinance all or a substantial amount of our debt obligations when they become due, or more generally a failure to raise additional equity capital or debt financing or to realize proceeds from asset sales when needed, would have a material adverse effect on our financial condition and results of operations.

Our results could be negatively affected by increasing interest rates.

We use issuances of debt and bank borrowings as a source of funding and we carry a significant level of debt. Nevertheless, pursuant to our capital structure policy, we aim to optimize shareholder value through cash flow distribution to us from our subsidiaries, while maintaining an investment-grade rating and minimizing cash and investments with a return below our weighted average cost of capital.

Some of the debt we have issued or incurred was issued or incurred at variable interest rates, which exposes us to changes in such interest rates. As of 31 December 2015, after certain hedging and fair value adjustments, USD 6.1 billion, or 12.4%, of our interest-bearing financial liabilities (which include loans, borrowings and bank overdrafts) bore a variable interest rate, while USD 43.3 billion, or 87.6%, bore a fixed interest rate. Moreover, a significant part of our external debt is denominated in non-U.S. dollar currencies, including the euro, pound sterling, Brazilian real and the Canadian dollar. Although we enter into interest rate swap agreements to manage our interest rate risk, and also enter into cross-currency interest rate swap agreements to manage both our foreign currency risk and interest rate risk on interest-bearing financial liabilities, there can be no assurance that such instruments will be successful in reducing the risks inherent in exposures to interest rate fluctuations. See “Item 11. Quantitative and Qualitative Disclosures About Market Risk—Market Risk, Hedging and Financial Instruments” and note 27 to our audited financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015, for further details on our approach to foreign currency and interest rate risk.

Certain of our operations depend on independent distributors or wholesalers to sell our products.

Certain of our operations are dependent on government-controlled or privately owned but independent wholesale distributors for distribution of our products for resale to retail outlets. See “Item 4. Information on the Company—B. Business Overview—7. Distribution of Products” and “Item 4. Information on the Company—B. Business Overview—11. Regulations Affecting Our Business” for further information in this respect. There can be no assurance as to the financial affairs of such distributors or that these distributors, who often act both for us and our competitors, will not give our competitors’ products higher priority, thereby reducing their efforts to sell our products.
In the United States, for instance, we sell substantially all of our beer to independent wholesalers for distribution to retailers and ultimately consumers. As independent companies, wholesalers make their own business decisions that may not always align themselves with our interests. If our wholesalers do not effectively distribute our products, our financial results could be adversely affected.

In addition, contractual restrictions and the regulatory environment of many markets may make it very difficult to change distributors in a number of markets. In certain cases, poor performance by a distributor or wholesaler is not a sufficient reason for replacement. Our consequent inability to replace unproductive or inefficient distributors could adversely impact our business, results of operations and financial condition.

There may be changes in legislation or interpretation of legislation by regulators or courts that may prohibit or reduce the ability of brewers to own wholesalers and distributors.

In certain countries we have interests in wholesalers and distributors, and such interests may be prohibited if legislation or interpretation of legislation changes. Any limitation imposed on our ability to purchase or own any interest in distributors could adversely impact our business, results of operations and financial condition.

If we do not successfully comply with laws and regulations designed to combat governmental corruption in countries in which we sell our products, we could become subject to fines, penalties or other regulatory sanctions, as well as to adverse press coverage, which could cause our reputation, our sales or our profitability to suffer.

We operate our business and market our products in emerging markets that, as a result of political and economic instability, a lack of well-developed legal systems and potentially corrupt business environments, present us with political, economic and operational risks. Although we are committed to conducting business in a legal and ethical manner in compliance with local and international statutory requirements and standards applicable to our business, there is a risk that the employees or representatives of our subsidiaries, affiliates, associates, joint ventures or other business interests may take actions that violate applicable laws and regulations that generally prohibit the making of improper payments to foreign government officials for the purpose of obtaining or keeping business, including laws relating to the 1997 OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, such as the U.S. Foreign Corrupt Practices Act and the U.K. Bribery Act, and Brazilian Law No. 12,846/13 (an anti-bribery statute that was enacted in January 2014). Such actions could expose us to potential liability and the costs associated with investigating potential misconduct. In addition, any press coverage associated with misconduct under these laws and regulations, even if unwarranted or baseless, could damage our reputation and sales.

In respect of the U.S. Foreign Corrupt Practices Act, we have been informed by the U.S. Department of Justice and U.S. Securities and Exchange Commission (the “SEC”) that they are conducting investigations into the relationships of our current and former affiliates in India, including our former non-consolidated Indian joint venture, which we exited during 2015. See “Item 8. Financial Information—A. Consolidated Financial Statements and Other Financial Information—Legal and Arbitration Proceedings.”

In Brazil, governmental authorities are currently investigating consulting services provided by a firm part-owned by a former elected government official who has been subject to prosecution. Our subsidiary, Ambev, has, in the past, hired the services of this consulting firm. We have reviewed our internal controls and compliance procedures in relation to these services and have not identified any evidence of misconduct.
Competition could lead to a reduction of our margins, increase costs and adversely affect our profitability.

We compete with both brewers and other drinks companies and our products compete with other beverages. Globally, brewers, as well as other players in the beverage industry, compete mainly on the basis of brand image, price, quality, distribution networks and customer service. Consolidation has significantly increased the capital base and geographic reach of our competitors in some of the markets in which we operate, and competition is expected to increase further as the trend towards consolidation among companies in the beverage industry continues. Consolidation activity has also increased along our distribution channels — in the case of both on-trade points of sale, such as pub companies, and off-trade retailers, such as supermarkets. Such consolidation could increase the purchasing power of players in our distribution channels.

Competition may divert consumers and customers from our products. Competition in our various markets and increased purchasing power of players in our distribution channels could cause us to reduce pricing, increase capital investment, increase marketing and other expenditures, and/or prevent us from increasing prices to recover higher costs, and thereby cause us to reduce margins or lose market share. Moreover, because we rely on only a limited number of brands across a limited number of markets for the majority of our sales, any dilution of our brands as a result of competitive trends could also lead to a significant erosion of our profitability. Any of the foregoing could have a material adverse effect on our business, financial condition and results of operations. Innovation faces inherent risks, and the new products we introduce may not be successful, while competitors may be able to respond more quickly than we can to emerging trends, such as the increasing consumer preference for “craft beers” produced by smaller microbreweries.

Additionally, the absence of level playing fields in some markets and the lack of transparency, or even certain unfair or illegal practices, such as tax evasion and corruption, may skew the competitive environment in favor of our competitors, with material adverse effects on our profitability or ability to operate.

The ability of our subsidiaries to distribute cash upstream may be subject to various conditions and limitations.

To a large extent, we are organized as a holding company and our operations are carried out through subsidiaries. Our domestic and foreign subsidiaries’ and affiliated companies’ ability to upstream or distribute cash (to be used, among other things, to meet our financial obligations) through dividends, intercompany advances, management fees and other payments is, to a large extent, dependent on the availability of cash flows at the level of such domestic and foreign subsidiaries and affiliated companies and may be restricted by applicable laws and accounting principles. In particular, 32.8% (USD 14.3 billion) of our total revenue of USD 43.6 billion in 2015 came from our Brazilian listed subsidiary, Ambev, which is not wholly owned and is listed on the São Paulo Stock Exchange and the New York Stock Exchange. In addition to the above, some of our subsidiaries are subject to laws restricting their ability to pay dividends or the amount of dividends they may pay. If we are not able to obtain sufficient cash flows from our domestic and foreign subsidiaries and affiliated companies, this could adversely impact our ability to pay dividends, and otherwise negatively impact our business, results of operations and financial condition. See “Item 5. Operating and Financial Review—G. Liquidity and Capital Resources—Transfers from Subsidiaries” and “Item 10. Additional Information—F. Dividends and Paying Agents” for further information in this respect.

An inability to reduce costs could affect profitability.

Our future success and earnings growth depend in part on our ability to be efficient in producing, advertising and selling our products and services. We are pursuing a number of initiatives to improve operational efficiency. Failure to generate significant cost savings and margin improvement through these initiatives could adversely affect our profitability and our ability to achieve our financial goals.
We are exposed to developing market risks, including the risks of devaluation, nationalization and inflation.

A substantial proportion of our operations, representing approximately 52% of our 2015 revenue, is carried out in developing markets, including Brazil (which represents 18.5% of our revenue), Argentina, China, Mexico, Russia, Bolivia, Paraguay, Ukraine and South Korea. We also have equity investments in brewers in China.

Our operations and equity investments in these markets are subject to the customary risks of operating in developing countries, which include political instability or insurrection, external interference, financial risks, changes in government policy, political and economic changes, changes in the relations between countries, actions of governmental authorities affecting trade and foreign investment, regulations on repatriation of funds, interpretation and application of local laws and regulations, enforceability of intellectual property and contract rights, local labor conditions and regulations, potential political and economic uncertainty, application of exchange controls, nationalization or expropriation, crime and lack of law enforcement. Such factors could affect our results by causing interruptions to our operations or by increasing the costs of operating in those countries or by limiting our ability to repatriate profits from those countries. The financial risks of operating in developing markets also include risks of illiquidity, inflation (for example, Brazil, Argentina and Russia have periodically experienced extremely high rates of inflation), devaluation (see “—Our results of operations are affected by fluctuations in exchange rates”), price volatility, currency convertibility and country default. These various factors could adversely impact our business, results of operations and financial condition. Due to our geographic mix, these factors could affect us more than our competitors with less exposure to developing markets, and following the completion of the Transaction, our exposure to developing markets will increase. Any general decline in developing markets as a whole could impact us disproportionately compared to our competitors.

Economic and political events in Argentina may adversely affect our Argentine operations.

Our subsidiary Ambev indirectly owns 100% of the total share capital of a holding company with operating subsidiaries in Argentina and other South American countries. Net revenues from our operating subsidiaries in Argentina corresponded to 4.8% of our total revenue and 5.4% of our EBITDA, as defined, for the year ended 31 December 2015. For our definition of EBITDA, as defined, see “Item 5. Operating and Financial Review—E. Results of Operations—Year Ended 31 December 2015 Compared to the Year Ended 31 December 2014—EBITDA, as defined.” In the past, the Argentine economic, social and political situation has deteriorated, and may continue to do so. The political instability, fluctuations in the economy, governmental actions concerning the economy of Argentina, the devaluation of the Argentine peso, inflation, Argentina’s selective default on its restructured debt in July 2014 and deteriorating macroeconomic conditions in Argentina could have a material adverse effect on our Latin America South operations, their financial condition and their results.

During recent years, the Argentine government has increased its direct intervention in the Argentine economy, including the establishment of currency controls. However, on 16 December 2015, the Argentine government announced that it was lifting these currency controls, which led to a 26.5% devaluation against the U.S. dollar on 17 December 2015 and may lead to further unpredictable consequences for the value of the Argentine peso, including possible further devaluation. The 2015 Argentine full-year results were translated at an average rate of 9.10 Argentine pesos per U.S. dollar (as compared to 8.12 Argentine pesos per U.S. dollar in 2014), and as of 31 December 2015, the exchange rate was 13.00 Argentine pesos per U.S. dollar. Further devaluations in the future, if any, may decrease our net assets in Argentina, with a balancing entry in our equity.

If the economic or political situation in Argentina further deteriorates, our Latin America South operations may be subject to additional restrictions under new foreign exchange, export repatriation or expropriation regimes that could adversely affect our liquidity and operations, and our ability to access funds from Argentina.
Political events in Ukraine, related sanctions adopted by the European Union and the United States targeting Russia and economic events in Russia may adversely affect our operations in Ukraine, Russia and elsewhere in the region.

We indirectly own 98.1% of the total share capital of PJSC SUN InBev Ukraine in Ukraine, the net revenues of which accounted for less than 1% of our total revenues in 2015. We also own and operate beer production facilities in Ukraine. In addition, we indirectly own 99.8% of the total share capital of SUN InBev OJSC in Russia, the net revenues of which accounted for less than 2% of our total revenues in 2015.

Severe political instability threatens Ukraine following civilian riots, which began in November 2013, the ouster of the Ukrainian President in February 2014, and subsequent military action in the destabilized country operating under a temporary government. As a result of ongoing conflict in the region, the United States and the European Union have imposed sanctions on certain individuals and companies in Ukraine and Russia. These sanctions were targeted at persons threatening the peace and security of Ukraine, senior officials of the Government of the Russian Federation and the energy, defense and financial services sectors of Russia, but they have had macroeconomic consequences beyond those persons and industries. In response, Russia instituted a set of reciprocal sanctions, and in August 2014 it imposed a one-year import ban on certain agricultural products, food and raw materials from countries that have imposed sanctions against Russia.

In December 2014, the United States imposed further sanctions aimed at blocking new investment in the Crimea region of Ukraine and trade between the United States or U.S. persons and Crimea. These sanctions also authorized the United States government to impose sanctions on any persons determined to be operating in the Crimea region of Ukraine. Both the United States and the European Union sanctions remain in place as of the date of this Form 20-F. SUN InBev OJSC conducts, and in the past PJSC SUN InBev Ukraine has conducted, limited selling and distribution activities in the Crimea region. We continue to monitor our subsidiaries’ activities in light of the restrictions imposed by these and any future sanctions.

Political instability in the region has combined with low worldwide oil prices to significantly devalue the Russian ruble and may continue to have a negative impact on the Russian economy. In addition, the Ukrainian hryvnia has also experienced significant devaluation since the beginning of 2014. The possibility of additional sanctions implemented by the United States and/or the European Union against Russia or vice versa, continued political instability, civil strife, deteriorating macroeconomic conditions and actual or threatened military action in the region may result in serious economic challenges in Ukraine, Russia and the surrounding areas. This could have a material adverse effect on our subsidiaries’ operations in the region and on the results of operations of our Europe segment, and may result in impairment charges on goodwill or other intangible assets.

We rely on the reputation of our brands.

Our success depends on our ability to maintain and enhance the image and reputation of our existing products and to develop a favorable image and reputation for new products. The image and reputation of our products may be reduced in the future; concerns about product quality, even when unfounded, could tarnish the image and reputation of our products. An event, or series of events, that materially damages the reputation of one or more of our brands could have an adverse effect on the value of that brand and subsequent revenues from that brand or business. Restoring the image and reputation of our products may be costly and may not be possible.

Moreover, our marketing efforts are subject to restrictions on the permissible advertising style, media and messages used. In a number of countries, for example, television is a prohibited medium for advertising beer and other alcoholic beverage products, and in other countries, television advertising, while permitted, is carefully regulated. Any additional restrictions in such countries, or the introduction of similar restrictions in other countries, may constrain our brand building potential and thus reduce the value of our brands and related revenues.
Negative publicity, perceived health risks and associated governmental regulation may harm our business.

Media coverage, and publicity generally, can exert significant influence on consumer behavior and actions. If the social acceptability of beer, other alcoholic beverages or soft drinks were to decline significantly, sales of our products could materially decrease. In recent years, there has been increased public and political attention directed at the alcoholic beverage and food and soft drink industries. This attention is the result of health concerns related to the harmful use of alcohol, including drink driving, excessive, abusive and underage drinking and drinking while pregnant, as well as health concerns such as obesity and diabetes related to the overconsumption of food and soft drinks. Negative publicity regarding beer, other alcoholic beverage or soft drink consumption, publication of studies that indicate a significant health risk from consumption of beer, other alcoholic beverages or soft drinks, or changes in consumer perceptions in relation to beer, other alcoholic beverages or soft drinks generally could adversely affect the sale and consumption of our products and could harm our business, results of operations, cash flows or financial condition as consumers and customers change their purchasing patterns.

For example, in May 2013, the World Health Assembly endorsed the World Health Organization’s Global Action Plan for the Prevention and Control of Noncommunicable Diseases (NCDs) 2013–2020. The harmful use of alcohol has been cited as a risk factor for NCDs. The action plan for NCDs calls for at least a 10% relative reduction in the harmful use of alcohol, as appropriate, within national contexts.

As a further example, the Russian authorities have adopted legislative changes linked to concerns about the harmful use of alcohol. In 2012, Russia adopted bans on the sale of beer in kiosks and the sale of beer between the hours of 11:00 pm and 8:00 am, a ban on beer advertisements on television, internet, printed media, radio and outdoor beer advertisements and a further increase in excise taxes on beer. Between 2009 and 2014, the beer excise rate increased nine times—from RUB 2/liter to RUB 18/liter. Other legislative proposals discussed in Russia include restrictions on PET containers, the imposition of production and turnover licensing requirements and a requirement that companies that engage in the production and marketing of beer and other malt beverages register under the Unified State Automated Information System. In addition, effective 1 January 2015, Russia now imposes a levy on manufacturers and importers that do not meet certain waste recycling targets.

Similarly, in Ukraine, from 2013 to 2014, the beer excise tax rate increased 42.5% to UAH 1.24/liter in 2014, and as of 1 January 2016, the excise tax rate for beer doubled to UAH 2.48/liter. At the end of December 2014, the Ukrainian Parliament significantly changed the regulatory environment for beer, making it legally equivalent to spirits. As of July 2015, beer cannot be advertised in printed media, by indoor or outdoor advertisement, on the metro and other public transportation, nor on radio and television between the hours of 6:00 pm and 11:00 am In addition, production, wholesale and retail licensing requirements and wholesale, import and export certifications have been imposed. Effective 1 January 2015, Ukraine has also implemented a new excise tax of 5% for retailers on certain products, including beer and alcoholic beverages.

Concerns over alcohol abuse and underage drinking have also caused governments, including those in Argentina, Brazil, Spain, Russia, the United Kingdom and the United States, to consider measures such as increased taxation, implementation of minimum alcohol pricing regimes or other changes to the regulatory framework governing our marketing and other commercial practices.

Key brand names are used by us, our subsidiaries, associates and joint ventures, and are licensed to third-party brewers. To the extent that we or one of our subsidiaries, associates, joint ventures or licensees are subject to negative publicity, and the negative publicity causes consumers and customers to change their purchasing patterns, it could have a material adverse effect on our business, results of operations, cash flows or financial condition. As we continue to expand our operations into developing and growth markets, there is a greater risk that we may be subject to negative publicity, in particular in relation to labor rights and local work conditions. Negative publicity that materially damages the reputation of one or more of our brands could have an adverse effect on the value of that brand and subsequent revenues from that brand or business, which could adversely impact our business, results of operations, cash flows and financial condition.
Demand for our products may be adversely affected by changes in consumer preferences and tastes.

We depend on our ability to satisfy consumer preferences and tastes. Consumer preferences and tastes can change in unpredictable ways due to a variety of factors, such as changes in demographics, consumer health and wellness, concerns about obesity or alcohol consumption, product attributes and ingredients, changes in travel, vacation or leisure activity patterns, weather, negative publicity resulting from regulatory action or litigation against us or comparable companies or a downturn in economic conditions. Consumers also may begin to prefer the products of competitors or may generally reduce their demand for products in the category. Failure by us to anticipate or respond adequately either to changes in consumer preferences and tastes or to developments in new forms of media and marketing could adversely impact our business, results of operations and financial condition.

Seasonal consumption cycles and adverse weather conditions may result in fluctuations in demand for our products.

Seasonal consumption cycles and adverse weather conditions in the markets in which we operate may have an impact on our operations. This is particularly true in the summer months, when unseasonably cool or wet weather can affect sales volumes. Demand for beer is normally more depressed in our major markets in the Northern Hemisphere during the first and fourth quarters of each year, and our consolidated net revenue from those markets is therefore normally lower during this time. Although this risk is somewhat mitigated by our relatively balanced footprint in both hemispheres, we are relatively more exposed to the markets in the Northern Hemisphere than to the markets in the Southern Hemisphere, which could adversely impact our business, results of operations and financial condition.

Climate change, or legal, regulatory or market measures to address climate change, may negatively affect our business or operations, and water scarcity or poor quality could negatively impact our production costs and capacity.

There is a growing concern that carbon dioxide and other greenhouse gases in the atmosphere may have an adverse impact on global temperatures, weather patterns and the frequency and severity of extreme weather and natural disasters. In the event that such climate change has a negative effect on agricultural productivity, we may be subject to decreased availability or less favorable pricing for certain agricultural commodities that are necessary for our products, such as barley, hops, sugar and corn. In addition, public expectations for reductions in greenhouse gas emissions could result in increased energy, transportation and raw material costs and may require us to make additional investments in facilities and equipment due to increased regulatory pressures. As a result, the effects of climate change could have a long-term, material adverse impact on our business and results of operations.

We also face water scarcity and quality risks. Clean water is a limited resource in many parts of the world, facing unprecedented challenges from climate change and the resulting change in precipitation patterns and frequency of extreme weather, overexploitation, increasing pollution, and poor water management. As demand for water continues to increase around the world, and as water becomes scarcer and the quality of available water deteriorates, we may be affected by increasing production costs or capacity constraints, which could adversely affect our business and results of operations.

We are required to report greenhouse gas emissions, energy data and other related information to a variety of entities, and to comply with the wider obligations of the EU Emissions Trading Scheme. Potential risks might be incurred if we were not able to measure, track and disclose information accurately and in a timely manner, and the EU Emissions Trading Scheme could result in increased operational costs if we were unable to meet our compliance obligations and exceed our emission allocations. There is also a risk of new environmental regulation in many geographies where we operate, including the EU, U.S. and China, among others. For example, in May 2014, the State Council of the People’s Republic of China issued a plan that sets compulsory reduction goals related to pollutant emissions, energy consumption and carbon emissions that could require additional investment, business capabilities or operational changes.
If any of our products is defective or found to contain contaminants, we may be subject to product recalls or other liabilities.

We take precautions to ensure that our beverage products are free from contaminants and that our packaging materials (such as bottles, crowns, cans and other containers) are free of defects. Such precautions include quality-control programs and various technologies for primary materials, the production process and our final products. We have established procedures to correct problems that are detected.

In the event that contamination or a defect does occur in the future, it may lead to business interruptions, product recalls or liability, each of which could have an adverse effect on our business, reputation, prospects, financial condition and results of operations.

Although we maintain insurance policies against certain product liability (but not product recall) risks, we may not be able to enforce our rights in respect of these policies, and, in the event that contamination or a defect occurs, any amounts that we recover may not be sufficient to offset any damage we may suffer, which could adversely impact our business, results of operations and financial condition.

We may not be able to protect our intellectual property rights.

Our future success depends significantly on our ability to protect our current and future brands and products and to defend our intellectual property rights, including trademarks, patents, domain names, trade secrets and know-how. We have been granted numerous trademark registrations covering our brands and products and have filed, and expect to continue to file, trademark and patent applications seeking to protect newly developed brands and products. We cannot be sure that trademark and patent registrations will be issued with respect to any of our applications. There is also a risk that we could, by omission, fail to renew a trademark or patent on a timely basis or that our competitors will challenge, invalidate or circumvent any existing or future trademarks and patents issued to, or licensed by, us.

Although we have taken appropriate action to protect our portfolio of intellectual property rights (including trademark registration and domain names), we cannot be certain that the steps we have taken will be sufficient or that third parties will not infringe upon or misappropriate proprietary rights. Moreover, some of the countries in which we operate offer less efficient intellectual property protection than is available in Europe or the United States. If we are unable to protect our proprietary rights against infringement or misappropriation, it could have a material adverse effect on our business, results of operations, cash flows or financial condition, and in particular, on our ability to develop our business.

We rely on key third parties, including key suppliers, and the termination or modification of the arrangements with such third parties could negatively affect our business.

We rely on key third-party suppliers, including third-party suppliers for a range of raw materials for beer and non-beer such as malted barley, corn grits, corn syrup, rice, hops, water, flavored concentrate, fruit concentrate, sugar and sweeteners, and for packaging material, such as glass, PET and aluminum bottles, aluminum or steel cans and kegs, labels, plastic crates, metal and plastic closures, folding cartons, cardboard products and plastic films.

We seek to limit our exposure to market fluctuations in these supplies by entering into medium- and long-term fixed-price arrangements. We have a limited number of suppliers of aluminum cans and glass bottles. Consolidation of the aluminum can industry and glass bottle industry in certain markets in which we operate has reduced local supply alternatives and increased the risk of disruption to aluminum can and glass bottle supplies. Although we generally have other suppliers of raw materials and packaging materials, the termination of or material change to arrangements with certain key suppliers, disagreements with suppliers as to payment or other terms, or the failure of a key supplier to meet our contractual obligations or otherwise deliver materials consistent with current usage would or may require us to make purchases from alternative suppliers, in each case at potentially higher prices than those agreed with that supplier, and this could have a material impact on our production, distribution and sale of beer, other alcoholic beverages and soft drinks and have a material adverse effect on our business, results of operations, cash flows or financial condition.
A number of our key brand names are both licensed to third-party brewers and used by companies over which we do not have control. For instance, our global brand Stella Artois is licensed to third parties in, among other countries, Algeria, Australia, Bulgaria, Croatia, Czech Republic, Hungary, Israel, New Zealand and Romania, and another global brand, Corona, is perpetually licensed to Constellation Brands, Inc. for marketing and sales in 50 states of the United States, the District of Columbia and Guam, as well as related production in Mexico for those marketing and sales efforts. Budweiser is also licensed to third parties in, among other countries, Argentina, Japan, South Korea, Panama, Italy, Ireland and Spain. See “Item 4. Information on the Company—B. Business Overview—8. Licensing” for more information in this respect.

We monitor brewing quality to ensure our high standards, but, to the extent that one of these key licensed brand names is subject to negative publicity, it could have a material adverse effect on our business, results of operations, cash flows or financial condition.

For certain packaging supplies and raw materials, we rely on a small number of important suppliers. If these suppliers became unable to continue to meet our requirements, and we are unable to develop alternative sources of supply, our operations and financial results could be adversely affected.

The consolidation of retailers may adversely affect us.

The retail industry in Europe and in many countries in which we operate continues to consolidate. Large retailers may seek to improve profitability and sales by asking for lower prices or increased trade spending. The efforts of retailers could result in reduced profitability for the beer industry as a whole and indirectly adversely affect our financial results.

We could incur significant costs as a result of compliance with, and/or violations of or liabilities under, various regulations that govern our operations.

Our business is highly regulated in many of the countries in which we or our licensed third parties operate. The regulations adopted by the authorities in these countries govern many parts of our operations, including brewing, marketing and advertising (in particular to ensure our advertising is directed to individuals of legal drinking age), environmental protection, transportation, distributor relationships and sales. We may be subject to claims that we have not complied with existing laws and regulations, which could result in fines and penalties or loss of operating licenses. We are also routinely subject to new or modified laws and regulations with which we must comply in order to avoid claims, fines and other penalties, which could adversely impact our business, results of operations and financial condition. We may also be subject to laws and regulations aimed at reducing the availability of beer and other alcoholic beverage products in some of our markets to address alcohol abuse and other social issues. There can be no assurance that we will not incur material costs or liabilities in connection with compliance with applicable regulatory requirements, or that such regulation will not interfere with our beer, other alcoholic beverage and soft drink businesses.

Certain U.S. states and various countries have adopted laws and regulations that require deposits on beverages or establish refillable bottle systems. Such laws generally increase beer prices above the costs of deposit and may result in sales declines. Lawmakers in various jurisdictions in which we operate continue to consider similar legislation, the adoption of which would impose higher operating costs on us while depressing sales volume.

The level of regulation to which our businesses are subject can be affected by changes in the public perception of beer, other alcoholic beverage and soft drink consumption. In recent years, there has been increased social and political attention in certain countries directed at the beer, other alcoholic beverage and soft drink industries, and governmental bodies may respond to any public criticism by implementing further regulatory restrictions on advertising, opening hours, drinking ages or marketing activities (including the marketing or selling of beer at sporting events). Such public concern and any resulting restrictions may cause the social acceptability of beer, other alcoholic beverages or soft drinks to decline significantly and consumption trends to shift away from these products, which would have a material adverse effect on our business, financial condition and results of operations. For common regulations and restrictions on us, see “Item 4. Information on the Company—B. Business Overview—11. Regulations Affecting Our Business” and “Item 5. Operating and Financial Review—A. Key Factors Affecting Results of Operations—Governmental Regulations.”
We are exposed to the risk of litigation.

We are now and may in the future be party to legal proceedings and claims and significant damages may be asserted against us. See “Item 8. Financial Information—A. Consolidated Financial Statements and Other Financial Information—Legal and Arbitration Proceedings” and “Item 5. Operating and Financial Review—H. Contractual Obligations and Contingencies—Contingencies” and note 30 to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015, for a description of certain material contingencies which we believe are reasonably possible (but not probable) to be realized. Given the inherent uncertainty of litigation, it is possible that we might incur liabilities as a consequence of the proceedings and claims brought against us, including those that are not currently believed by us to be reasonably possible.

Moreover, companies in the alcoholic beverage industry and soft drink industry are, from time to time, exposed to collective suits (class actions) or other litigation relating to alcohol advertising, alcohol abuse problems or health consequences from the excessive consumption of beer, other alcoholic beverages and soft drinks. As an illustration, certain beer and other alcoholic beverage producers from Brazil, Canada, Europe and the United States have been involved in class actions and other litigation seeking damages for, among other things, alleged marketing of alcoholic beverages to underage consumers. If any of these types of litigation were to result in fines, damages or reputational damage for us, this could have a material adverse effect on our business, results of operations, cash flows or financial position.

Our failure to satisfy our obligations under the Grupo Modelo settlement agreement could adversely affect our financial condition and results of operations.

The settlement agreement we reached with the U.S. Department of Justice in relation to the combination with Grupo Modelo includes a three-year transition services agreement to ensure the smooth transition of the operation of the Piedras Negras brewery as well as certain distribution guarantees for Constellation Brands, Inc. in the 50 states of the United States, the District of Columbia and Guam. Our compliance with our obligations under the settlement agreement is monitored by the U.S. Department of Justice and the Monitoring Trustee appointed by it. Were we to fail to fulfill our obligations under the settlement, whether intentionally or inadvertently, we could be subject to monetary fines. See “Item 10. Additional Information—C. Material Contracts—Grupo Modelo Settlement Agreement.”

The beer and beverage industry may be subject to adverse changes in taxation.

Taxation on our beer, other alcoholic beverage and soft drink products in the countries in which we operate is comprised of different taxes specific to each jurisdiction, such as excise and other indirect taxes. In many jurisdictions, excise and other indirect duties, including legislation regarding minimum alcohol pricing (MUP), make up a large proportion of the cost of beer charged to customers. Increases in excise and other indirect taxes applicable to our products either on an absolute basis or relative to the levels applicable to other beverages tend to adversely affect our revenue or margins, both by reducing overall consumption of our products and by encouraging consumers to switch to other categories of beverages. These increases also adversely affect the affordability of our products and our profitability. In 2014, Russia, Ukraine, Australia, South Africa, Egypt and Singapore, among others, increased beer excise taxes.

In Russia, between 2009 and 2014, the beer excise rate increased nine times—from RUB 2/liter to RUB 18/liter. Similarly, in Ukraine, from 2013 to 2014, the beer excise tax rate increased 42.5% to UAH 1.24/liter in 2014 and in 2015 an additional 5% excise tax was imposed on retailers of certain products, including beer and other alcoholic beverages. As of 1 January 2016, the beer excise tax in Ukraine doubled to UAH 2.48/liter. These tax increases have resulted in significant price increases in both countries, and continue to reduce our sales of beer. See “—Negative publicity, perceived health risks and associated governmental regulation may harm our business.”
In the United States, the brewing industry is subject to significant taxation. The U.S. federal government currently levies an excise tax of USD 18 per barrel (equivalent to approximately 117 liters) on beer sold for consumption in the United States. All states also levy excise and/or sales taxes on alcoholic beverages. From time to time there are proposals to increase these taxes, and in the future these taxes could increase. Increases in excise taxes on alcohol could adversely affect our United States business and its profitability.

Minimum pricing is another form of fiscal regulation that can affect our profitability. In 2012, the Scottish Government legislated to introduce a minimum unit price for alcoholic beverages (although its implementation was blocked by a decision of the Court of Justice of the European Union in December 2015). In November 2012, the UK Government published for consultation its own proposal to introduce a minimum unit price for alcoholic beverages, and Northern Ireland and the Republic of Ireland are also considering introducing a cross-border minimum unit price for alcoholic beverages; following the consultation, in July 2013, the UK government decided not to pursue minimum pricing. In October 2013, Northern Ireland and the Republic of Ireland decided to implement a cross-border minimum unit price for alcoholic beverages calculated on a sale price per gram of alcohol, although the question of legality under EU law remains to be determined.

Proposals to increase excise or other indirect taxes, including legislation regarding minimum alcohol pricing, may result from the current economic climate and may also be influenced by changes in the public perception regarding the consumption of beer, other alcoholic beverages and soft drinks. To the extent that the effect of the tax reforms described above or other proposed changes to excise and other indirect duties in the countries in which we operate is to increase the total burden of indirect taxation on our products, the results of our operations in those countries could be adversely affected.

In addition to excise and other indirect duties, we are subject to income and other taxes in the countries in which we operate. There can be no assurance that the operations of our breweries and other facilities will not become subject to increased taxation by national, local or foreign authorities or that we and our subsidiaries will not become subject to higher corporate income tax rates or to new or modified taxation regulations and requirements. For example, the work being carried out by the Organisation for Economic Co-operation and Development on base erosion and profit shifting or ongoing initiatives at the European Union level (including the proposed draft anti-tax avoidance directive published in January 2016), as a response to increasing globalization of trade and business operations, could result in changes in tax treaties, the introduction of new legislation, updates to existing legislation, or changes to regulatory interpretations of existing legislation, any of which could impose additional taxes on businesses. Any such increases or changes in taxation would tend to adversely impact our results of operations.

We are exposed to antitrust and competition laws in certain jurisdictions and the risk of changes in such laws or in the interpretation and enforcement of existing antitrust and competition laws.

We are subject to antitrust and competition laws in the jurisdictions in which we operate, and in a number of jurisdictions we produce and/or sell a significant portion of the beer consumed. Consequently, we may be subject to regulatory scrutiny in certain of these jurisdictions. For instance, our Brazilian listed subsidiary, Ambev, has been subject to monitoring by antitrust authorities in Brazil (see “Item 8. Financial Information—A. Consolidated Financial Statements and Other Financial Information—Legal and Arbitration Proceedings—Ambev and its Subsidiaries—Antitrust Matters”). There can be no assurance that the introduction of new competition laws in the jurisdictions in which we operate, the interpretation of existing antitrust or competition laws or the enforcement of existing antitrust or competition laws, or any agreements with antitrust or competition authorities, against us or our subsidiaries, including Ambev, will not affect our business or the businesses of our subsidiaries in the future.

Our operations are subject to environmental regulations, which could expose us to significant compliance costs and litigation relating to environmental issues.

Our operations are subject to environmental regulation by national, state and local agencies, including, in certain cases, regulations that impose liability without regard to fault. These regulations can result in liability that might adversely affect our operations. The environmental regulatory climate in the markets in which we operate is becoming stricter, with a greater emphasis on enforcement.
While we have continuously invested in reducing our environmental risks and budgeted for future capital and operating expenditures to maintain compliance with environmental laws and regulations, there can be no assurance that we will not incur substantial environmental liability or that applicable environmental laws and regulations will not change or become more stringent in the future.

Our subsidiary, Ambev, operates a joint venture in Cuba, in which the Government of Cuba is its joint venture partner. Cuba remains subject to comprehensive economic and trade sanctions by the United States and operations in Cuba may adversely affect our reputation and the liquidity and value of our securities.

On 28 January 2014, a subsidiary of our subsidiary Ambev acquired from us a 50% equity interest in Cerveceria Bucanero S.A., a Cuban company in the business of producing and selling beer. Consequently, we indirectly own through our subsidiary Ambev a 50% equity interest in Cerveceria Bucanero S.A. The other 50% equity interest is owned by the Government of Cuba. Cerveceria Bucanero S.A. is operated as a joint venture in which Ambev appoints the general manager. Cerveceria Bucanero S.A.’s main brands are Bucanero and Cristal, but it also imports and sells in Cuba other brands produced by certain of our non-U.S. subsidiaries. In 2015, Cerveceria Bucanero S.A. sold 1.5 million hectoliters, representing about 0.3% of our global volume of 457 million hectoliters for the year. Although Cerveceria Bucanero S.A.’s production is primarily sold in Cuba, a small portion of its production is exported to and sold by certain distributors in other countries outside Cuba (but not in the United States).

The U.S. Treasury Department’s Office of Foreign Assets Control and the U.S. Commerce Department together administer and enforce broad and comprehensive economic and trade sanctions based on U.S. foreign policy towards Cuba. Although our operations in Cuba through our subsidiary Ambev are quantitatively immaterial, our overall business reputation may suffer or we may face additional regulatory scrutiny as a result of our activities in Cuba based on the identification of Cuba as a target of U.S. economic and trade sanctions.

In addition, the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996 (known as the “Helms-Burton Act”) authorizes private lawsuits for damages against anyone who traffics in property confiscated without compensation by the Government of Cuba from persons who at the time were, or have since become, nationals of the United States. Although this section of the Helms-Burton Act is currently suspended by discretionary presidential action, the suspension may not continue in the future. Claims accrue notwithstanding the suspension and may be asserted if the suspension is discontinued. The Helms-Burton Act also includes a section that authorizes the U.S. Department of State to prohibit entry into the United States of non-U.S. persons who traffic in confiscated property, and corporate officers and principals of such persons, and their families. In 2009, we received notice of a claim purporting to be made under the Helms-Burton Act relating to the use of a trademark by Cerveceria Bucanero S.A., which is alleged to have been confiscated by the Cuban government and trafficked by us through our ownership and management of this company. Although we have attempted to review and evaluate the validity of the claim, due to the uncertain underlying circumstances, we are currently unable to express a view as to the validity of such claim or as to the claimants’ standing to pursue it.

We may not be able to recruit or retain key personnel.

In order to develop, support and market our products, we must hire and retain skilled employees with particular expertise. The implementation of our strategic business plans could be undermined by a failure to recruit or retain key personnel or the unexpected loss of senior employees, including in acquired companies.

We face various challenges inherent in the management of a large number of employees across diverse geographical regions. It is not certain that we will be able to attract or retain key employees and successfully manage them, which could disrupt our business and have an unfavorable material effect on our financial position, income from operations and competitive position.
We are exposed to labor strikes and disputes that could lead to a negative impact on our costs and production level.

Our success depends on maintaining good relations with our workforce. In several of our operations, a majority of our workforce is unionized. For instance, a majority of the hourly employees at our breweries in several key countries in different geographies are represented by unions. Our production may be affected by work stoppages or slowdowns as a result of disputes under existing collective labor agreements with labor unions. We may not be able to satisfactorily renegotiate our collective labor agreements when they expire and may face tougher negotiations or higher wage and benefit demands. Furthermore, a work stoppage or slowdown at our facilities could interrupt the transport of raw materials from our suppliers or the transport of our products to our customers. Such disruptions could put a strain on our relationships with suppliers and clients and may have lasting effects on our business even after the disputes with our labor force have been resolved, including as a result of negative publicity.

Our production may also be affected by work stoppages or slowdowns that affect our suppliers, distributors and retail delivery/logistics providers as a result of disputes under existing collective labor agreements with labor unions, in connection with negotiations of new collective labor agreements, as a result of supplier financial distress, or for other reasons.

A strike, work stoppage or slowdown within our operations or those of our suppliers, or an interruption or shortage of raw materials for any other reason (including, but not limited to, financial distress, natural disaster or difficulties affecting a supplier) could have a material adverse effect on our earnings, financial condition and ability to operate our business.

Our United States organization has approximately 5,500 hourly brewery workers represented by the International Brotherhood of Teamsters. Their compensation and other terms of employment are governed by collective bargaining agreements negotiated between us and the Teamsters, which expire on 28 February 2019.

Information technology failures could disrupt our operations.

We rely on information technology systems to process, transmit, and store electronic information. A significant portion of the communication between our personnel, customers, and suppliers depends on information technology. As with all large systems, our information systems may be vulnerable to a variety of interruptions due to events beyond our control, including, but not limited to, natural disasters, terrorist attacks, telecommunications failures, computer viruses, hackers or other security issues.

We depend on information technology to enable us to operate efficiently and interface with customers, as well as to maintain in-house management and control. We have also entered into various information technology services agreements pursuant to which our information technology infrastructure is outsourced to leading vendors.

In addition, the concentration of processes in shared services centers means that any technology disruption could impact a large portion of our business within the operating Zones served. If we do not allocate, and effectively manage, the resources necessary to build and sustain the proper technology infrastructure, we could be subject to transaction errors, processing inefficiencies, loss of customers, business disruptions, or the loss of or damage to intellectual property through a security breach. As with all information technology systems, our system could also be penetrated by outside parties intent on extracting information, corrupting information or disrupting business processes.

We take various actions with the aim of minimizing potential technology disruptions, such as investing in intrusion detection solutions, proceeding with internal and external security assessments, building and implementing disaster recovery plans and reviewing risk management processes. Notwithstanding our efforts, technology disruptions could disrupt our business. For example, if outside parties gained access to confidential data or strategic information and appropriated such information or made such information public, this could harm our reputation or our competitive advantage. More generally, technology disruptions could have a material adverse effect on our business, results of operations, cash flows or financial condition.
While we continue to invest in new technology monitoring and cyber-attack prevention systems, we nonetheless experience attempted breaches of our technology systems and networks from time to time. In 2015, as in previous years, we experienced attempted breaches of our technology systems and networks. None of the attempted breaches of our systems (as a result of cyber-attacks, security breaches or similar events) had a material impact on our business or operations or resulted in material unauthorized access to our data or our customers’ data.

**Natural and other disasters could disrupt our operations.**

Our business and operating results could be negatively impacted by natural, social, technical or physical risks such as a widespread health emergency (or concerns over the possibility of such an emergency), earthquakes, hurricanes, flooding, fire, water scarcity, power loss, loss of water supply, telecommunications and information technology system failures, cyber-attacks, labor disputes, political instability, military conflict and uncertainties arising from terrorist attacks, including a global economic slowdown, the economic consequences of any military action and associated political instability.

**Our insurance coverage may not be sufficient.**

We purchase insurance for director and officer liability and other coverage where required by law or contract or where considered to be in our best interest. Even though we maintain these insurance policies, we self-insure most of our insurable risk. Should an uninsured loss or a loss in excess of insured limits occur, this could adversely impact our business, results of operations and financial condition.

**The audit report included in this annual report is prepared by an auditor who is not inspected by the Public Company Accounting Oversight Board and, as such, you are deprived of the benefits of such inspection.**

Auditors of companies that are registered with the SEC and traded publicly in the United States, including our independent registered public accounting firm, must be registered with the U.S. Public Company Accounting Oversight Board (United States) (the “PCAOB”) and are required by the laws of the United States to undergo regular inspections by the PCAOB to assess their compliance with the laws of the United States and professional standards. Because our auditors are located in Belgium, a jurisdiction where the PCAOB is currently unable to conduct inspections without the approval of the Belgian authorities, our auditors are not currently inspected by the PCAOB.

This lack of PCAOB inspections in Belgium prevents the PCAOB from regularly evaluating audits and quality-control procedures of any auditors operating in Belgium, including our auditors. As a result, investors may be deprived of the benefits of PCAOB inspections.

The inability of the PCAOB to conduct inspections of auditors in Belgium makes it more difficult to evaluate the effectiveness of our auditor’s audit procedures or quality-control procedures as compared to auditors outside of Belgium that are subject to PCAOB inspections.

**Risks Relating to the Transaction**

**The announced proposed acquisition of SABMiller plc and divestiture of SABMiller plc’s interest in MillerCoors LLC expose us to risks related to the closing of the transactions, significant costs related to, and potential difficulties in, the integration of SABMiller into our existing operations and the extraction of synergies from the acquisition, which may have an adverse effect on our results of operations.**

On 11 November 2015, our board and the board of SABMiller announced that they had reached agreement on the terms of a recommended acquisition by us of the entire issued and to be issued share capital of SABMiller. The Transaction will be implemented through a series of stages including the acquisition of SABMiller by Newbelco. We will merge into Newbelco so that, following completion of the Transaction, Newbelco will be the new holding company for the Combined Group.
Subject to the satisfaction or waiver of all pre-conditions to making a formal offer and conditions to completion, the Transaction is currently expected to be completed in the second half of 2016. We are exposed to risks related to the closing of the Transaction, significant costs related to the Transaction and potential difficulties in the integration of SABMiller into our existing operations and the creation of synergies from the acquisition of SABMiller, which may have an adverse effect on our results of operations, as discussed in more detail below.

The Transaction remains subject to the review and authorization of various regulatory authorities which could impose conditions that could have an unfavorable impact on the Combined Group.

Completion of the Transaction is subject to a number of pre-conditions and conditions. These pre-conditions and conditions include the receipt of regulatory clearances in the European Union, the United States, South Africa, China, Colombia, Ecuador, Australia, India and Canada and certain other jurisdictions. On the same day that we announced the Transaction, we announced the sale of SABMiller’s interest in MillerCoors LLC (a joint venture in the U.S. and Puerto Rico between Molson Coors Brewing Company (“Molson Coors”) and SABMiller) and SABMiller’s portfolio of Miller brands outside the U.S. to Molson Coors Brewing Company (the “MillerCoors divestiture”). On 10 February 2016, we announced that we received a binding offer from Asahi Group Holdings, Ltd. (“Asahi”) to acquire SABMiller’s Peroni, Grolsch and Meantime brand families and their associated business (excluding certain rights in the U.S.), in each case with the goal of proactively addressing potential regulatory considerations regarding our proposed acquisition of SABMiller. In addition, on 2 March 2016, we announced that we had entered into an agreement to sell SABMiller’s 49% interest in China Resources Snow Breweries Ltd. (“CR Snow”) to China Resources Beer (Holdings) Co. Ltd., which currently owns 51% of CR Snow.

The terms and conditions of any authorizations, approvals and/or clearances to be obtained, or any other action taken by a regulatory authority following the closing of the Transaction, may require, among other things, the divestiture of assets or businesses of either the AB InBev Group or the SABMiller Group to third parties, changes to operations in connection with the completion of the Transaction, restrictions on the ability of the Combined Group to operate in certain jurisdictions following the completion of the Transaction, restrictions on the AB InBev Group and the SABMiller Group combining our operations in certain jurisdictions or other commitments to regulatory authorities regarding ongoing operations.

Any such actions could have a material adverse effect on the business of the Combined Group and diminish substantially the synergies and the advantages which we expect to achieve from the Transaction. Furthermore, we may not be able to effect any divestitures or other commitments at the time intended, or at all, or at the desired price, especially in challenging market conditions. Any event that prevents or delays the integration of the AB InBev Group and the SABMiller Group businesses and operations in any jurisdiction could have a material adverse effect on the AB InBev Group and/or the Combined Group and their results of operations.

In addition, divestitures and other commitments made in order to obtain regulatory approvals, if any, may have an adverse effect on the Combined Group’s business, results of operations, financial condition and prospects. These or any conditions, remedies or changes also could have the effect of delaying completion of the Transaction, reducing the anticipated benefits of the Transaction, reducing the price we are able to obtain for such disposals or imposing additional costs on or limiting the Combined Group’s revenues following the completion of the Transaction, any of which might have a material adverse effect on the Combined Group following the completion of the Transaction.

Ultimately, there is no guarantee that the regulatory pre-conditions and conditions will be satisfied (or waived, if applicable). Failure to satisfy any of the conditions may result in the Transaction not being completed, and, in certain circumstances, including if any regulatory pre-condition or condition is not satisfied by the specified long stop date of 11 May 2017 (unless extended), we may be required to pay or procure the payment to SABMiller of a break payment of USD 3.0 billion.
In addition to regulatory authorizations, the Transaction is subject to the satisfaction (or waiver, where applicable) of a number of other conditions.

In addition to the pre-conditions and conditions relating to regulatory authorities described above, the Transaction is subject to the satisfaction (or waiver, where applicable) of a number of other conditions as described in the Rule 2.7 Announcement, (which is filed as Exhibit 15.3 to this Form 20-F), including the scheme of arrangement in the UK becoming effective; the Belgian voluntary takeover offer closing and our merger into Newbelco being completed; the necessary shareholder resolutions of AB InBev and Newbelco being passed by the relevant shareholders; the shares of Newbelco having been approved for admission to listing and trading in Belgium, South Africa and Mexico; and the approval for the admission to trading of Newbelco’s American Depositary Shares on the New York Stock Exchange.

There is no guarantee that these (or any other) conditions will be satisfied (or waived, if applicable). Failure to satisfy any of the conditions may result in the Transaction not being completed, and, in certain circumstances, we may be required to pay or procure the payment to SABMiller of a break payment of USD 3.0 billion, including if our specified shareholder resolutions are not passed by the relevant date or our board withdraws its recommendation to our shareholders to vote in favor of our specified shareholder resolutions and is permitted to withdraw from the Transaction.

Any resolution proposed at the meeting of SABMiller shareholders convened by the UK court to approve the UK scheme of arrangement must be approved by a majority in number of the SABMiller shareholders (or any such class or classes of them) present and voting at the meeting, either in person or by proxy, representing not less than 75% of the relevant SABMiller ordinary shares voted at such meeting (the “UK Scheme”). There is no guarantee that the required level of shareholder support will be achieved. Although SABMiller’s two largest shareholders (Altria Group, Inc. and BEVCO Ltd.) have each provided irrevocable undertakings (which are filed as Exhibits 4.29 and 4.30 to this Form 20-F) to vote to implement the Transaction, in certain circumstances such irrevocable undertakings may cease to be binding (as described further in paragraph 19 and Appendix 4 to the Rule 2.7 Announcement (which is filed as Exhibit 15.3 to this Form 20-F)). In addition, it will be necessary for SABMiller to determine with the UK court whether, for the purposes of voting at such meeting, all of the SABMiller shareholders (including Altria Group, Inc. and BEVCO Ltd.) should be treated as one class (in which case they would vote together in one meeting) or as part of a separate class or classes (in which case the different classes would vote separately). The UK court will consider whether the legal rights of the SABMiller shareholders under the UK Scheme are sufficiently similar or whether a difference in legal rights makes it more appropriate for particular SABMiller shareholders to be distinguished as a separate class.

Furthermore, even if we desired to invoke a condition to prevent completion of the Transaction, under the UK City Takeover Code on Takeovers and Mergers we are only able to invoke such conditions if the UK Panel on Takeovers and Mergers is satisfied that the circumstances giving rise to such conditions not being satisfied are of material significance to us in the context of the Transaction (subject to limited exceptions). The UK Panel has historically determined that this is a high threshold, so even if some event were to occur which we believe means that a condition is not satisfied (such as a material adverse change affecting the SABMiller Group), we may not be permitted to invoke such condition and may be required to proceed with completion of the Transaction in any event.

Change of control, prohibition on merger or other restrictive provisions in agreements and instruments to which members of the AB InBev Group and/or the SABMiller Group are a party may be triggered upon the completion of the Transaction and may lead to adverse consequences for the Combined Group, including the loss of significant contractual rights and benefits, the possible termination of material agreements or the requirement to repay outstanding indebtedness.

Members of both the AB InBev Group and the SABMiller Group are parties to joint ventures, distribution and other agreements, guarantees and instruments which may contain change of control or other restrictive provisions that may be triggered (or be alleged to be triggered) upon the completion of the Transaction. Some of these agreements may be material and some may contain change of control provisions which provide for or permit, or which may be alleged to provide for or permit, the termination of the agreement or other remedies upon the occurrence of a change of control of one of the parties or, in the case of certain debt instruments, entitle holders to
require repayment of all outstanding indebtedness owed to them. In addition, we have issued debt instruments and are party to other agreements that may contain restrictions on the merger of, or cessation of business or dissolution of, AB InBev. Certain of these provisions may be triggered (or be alleged to be triggered) upon our merger into Newbelco.

If, upon review of these agreements, we and SABMiller determine that such provisions can be waived by the relevant counterparties, we may decide to seek such waivers. In the absence of such waivers, the operation of the change of control or other restrictive provisions, if any, could result in the loss of material contractual rights and benefits, the termination of the relevant agreements or the requirement to repay outstanding indebtedness. Alternatively, in respect of certain debt instruments, the parties may decide to seek to effect certain restructuring transactions or redeem the instruments in accordance with their terms. Both of these approaches may be subject to uncertainty and may result in significant costs to the Combined Group.

In addition, various compensation and benefit programs with members of SABMiller senior management and directors and other SABMiller employees contain change of control provisions providing for vesting of stock options and other share-based awards, accelerated payouts under certain pension and bonus plans and tax gross-ups to be paid following the completion of the Transaction. We have taken into account potential payments arising from the operation of change of control provisions, including compensation arising from change of control provisions in employment agreements, but such payments may exceed our expectations.

**We intend for the Transaction to be implemented through a complex cross-border structure and failure to implement the Transaction in this manner may result in significant costs to the Combined Group.**

It is intended that the Transaction will be implemented by way of a three-stage process involving: (i) a UK law court-sanctioned scheme of arrangement under Part 26 of the UK Companies Act 2006; (ii) a Belgian law 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; and (iii) a Belgian law reverse merger under the Belgian Companies Code (which is a merger in accordance with Belgian law whereby the holding company is merged into its subsidiary, with the subsidiary being the surviving company).

This complex structure will involve a series of steps, in multiple legal jurisdictions. The implementation of the proposed structure is dependent on the actions and approval of a number of third parties, including governmental and regulatory bodies, which are beyond our control, and on regulations and legislation in force as of the date we announced the proposed agreement with SABMiller. It may eventually not be possible, whether as a result of a change in law or otherwise, to implement the Transaction as currently intended, but we may be required to complete the Transaction.

On 11 November 2015, we entered into a tax matters agreement (which is filed as Exhibit 4.27 to this Form 20-F) (the “Tax Matters Agreement”) with Altria Group Inc., pursuant to which we (and, after completion of the Transaction, Newbelco) will provide assistance and co-operation to, and will give certain representations and undertakings to, Altria Group Inc. in relation to certain matters that are relevant to Altria under U.S. tax legislation, including the structure and implementation of the Transaction. If certain of these representations or undertakings are breached, including, potentially, because the structure of the Transaction is required to be amended, we (and, after the completion of the Transaction, Newbelco) may be required to indemnify Altria for certain tax costs it may incur in relation to the Transaction.

**Disruption from the Transaction may make it more difficult to maintain relationships with customers, employees, suppliers, associates or joint venture partners as well as governments in the territories in which the Combined Group will operate.**

The uncertainty regarding the effect of the Transaction and any related asset divestitures could cause disruptions to our business and the business of the SABMiller Group. These uncertainties may materially and adversely affect our business and the SABMiller Group’s business and our operations and could cause customers, distributors, other business partners and other parties that have business relationships with us or the SABMiller Group to defer the consummation of other transactions or other decisions concerning our or the SABMiller Group’s businesses, or to seek to change existing business relationships with these companies.
The success of the Combined Group will depend, among other things, on its capacity to retain certain key employees of ours and the SABMiller Group. The key employees of either us or the SABMiller Group could leave their employment because of the uncertainties about their roles in the Combined Group, difficulties related to the Transaction, or because of a general desire not to remain with the Combined Group. Moreover, the Combined Group will have to address issues inherent in the management of a greater number of employees in some very diverse geographic areas. Therefore, it is not certain that the Combined Group will be able to attract or retain its key employees and successfully manage them, which could disrupt its business and have an unfavorable material effect on its financial position, its income from operations and on the competitive position of the Combined Group.

We may not be able to successfully integrate the SABMiller Group or realize the anticipated benefits and synergies of the Transaction, including as a result of a delay in completing the Transaction or difficulty in integrating the businesses of the companies involved, and any such benefits and synergies will be offset by the significant fees and other costs we incur in connection with the Transaction.

Achieving the advantages of the Transaction will depend partly on the rapid and efficient combination of the AB InBev Group’s activities with the SABMiller Group, two groups of considerable size which functioned independently and were incorporated in different countries, with geographically dispersed operations, and with different business cultures and compensation structures.

The integration process involves inherent costs and uncertainties. These uncertainties are exacerbated because the SABMiller Group is active in new or developing markets in which we do not have significant operations, and because we had little opportunity to perform detailed due diligence on the SABMiller Group prior to or after the announcement of the proposed Transaction. As compared to us, the Combined Group may face increased exposure to certain risks as a result of the Transaction. For example:

- the SABMiller Group has entered into important strategic partnerships in a number of Eurasian and African countries. The Combined Group may face challenges in continuing to develop collaborative relationships with these partners in order to ensure that decisions are taken in such partnerships which promote the strategic and business objectives of the Combined Group.

- the SABMiller Group operates its business and markets its products in emerging markets that, as a result of political and economic instability, a lack of well-developed legal systems and potentially corrupt business environments, present it with economic and operational risks. The SABMiller Group is not subject to the same laws relating to corruption that we are subject to, and there is a risk that improper actions taken by its employees or representatives of its subsidiaries, affiliates, associates, joint ventures or other business interests may expose the Combined Group to potential liability and the costs associated with investigating potential misconduct. In addition, any press coverage associated with such misconduct, even if unwarranted or baseless, could damage the reputation and sales of the Combined Group.

Furthermore, there is no assurance that the Transaction will achieve the benefits we anticipate from the integration. We believe that the consideration expected to be paid is justified, in part, by the procurement and engineering savings, brewery and distribution efficiency gains, best practices sharing and other cost savings, synergies and benefits that we expect to achieve by combining the SABMiller Group’s operations with ours. However, these expected savings, gains, synergies and other benefits may not be achieved, and the assumptions upon which we determined the consideration paid to the former SABMiller shareholders in connection with the Transaction may prove to be incorrect. The implementation of the Transaction and the successful integration of the SABMiller Group’s operations into ours will also require a significant amount of management time and, thus, may affect or impair management’s ability to run the businesses effectively during the period prior to the completion of the Transaction and the integration of the businesses thereafter.
In addition, we and the SABMiller Group have incurred, and will continue to incur, significant transaction fees and other costs associated with the Transaction. These fees and costs are substantial and include financing, financial advisory, legal and accounting fees, and expenses. In addition, the Combined Group may face additional unanticipated costs as a result of the integration of us and the SABMiller Group, which would offset any realized synergy benefits resulting from the Transaction.

Finally, the Tax Matters Agreement we have entered into with Altria Group Inc. (which is filed as Exhibit 4.27 to this Form 20-F) imposes some limits on the ability of the Combined Group to effect some group reorganizations after the completion of the Transaction, which may limit our capacity to integrate the SABMiller Group’s operations into ours.

The size of the Combined Group, contractual limitations it is subject to and its position in the markets in which it operates may decrease our ability to successfully carry out further acquisitions and business integrations.

In the past, we and the SABMiller Group have made acquisitions of, investments in and joint ventures and similar arrangements with, other companies and businesses. Much of our growth in recent years is attributable to such transactions, including the combination of Interbrew and Ambev in 2004, the combination of InBev and Anheuser-Busch in 2008 and the combination of AB InBev and Grupo Modelo in 2013.

The Combined Group may be unsuccessful in the implementation of future acquisitions, investments or joint ventures or alliances.

We cannot enter into further transactions unless we can identify suitable candidates and agree on the terms with them. The size of the Combined Group and its position in the markets in which it operates may make it harder to identify suitable candidates, including because it may be harder for the Combined Group to obtain regulatory approval for future transactions. If appropriate opportunities do become available, the Combined Group may seek to acquire or invest in other businesses; however, any future acquisition may pose regulatory, anti-trust and other risks. In addition, after completion of a transaction, we may be required to integrate the acquired companies, business or operations into our existing operations. Such transactions may also involve the assumption of certain actual or potential, known or unknown liabilities, which may have a potential impact on our financial risk profile.

These risks and limitations may limit the Combined Group’s ability to implement its global strategy and its ability to achieve future business growth.

The Transaction is, and may in the future be, subject to litigation attempting to enjoin its completion.

We are now and may in the future be party to legal proceedings and claims related to the Transaction. For example, certain private parties have brought a legal challenge to the Transaction, and the court in this private action could enjoin the parties from completing the Transaction or could delay it. For further information, see “Item 8. Financial Information—A. Consolidated Financial Statements and Other Financial Information—Legal and Arbitration Proceedings—Anheuser-Busch InBev—SABMiller Transaction.” We believe the claims in the current litigation are without merit and we intend to defend against current and any future legal proceedings vigorously.

An impairment of goodwill or other intangible assets would adversely affect our financial condition and results of operations.

We have recognized significant goodwill on our balance sheet through acquisitions. For example, as a result of the combination with Grupo Modelo in 2013, we recognized USD 19.6 billion of goodwill on our balance sheet and recorded several brands from the Grupo Modelo business (including brands in the Corona brand family, among others) as intangible assets with indefinite useful lives with a fair value of USD 4.7 billion. Similarly, as a result of the 2008 Anheuser-Busch acquisition, we recognized USD 32.9 billion of goodwill on our balance sheet and recorded several brands from the Anheuser-Busch business (including brands in the Budweiser brand family, among others) as intangible assets with indefinite useful lives with a fair value of USD 21.4 billion.
Additionally, upon completion of the acquisition of SABMiller and its related transactions, we will recognize a significant amount of incremental goodwill on our balance sheet. Our accounting policy (and that of the Combined Group) considers brands and distribution rights for our own products as intangible assets with indefinite useful lives, which are tested for impairment on an annual basis (or more often if an event or circumstance indicates that an impairment loss may have been incurred) and not amortized. After the completion of the Transaction, we will record brands and other intangibles from the SABMiller business as intangible assets with indefinite useful lives. Our current estimate of the fair value of such brands and other intangibles (which does not account for any possible divestitures other than the MillerCoors divestiture) is USD 21 billion. If the combination of the businesses meets with unexpected difficulties, or if the Combined Group’s business does not develop as expected, impairment charges may be incurred in the future that could be significant and that could have an adverse effect on our results of operations and financial condition.

As of 31 December 2015, goodwill amounted to USD 65.1 billion and intangible assets with indefinite useful lives amounted to USD 27.6 billion. If our business does not develop as expected, impairment charges may be incurred in the future that could be significant and that could have an adverse effect on our results of operations and financial condition.

**Risks Related to Our Shares and American Depositary Shares**

**The market price of our shares and ADSs may be volatile.**

The market price of our shares and ADSs may be volatile as a result of various factors, many of which are beyond our control. These factors include, but are not limited to, the following:

- market expectations for our financial performance;
- actual or anticipated fluctuations in our results of operations and financial condition;
- changes in the estimates of our results of operations by securities analysts;
- potential or actual sales of blocks of our shares or ADSs in the market by any shareholder or short selling of our shares or ADSs. Any such transaction could occur at any time or from time to time, with or without notice;
- the entrance of new competitors or new products in the markets in which we operate;
- volatility in the market as a whole or investor perception of the beverage industry or of our competitors; and
- the risk factors mentioned in this section.

The market price of our shares and ADSs may be adversely affected by any of the preceding or other factors regardless of our actual results of operations and financial condition.

**Our controlling shareholder may use its controlling interest to take actions not supported by our other shareholders.**

As of 31 December 2015, our controlling shareholder, Stichting Anheuser-Busch InBev, owned 41.28% of our voting rights (and Stichting Anheuser-Busch InBev and certain other entities acting in concert with it (within the meaning of the Belgian Law of 1 April 2007 on public takeover bids and/or the Belgian Law of 2 May 2007 on disclosure of major holdings in issuers whose shares are admitted to trading on a regulated market and laying down miscellaneous provisions) held, in the aggregate, 52.77% of our voting rights), in each case based on the number of our shares outstanding on 31 December 2015 (see “Item 7. Major Shareholders and Related Party Transactions—A. Major Shareholders”). Stichting Anheuser-Busch InBev has the ability to effectively control or have a significant influence on the election of our Board of Directors and the outcome of corporate actions requiring shareholder approval, including dividend policy, mergers, share capital increases, going-private transactions and other extraordinary transactions. See “Item 10. Additional Information—B. Memorandum and Articles of Association and Other Share Information—Description of the Rights and Benefits Attached to Our Shares” for further information in this respect.
Upon the completion of the Transaction, Stichting Anheuser-Busch InBev will remain the controlling shareholder of the Combined Group. Assuming no further issuances of our shares, that Newbelco issues 316,999,695 restricted shares (as described under “Item 5. Operating and Financial Review—A. Key Factors Affecting Results of Operations—Acquisitions, Divestitures and Other Structural Changes—Proposed Acquisition of SABMiller”) and based on our outstanding treasury shares as of 31 December 2015, it is expected that Stichting Anheuser-Busch InBev will own Newbelco new ordinary shares representing 34.5% of the Combined Group’s voting rights. Furthermore, it is expected that the shareholders’ agreement and the voting agreement (or successors thereto) will continue to apply in respect of the Newbelco new ordinary shares upon completion of the Transaction, and that Stichting Anheuser-Busch InBev and such other entities acting in concert (within the meaning of the Belgian Law of 1 April 2007 on public takeover bids and/or the Belgian Law of 2 May 2007 on disclosure of major holdings in issuers whose shares are admitted to trading on a regulated market and laying down miscellaneous provisions) would hold on the same basis, in aggregate, approximately 44.1% of the Combined Group’s voting rights.

The interests and time horizons of Stichting Anheuser-Busch InBev may differ from those of other shareholders. As a result of its influence on our business, Stichting Anheuser-Busch InBev could prevent us from making certain decisions or taking certain actions that would protect the interests of our other shareholders. For example, this concentration of ownership may delay or prevent a change of control of Anheuser-Busch InBev SA/NV, even in the event that this change of control may benefit other shareholders generally. Similarly, Stichting Anheuser-Busch InBev could prevent us from taking certain actions that would dilute its percentage interest in our shares, even if such actions would generally be beneficial to us and/or to other shareholders. These and other factors related to Stichting Anheuser-Busch InBev’s holding of a controlling interest in our shares may reduce the liquidity of our shares and ADSs and their attractiveness to investors.

**Fluctuations in the exchange rate between the euro, the South African rand, the Mexican peso and the U.S. dollar may increase the risk of holding our ADSs and shares.**

Our shares currently trade on Euronext Brussels in euros and we have secondary listings of our shares on the Johannesburg Stock Exchange in South African rand and the Mexican Stock Exchange (Bolsa Mexicana de Valores) in Mexican pesos. Our ADSs trade on the New York Stock Exchange (“NYSE”) in U.S. dollars. Fluctuations in the exchange rate between the euro, the South African rand, the Mexican peso and the U.S. dollar may result in temporary differences between the value of our shares trading in different currencies, and between our shares and our ADSs, which may result in heavy trading by investors seeking to exploit such differences. Similarly, uncertainty over fiscal and budgetary challenges in the United States, South Africa, Mexico and/or Europe may negatively impact global economic conditions, and could trigger sharply increased trading and consequent market fluctuations, which would increase the volatility of, and may have an adverse effect upon, the price of our shares or ADSs.

In addition, as a result of fluctuations in the exchange rate between the U.S. dollar, the euro, the South African rand and the Mexican peso, the U.S. dollar equivalent of the proceeds that a holder of our ADSs would receive upon the sale in Belgium, South Africa or Mexico of any shares withdrawn from the American Depositary Receipt (“ADR”) depositary and the U.S. dollar equivalent of any cash dividends paid in euros on our shares represented by the ADSs could also decline.

**Future equity issuances may dilute the holdings of current shareholders or ADS holders and could materially affect the market price of our shares or ADSs.**

We may in the future decide to offer additional equity to raise capital or for other purposes. Any such additional offering could reduce the proportionate ownership and voting interests of holders of our shares and ADSs, as well as our earnings per share or ADS and net asset value per share or ADS, and any offerings by us or our main shareholders could have an adverse effect on the market price of our shares and ADSs.
Investors may not be able to participate in equity offerings, and ADS holders may not receive any value for rights that we may grant.

Our constitutional documents provide for preference rights to be granted to our existing shareholders unless such rights are disappplied by resolution of our shareholders’ meeting or the Board of Directors. Our shareholders’ meeting or Board of Directors may disapply such rights in future equity offerings. In addition, certain shareholders (including shareholders resident in, or citizens of, certain jurisdictions, such as the United States, Australia, Canada and Japan) may not be entitled to exercise such rights even if they are not disappplied unless the rights and related shares are registered or qualified for sale under the relevant legislative or regulatory framework. As a result, there is the risk that investors may suffer dilution of their shareholding should they not be permitted to participate in preference right equity or other offerings that we may conduct in the future.

If rights are granted to our shareholders, but the ADR depositary is unable to sell rights corresponding to shares represented by ADSs that are not exercised by, or distributed to, ADS holders, or if the sale of such rights is not lawful or reasonably practicable, the ADR depositary will allow the rights to lapse, in which case ADS holders will receive no value for such rights.

ADS holders may not be able to exercise their right to vote the shares underlying our ADSs.

Holders of ADSs may exercise voting rights with respect to the shares represented by our ADSs only in accordance with the provisions of the deposit agreement. The deposit agreement provides that, upon receipt of a notice of any meeting of holders of our shares, the depositary will, if we so request, distribute to the ADS holders a notice which shall contain (i) such information as is contained in the notice of the meeting sent by us, (ii) a statement that the ADS holder as of the specified record date shall be entitled to instruct the ADR depositary as to the exercise of voting rights and (iii) a statement as to the manner in which instructions may be given by the holders.

Holders of ADSs may instruct the ADR depositary to vote the shares underlying their ADSs, but only if we ask the ADR depositary to ask for their instructions. Otherwise, ADS holders will not be able to exercise their right to vote, unless they withdraw our shares underlying the ADSs they hold. However, ADS holders may not know about the meeting far enough in advance to withdraw those shares. If we ask for the instructions of ADS holders, the depositary, upon timely notice from us, will notify ADS holders of the upcoming vote and arrange to deliver our voting materials to them. We cannot guarantee ADS holders that they will receive the voting materials in time to ensure that they can instruct the ADR depositary to vote their shares. In addition, the ADR depositary and its agents are not responsible for failing to carry out voting instructions or for the manner of carrying out voting instructions. This means that ADS holders may not be able to exercise their right to vote, and there may be nothing they can do if the shares underlying their ADSs are not voted as requested.

ADS holders may be subject to limitations on the transfer of their ADSs.

ADSs are transferable on the books of the depositary. However, the ADR depositary may refuse to deliver, transfer or register transfers of ADSs generally when the books of the ADR depositary are closed or if such action is deemed necessary or advisable by the ADR depositary or by us because of any requirement of law or of any government or governmental body or commission or under any provision of the deposit agreement. Moreover, the surrender of ADSs and withdrawal of our shares may be suspended subject to the payment of fees, taxes and similar charges or if we direct the ADR depositary at any time to cease new issuances and withdrawals of our shares during periods specified by us in connection with shareholders’ meetings, the payment of dividends or as otherwise reasonably necessary for compliance with any applicable laws or government regulations.

Shareholders may not enjoy under Belgian corporate law and our articles of association certain of the rights and protection generally afforded to shareholders of U.S. companies under U.S. federal and state laws and the NYSE rules.

We are a public limited liability company incorporated under the laws of Belgium. The rights provided to our shareholders under Belgian corporate law and our articles of association differ in certain respects from the rights that you would typically enjoy as a shareholder of a U.S. company under applicable U.S. federal and/or state laws.
In general, the Belgian Corporate Governance Code is a code of best practice applying to Belgian listed companies on a non-binding basis. The Code applies a “comply or explain” approach, that is, companies may depart from the Code’s provisions if, as required by law, they give a reasoned explanation of the reasons for doing so.

We are relying on a provision in the NYSE Listed Company Manual that allows us to follow Belgian corporate law and the Belgian Corporate Governance Code with regard to certain aspects of corporate governance. This allows us to continue following certain corporate governance practices that differ in significant respects from the corporate governance requirements applicable to U.S. companies listed on the NYSE. In particular, the NYSE rules require a majority of the directors of a listed U.S. company to be independent while, in Belgium, only three directors need be independent. Our board currently comprises four independent directors and ten non-independent directors. See “Item 6. Directors, Senior Management and Employees—Directors and Senior Management—Board of Directors.” The NYSE rules further require that each of the nominating, compensation and audit committees of a listed U.S. company be comprised entirely of independent directors. However, the Belgian Corporate Governance Code recommends only that a majority of the directors on each of these committees meet the technical requirements for independence under Belgian corporate law. All voting members of the Audit Committee are independent under the NYSE rules and Rule 10A-3 under the U.S. Securities Exchange Act of 1934, as amended (the “Exchange Act”). Our Nomination Committee and Remuneration Committee have members who would not be considered independent under NYSE rules, and therefore our Nomination Committee and Remuneration Committee would not be in compliance with the NYSE Corporate Governance Standards for domestic issuers in respect of the independence of these committees. However, both our Nomination Committee and Remuneration Committee are composed exclusively of non-executive directors who are independent of management and whom we consider to be free of any business or other relationship which could materially interfere with the exercise of their independent judgment. See “Item 6. Directors, Senior Management and Employees—C. Board Practices—General—Information about Our Committees.”

Under Belgian corporate law, other than certain limited information that we must make public, our shareholders may not ask for an inspection of our corporate records, while under Delaware corporate law any shareholder, irrespective of the size of his or her shareholdings, may do so. Shareholders of a Belgian corporation are also unable to initiate a derivative action, a remedy typically available to shareholders of U.S. companies, in order to enforce a right of AB InBev, in case we fail to enforce such right ourselves, other than in certain cases of director liability under limited circumstances. In addition, a majority of our shareholders may release a director from any claim of liability we may have, including if he or she has acted in bad faith or has breached his or her duty of loyalty, provided, in some cases, that the relevant acts were specifically mentioned in the convening notice to the shareholders’ meeting deliberating on the discharge. In contrast, most U.S. federal and state laws prohibit a company or its shareholders from releasing a director from liability altogether if he or she has acted in bad faith or has breached his or her duty of loyalty to the company. Finally, Belgian corporate law does not provide any form of appraisal rights in the case of a business combination.

For additional information on these and other aspects of Belgian corporate law and our articles of association, see “Item 10. Additional Information—B. Memorandum and Articles of Association and Other Share Information.” As a result of these differences between Belgian corporate law and our articles of association, on the one hand, and U.S. federal and state laws, on the other hand, in certain instances, you could receive less protection as a shareholder of our company than you would as a shareholder of a U.S. company.

As a “foreign private issuer” in the United States, we are exempt from a number of rules under the U.S. securities laws and are permitted to file less information with the SEC.

As a “foreign private issuer,” we are exempt from certain rules under the Exchange Act, that impose certain disclosure obligations and procedural requirements for proxy solicitations under Section 14 of the Exchange Act. In addition, our officers, directors and principal shareholders are exempt from the reporting and “short-swing” profit recovery provisions under Section 16 of the Exchange Act. Moreover, we are not required to file periodic reports and financial statements with the SEC as frequently or as promptly as U.S. companies whose securities are registered under the Exchange Act. Accordingly, there may be less publicly available information concerning us than there is for U.S. public companies.
It may be difficult for investors outside Belgium to serve process on or enforce foreign judgments against us.

We are a Belgian public limited liability company. Certain of the members of our Board of Directors and Executive Board of Management and certain of the persons named herein are non-residents of the United States. All or a substantial portion of the assets of such non-resident persons and certain of our assets are located outside the United States. As a result, it may not be possible for investors to effect service of process upon such persons or on us or to enforce against them or us a judgment obtained in U.S. courts. Original actions or actions for the enforcement of judgments of U.S. courts relating to the civil liability provisions of the federal or state securities laws of the United States are not directly enforceable in Belgium. The United States and Belgium do not currently have a multilateral or bilateral treaty providing for reciprocal recognition and enforcement of judgments, other than arbitral awards, in civil and commercial matters. In order for a final judgment for the payment of money rendered by U.S. courts based on civil liability to produce any effect on Belgian soil, it is accordingly required that this judgment be recognized or be declared enforceable by a Belgian court pursuant to the relevant provisions of the 2004 Belgian Code of Private International Law. Recognition or enforcement does not imply a review of the merits of the case and is irrespective of any reciprocity requirement. A U.S. judgment will, however, not be recognized or declared enforceable in Belgium if it infringes upon one or more of the grounds for refusal which are exhaustively listed in Article 25 of the Belgian Code of Private International Law. In addition to recognition or enforcement, a judgment by a federal or state court in the United States against us may also serve as evidence in a similar action in a Belgian court if it meets the conditions required for the authenticity of judgments according to the law of the state where it was rendered.

ITEM 4. INFORMATION ON THE COMPANY

A. HISTORY AND DEVELOPMENT OF THE COMPANY

We are the world’s largest brewer by volume and one of the world’s top five consumer products companies. As a consumer-centric, sales-driven company, we produce, market, distribute and sell a strong, balanced portfolio of well over 200 beer and other malt beverage brands. These include global brands Budweiser, Corona (except in the United States) and Stella Artois; multi-country brands such as Beck’s, Leffe and Hoegaarden; and many local brands such as Bud Light and Michelob Ultra in the United States, Corona Light, Modelo Especial, Modelo Light, Negra Modelo, Victoria and Pacifico in Mexico, Skol, Brahma and Antarctica in Brazil, Quilmes in Argentina, Jupiler in Belgium and the Netherlands, Hasseröder in Germany, Klinskoye and Sibirskaya Korona in Russia, Chernigivske in Ukraine, Harbin and Sedrin in China and Cass in South Korea. We also produce and distribute soft drinks, particularly in Latin America, and other near beer products, such as Lime-A-Rita and other Rita family products in the United States and MixxTail in China, Argentina and other countries.

Our dedication to quality goes back to a brewing tradition of more than 600 years and the Den Hoorn brewery in Leuven, Belgium, as well as the pioneering spirit of the Anheuser & Co brewery, with origins in St. Louis, USA since 1852. As of 31 December 2015, we employed more than 150,000 people, with operations in 26 countries across the world. Given the breadth of our operations, we are organized into seven business segments: North America, Mexico, Latin America North, Latin America South, Europe, Asia Pacific and Global Export & Holding Companies. The first six correspond to specific geographic regions in which our operations are based. As a result, we have a global footprint with a balanced exposure to developed and developing markets and production facilities spread across our six geographic regions, which we refer to as “Zones.”

We have significant brewing operations within the developed markets in our North America zone (which accounted for 25.8% of our consolidated volumes for the year ended 31 December 2015) and in a significant majority of our markets in our Europe zone (which accounted for 9.4% of our consolidated volumes for the year ended 31 December 2015). We also have significant exposure to developing markets in Latin America North (which accounted for 27.0% of our consolidated volumes in the year ended 31 December 2015), Asia Pacific (which accounted for 19.3% of our consolidated volumes in the year ended 31 December 2015), Mexico (which accounted for 9.1% of our consolidated volumes in the year ended 31 December 2015) and Latin America South (which accounted for 7.9% of our consolidated volumes in the year ended 31 December 2015).
Our 2015 volumes (beer and non-beer) were 457 million hectoliters and our revenue amounted to USD 43.6 billion.

Registration and Main Corporate Details

Anheuser-Busch InBev SA/NV was incorporated on 2 August 1977 for an unlimited duration under the laws of Belgium under the original name BEMES. It has the legal form of a public limited liability company (naamloze vennootschap/société anonyme). Its registered office is located at Grand-Place/Grote Markt 1, 1000 Brussels, Belgium, and it is registered with the Register of Legal Entities of Brussels under the number 0417.497.106. Our global headquarters are located at Brouwerijplein 1, 3000 Leuven, Belgium (tel.: +32 16 27 61 11). Our agent in the United States is Anheuser-Busch InBev Services LLC, 250 Park Avenue, 2nd Floor, New York, NY 10177.

We are a publicly traded company, with our primary listing on Euronext Brussels under the symbol ABI. We also have secondary listings on the Johannesburg Stock Exchange under the symbol ANB and the Mexican Stock Exchange under the symbol ABI. ADSs representing rights to receive our ordinary shares are listed and trade on the NYSE under the symbol BUD.

History and Development of the Company

Stella Artois’ dedication to quality goes back to a brewing tradition of more than 600 years and the Den Hoorn brewery in Leuven, Belgium. In 1717, Sébastien Artois, master brewer of Den Hoorn, took over the brewery and renamed it Sébastien Artois. In 1987, the two largest breweries in Belgium merged: Brouwerijen Artois NV, located in Leuven, and Brasserie Piedboeuf SA, founded in 1853 and located in Jupille, resulting in the formation of Interbrew SA. Interbrew operated as a family-owned business until December 2000, the time of its initial public offering on Euronext Brussels. The period since the listing of Interbrew on Euronext Brussels has been marked by increasing geographical diversification.

2004 marked a significant event in our history: the combination of Interbrew and Ambev, a Brazilian company listed (and currently still listed) on the New York Stock Exchange and on the São Paulo Stock Exchange, resulting in the creation of InBev. Ambev was itself created from the combination of two Brazilian beer companies, Brahma and Antarctica, over the course of 1999 and 2000. As of 31 December 2015, we had a 62.0% voting and economic interest in Ambev.

In 2003, Ambev acquired its initial interest in Quilmes Industrial S.A., which is now 100% owned by Ambev.

On 13 July 2008, InBev and Anheuser-Busch announced their agreement to combine the two companies by way of an offer by InBev of USD 70 per share in cash for all outstanding shares of Anheuser-Busch. The total amount of funds necessary to consummate the 2008 Anheuser-Busch acquisition was approximately USD 54.8 billion, including the payment of USD 52.5 billion to shareholders of Anheuser-Busch. As a result of the merger, we changed our name to Anheuser-Busch InBev SA/NV and announced a plan to reduce debt taken on for the Anheuser-Busch combination by means of a formal divestiture program.

On 24 July 2009, we completed the sale of our South Korean subsidiary, Oriental Brewery, to an affiliate of Kohlberg Kravis Roberts & Co. L.P. for USD 1.8 billion, which resulted in USD 1.5 billion of cash proceeds and receipt of a USD 0.3 billion note receivable at closing. On 12 March 2010, the note receivable was sold for USD 0.3 billion in cash. Under the terms of the agreement, we continued our relationship with Oriental Brewery through granting Oriental Brewery exclusive licenses to distribute certain brands in South Korea including Budweiser, Bud Ice and Hoegaarden, and by having an ongoing interest in Oriental Brewery through an agreed earn-out. In addition, we retained the right, but not the obligation, to reacquire Oriental Brewery five years after the closing of the transaction based on predetermined financial terms. On 1 April 2014, we announced the completion of our reacquisition of Oriental Brewery as described in greater detail below.
On 2 December 2009, we completed the sale of our Central European operations to CVC Capital Partners for an enterprise value of USD 2.2 billion, of which USD 1.6 billion was cash, USD 448 million was received as an unsecured deferred payment obligation with a six-year maturity and USD 165 million represented the estimated value to minorities. Under the terms of the agreement, our operations in Bosnia and Herzegovina, Bulgaria, Croatia, The Czech Republic, Hungary, Montenegro, Romania, Serbia and Slovakia were sold. On 15 July 2011, the deferred payment obligation, including accrued interest, was sold for USD 0.5 billion in cash. At the time of the 2009 sale to CVC Capital Partners, we also received additional rights under a Contingent Value Right Agreement to a future payment that was contingent on CVC’s return on its initial investments. On 15 June 2012, CVC sold the business to Molson Coors Brewing Company for an aggregate consideration of EUR 2.65 billion (USD 3.50 billion). We believe that as a result of the sale to Molson, the return earned by CVC Capital Partners triggered our right to a further payment. Following the conclusion in our favor of a declaratory action initiated by CVC Capital Partners in the English Commercial Court, we received approximately EUR 32 million (USD 42 million) in 2013 and EUR 147 million (USD 197 million) in 2014 from CVC. Appeals related to the EUR 147 million (USD 197 million) received to date have not yet concluded.

In 2009, we undertook a series of other disposals, including Tennent’s Lager brand, four metal beverage can and lid manufacturing plants and Busch Entertainment Corporation, and by the end of the year, we had completed our formal divestiture program resulting from the 2008 Anheuser-Busch acquisition, exceeding our target of USD 7.0 billion, with approximately USD 9.4 billion of asset disposals of which approximately USD 7.4 billion were realized cash proceeds.

On 11 May 2012, Ambev and E. León Jimenes S.A., which owned 83.5% of Cervecería Nacional Dominicana S.A., entered into a transaction to form a strategic alliance to create the leading beverage company in the Caribbean through the combination of their businesses in the region. Ambev’s initial indirect interest in Cervecería Nacional Dominicana S.A. was acquired through a cash payment of USD 1.0 billion and the contribution of Ambev Dominicana. Separately, Ambev Brazil acquired an additional stake in Cervecería Nacional Dominicana S.A. of 9.3%, which was owned by Heineken N.V., for USD 237 million at the closing date. During 2012 and 2013, as part of the same transaction, Ambev acquired additional stakes from other minority holders. As of 31 December 2015, Ambev owns a total indirect interest of 55.0% in Cervecería Nacional Dominicana S.A.

On 4 June 2013, we announced the completion of our combination with Grupo Modelo in a transaction valued at USD 20.1 billion. The combination was the natural next step given our economic stake of more than 50% in Grupo Modelo prior to the transaction and the successful long-term partnership between the two companies. The combined company benefits from the significant growth potential that Grupo Modelo brands such as Corona have globally outside of the United States, as well as locally in Mexico, where we have had the opportunity to introduce our brands through Grupo Modelo’s distribution network. The combination was completed through a series of steps that simplified Grupo Modelo’s corporate structure, followed by an all-cash tender offer by us for all outstanding Grupo Modelo shares that we did not own at that time for USD 9.15 per share. By 4 June 2013 and following the settlement of the tender offer, we owned approximately 95% of Grupo Modelo’s outstanding shares. Once the tender offer was completed and fully paid, we established and funded a trust to accept further tenders of shares by Grupo Modelo shareholders at a price of USD 9.15 per share over a period of up to 25 months from the completion of the combination.

In a transaction related to the combination with Grupo Modelo, select Grupo Modelo shareholders purchased a deferred share entitlement to acquire the equivalent of approximately 23.1 million AB InBev shares, to be delivered within five years, for consideration of approximately USD 1.5 billion. This investment occurred on 5 June 2013.

On 7 June 2013, in another transaction related to the combination with Grupo Modelo, Grupo Modelo completed the sale of its U.S. business to Constellation Brands, Inc. for approximately USD 4.75 billion, in aggregate, subject to a post-closing adjustment of approximately USD 558 million, which was paid by Constellation Brands, Inc. on 6 June 2014. The transaction included the sale of Grupo Modelo’s Piedras Negras brewery, Grupo Modelo’s 50% stake in Crown Imports and perpetual rights to certain of Grupo Modelo’s brands in the United States. As a consequence, we have granted Constellation Brands, Inc. the exclusive right to market and sell Corona and certain other Grupo Modelo brands in the 50 states of the United States, the District of Columbia and Guam.
On 1 April 2014, we announced the completion of our reacquisition of Oriental Brewery, the leading brewer in South Korea, from KKR and Affinity Equity Partners. The enterprise value for the transaction was USD 5.8 billion, and as a result of an agreement entered into with KKR and Affinity Equity Partners in 2009, we received approximately USD 320 million in cash at closing from this transaction, subject to closing adjustments according to the terms of the transaction. This acquisition returns Oriental Brewery to our portfolio after we sold the company in July 2009, following the combination of InBev and Anheuser-Busch, in support of our deleveraging target.

During 2014, we purchased USD 1.0 billion of Grupo Modelo shares through the trust established to accept further tender of shares and, during 2015, we performed a mandatory tender offer and purchased all outstanding Grupo Modelo shares held by third parties for a total consideration of USD 483 million. Once such purchases were completed, by August 2015 we owned 99.9% of Grupo Modelo’s outstanding shares, and carried out a process with the Mexican Securities and Exchange Commission and the Mexican Stock Exchange pursuant to which Grupo Modelo (i) cancelled its registry of shares with the Mexican National Securities Registry, (ii) delisted its shares from the Mexican Stock Exchange and (iii) as a consequence of the actions listed in (i) and (ii) above, as well as the resolutions adopted by its shareholders in October 2015, Grupo Modelo was transformed from a publicly listed Mexican company into a Mexican limited liability company (sociedad de responsabilidad limitada), and became 100% owned by us.

On 11 November 2015, our board and the board of SABMiller announced that they had reached agreement on the terms of a recommended acquisition by us of the entire issued and to be issued share capital of SABMiller. The Transaction will be implemented through a series of stages including the acquisition of SABMiller by Newbelco. We will merge into Newbelco so that, following completion of the Transaction, Newbelco will be the new holding company for the Combined Group.

Also on 11 November 2015, we announced an agreement under which Molson Coors will purchase the whole of SABMiller’s interest in MillerCoors LLC, a joint venture in the U.S. and Puerto Rico between Molson Coors and SABMiller, together with rights to the Miller brand globally, in a related transaction, conditional upon the completion of our Transaction. The purchase agreement between us and Molson Coors Brewing Company dated 11 November 2015 has been filed as Exhibit 4.28 to this Form 20-F. In addition, on 10 February 2016, we announced that we received a binding offer from Asahi to acquire SABMiller’s Peroni, Grolsch and Meantime brand families and their associated business (excluding certain rights in the U.S.), and on 2 March 2016, we announced that we had entered into an agreement to sell SABMiller’s 49% interest in CR Snow to China Resources Beer (Holdings) Co. Ltd., in each case with the goal of proactively addressing potential regulatory considerations regarding the Transaction.

Subject to the satisfaction or waiver of all pre-conditions to making a formal offer and conditions to completion, the Transaction and related divestitures are currently expected to be completed in the second half of 2016. We are exposed to risks related to the closing of the Transaction, significant costs related to the Transaction, potential difficulties in the integration of SABMiller into our existing operations and the delivery of cost synergies from the acquisition of SABMiller, which may have an adverse effect on our results of operations, as discussed in more detail in “Item 3. Key Information—Risk Factors—Risks Relating to the Transaction.”

Furthermore, during 2014 and 2015, we performed a series of investments and disposals. For further details, see “Item 5. Operating and Financial Review—G. Liquidity and Capital Resources—Investments and Disposals.”
B. BUSINESS OVERVIEW

1. STRENGTHS AND STRATEGY

Strengths

We believe that the following key strengths will drive the realization of our strategic goals and reinforce our competitive position in the marketplace:

Global platform with strong market positions in key markets

We are the world’s largest brewer and believe we hold leading positions in the majority of our key markets, based on strong brands and the benefits of scale. We believe this enables us to invest significant sales and marketing resources in our brands, achieve attractive sourcing terms, generate cost savings through centralization and operate under a lean cost structure. Our global reach provides us with a strong platform to grow our global and multi-country brands, while developing local brands tailored to regional tastes and trends. We benefit from a global distribution network which, depending on the location, is either owned by us or is based on strong partnerships with wholesalers and local distributors.

We believe that in 2015 the approximate industry volumes and our approximate market shares by volume in our top four markets are as follows:

<table>
<thead>
<tr>
<th>Country</th>
<th>Total Industry Volume (million hectolitres)</th>
<th>Our Estimated Market Share (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>399.4</td>
<td>18.6%</td>
</tr>
<tr>
<td>United States</td>
<td>233.7</td>
<td>45.8%</td>
</tr>
<tr>
<td>Brazil</td>
<td>126.4</td>
<td>67.5%</td>
</tr>
<tr>
<td>Mexico</td>
<td>71.5</td>
<td>58.2%</td>
</tr>
</tbody>
</table>

Notes:

(1) Total industry volume figures are based on total beer industry sales or consumption volumes in the relevant market, except for the China volume figures, which are based on total industry production volumes. Sources for market share: China—Seema International Limited; United States—Beer Institute and SymphonyIRI; Brazil—AC Nielsen Audit Total Trade; Mexico—Cámara Nacional de la Industria de la Cerveza y de la Malta.

We have been the global leader in the brewing industry by volume for the past eight years, and, in 2015, were one of the largest consumer products companies worldwide, measured by EBITDA, as defined. We hold the number one position in terms of total market share of beer by volume, based on our estimates, in the United States, Mexico and Brazil, three of the top five most profitable beer markets in the world. We estimate that we hold the number three position in total market share of beer by volume and the number one position by volume in the fast-growing premium beer category in China, the world’s largest beer market by volume.

Management believes that it can realize significant upside potential by continuing to roll out our brands using our global distribution platform.

Geographic diversification

Our geographically diversified platform balances the growth opportunities of developing markets with the stability and strength of developed markets. With significant operations in both the Southern and Northern Hemispheres, we benefit from a natural hedge against market, economic and seasonal volatility.

Developed markets represented approximately 48% of our 2015 revenue and developing markets represented 52% of our 2015 revenue. Our developing markets include Brazil (which represents 18.5% of our 2015 revenue), Argentina, China, Mexico, Russia, Bolivia, Paraguay, Ukraine and South Korea. We also have equity investments in brewers in China.

Strong brand portfolio with global brands, multi-country brands and local brands

Our strong brand portfolio addresses a broad range of demand for different types of beer, comprising three brand categories:

• Global brands: Capitalizing on common values and experiences which appeal to consumers across borders, our three global brands, Budweiser, Corona and Stella Artois, have the strength to be marketed worldwide;
• **Multi-country brands**: With a strong consumer base in their home market, our three multi-country brands, Beck’s, Leffe and Hoegaarden, bring international flavor to selected markets, connecting with consumers across continents; and

• **Local brands**: Offering locally popular tastes, local brands such as Bud Light, Michelob, Victoria, Modelo Especial, Negra Modelo, Skol, Brahma, Antarctica, Quilmes, Jupiler, Klinskoye, Sibirskaya Korona, Chernigivske, Cass, Harbin and Sedrin connect particularly well with consumers in their home markets.

With well over 200 brands, of which 19 had an estimated retail sales value of over USD 1 billion in 2015, we believe our portfolio is the strongest in the industry. Six of our brands—Bud Light, Budweiser, Corona, Skol, Stella Artois and Brahma—are ranked among the Global Top Ten most valuable beer brands by BrandZ™.

Our strategy is to focus our attention on our core to premium brands. As a result, we make clear brand choices and seek to invest in those brands that build deep connections with consumers and meet their needs. We seek to replicate our successful brand initiatives, market programs and best practices across multiple geographic markets.

Focus brands are a small number of brands which we believe have the best long-term growth potential, and in which we invest the majority of our resources (money, people and attention). These brands include our three global brands, our multi-country brands and selected local brands.

Focus brands represented 69.6% of our own beer volume and grew by 0.4% in 2015. Our global brands grew 7.3% in 2015, led by growth in Budweiser, Corona and Stella Artois of 6.9%, 8.1% and 7.5%, respectively.

**Strong consumer insights-driven brand development capabilities**

As a consumer insights-driven company, we continue to strive to understand the values, lifestyles and preferences of both today’s and tomorrow’s consumers. We expect that this will allow us to remain relevant, as well as build fresh appeal and competitive advantage through innovative products and services tailored to meet evolving consumer needs. We believe that consumer demand can be best anticipated by a close relationship between our innovation and insight teams in which current and expected market trends trigger and drive research processes. Successful examples of recently developed products include Bud Light Platinum, the Rita family of products and a re-closeable 16-ounce aluminum bottle (United States), Skol Beats Senses and Brahma 0.0 (Brazil), MixxTail (Argentina and China), Cubanisto (United Kingdom and France) and Budweiser Supreme (China).

We believe that our internal excellence programs, such as our World Class Commercial Program, are a major competitive advantage. The World Class Commercial Program is an integrated marketing and sales execution program designed to continuously improve the quality of our sales and marketing capabilities and processes by ensuring they are fully understood by all relevant employees and consistently followed.

**Strict financial discipline**

World-class efficiency has been, and will remain, a long-term focus across all markets, all lines of business and under all economic circumstances. Avoiding unnecessary costs is a core competency within our culture. We distinguish between “non-working” and “working” expenses, the latter having a direct impact on our consumers and our customers, and therefore on our sales volumes and revenues. As a result, we have implemented, and will continue to develop, programs and initiatives aimed at reducing non-working expenses. This strict financial discipline has allowed us to develop a “Cost—Connect—Win” model in which savings from reducing non-working expenses are used to fund sales and marketing investments designed to connect with our consumers and customers and to win by achieving long-term, profitable growth.
We have a number of group-wide cost efficiency programs in place, including:

- **Zero-Based Budgeting or ZBB:** Under ZBB, budget decisions are unrelated to the previous year’s levels of expenditure and require justification starting from a zero base each year. Employee compensation is closely tied to delivering on zero-based budgets. ZBB has been successfully introduced into all of our major markets, as well as our global headquarters.

- **Voyager Plant Optimization or VPO:** VPO aims to bring greater efficiency and standardization to our brewing operations and to generate cost savings, while at the same time improving quality, safety and the environment. VPO also entails assessment of our procurement processes to maximize purchasing power and to help us achieve the best results when purchasing a range of goods and services. Behavioral change towards greater efficiencies is at the core of this program, and comprehensive training modules have been established to assist our employees with the implementation of VPO in their daily routines.

- **Business Shared Services Centers:** We have established a number of business shared services centers across our Zones which focus on transactional and support activities within our group. These centers help to standardize working practices and identify and disseminate best practices.

**Experienced management team with a strong track record of delivering synergies through business combinations**

During the last two decades, our management (or the management of our predecessor companies) has executed a number of merger and acquisition transactions of varying sizes, with acquired businesses being successfully integrated into our operations, realizing significant synergies. Notable historical examples include the creation of Ambev in 2000 through the combination of Brahma and Antarctica, the acquisition of Beck’s by Interbrew in 2002, the combination of Ambev and Quilmes in 2003, Ambev gaining control of Labatt in 2004 and the creation of InBev in 2004 from the combination of Interbrew and Ambev.

More recent examples include:

- the combination with Anheuser-Busch in November 2008. Between 2008 and 2011, we delivered against the announced cost synergy target of USD 2.25 billion.

- the combination with Grupo Modelo in June 2013. By the end of 2015, we had realized cost synergies of approximately USD 940 million and expect to deliver the remaining cost savings toward our USD 1 billion target during the first half of 2016.

- the reacquisition of Oriental Brewer, the leading brewer in South Korea, which was completed on 1 April 2014.

- the proposed acquisition of SABMiller, which was announced on 11 November 2015. Per that announcement, we expect pre-tax cost synergies to reach a recurring annual run rate of USD 1.4 billion by the end of the fourth year following completion. Such synergies are expected to be incremental to the aggregate annual run rate cost-saving initiatives of at least USD 1.05 billion by 31 March 2020, announced by SABMiller on 9 October 2015.

Our strong track record also extends to successfully integrating brands such as Budweiser, Corona and Stella Artois into our global brand portfolio and distribution network, including leveraging Ambev’s distribution channels in Latin America and Canada.
Strategy

Our strategy is based on our Dream to be “the Best Beer Company Bringing People Together for a Better World”

The guiding principle for our strategy is a Dream to be “the Best Beer Company Bringing People Together for a Better World.” The “Best Beer Company” element relates primarily to our aim of building and maintaining highly profitable operations, with leading brands and market positions wherever we choose to operate. With our strong brand portfolio, we are “Bringing People Together” in ways that few others can. By building common ground, strengthening human connections and helping our consumers share unique experiences, we are able to achieve something together that cannot be accomplished alone. The term “Better World” articulates our belief that all stakeholders will benefit from good corporate citizenship, finding its expression in our work to promote responsible enjoyment of our products, protecting the environment and giving back to the communities in which we operate. We discourage consumers from excessive or underage drinking and drinking and driving. We achieve this through marketing campaigns and program initiatives, including our Smart Drinking Goals, often in partnership with governments, other private sector companies and community organizations, as well as ensuring that our marketing is directed to legal age consumers, as outlined in our Responsible Marketing and Communications Code. For further information about our Smart Drinking Goals, see “Item 4. Information on the Company—B. Business Overview—13. Social and Community Matters.”

A clear and consistent business model is fundamental to our strategy

Our business model is focused on organic growth and long-term, sustainable value creation for our shareholders. This is achieved through revenue growth ahead of the industry, driven by deep consumer insights and solid market execution, coupled with strong cost management and margin enhancement. This business model is supported by strict financial discipline in the generation and use of cash, including selective external growth opportunities, and is underpinned by our powerful Dream-People-Culture platform.

First, we aim to grow our revenue ahead of the benchmark of industry volume growth plus inflation, on a country-by-country basis.

- We aim to grow our revenue by investing to drive strong consumer preference for our brands and continued premiumization of our brand portfolio.
- In a rapidly changing marketplace, we focus on a deep understanding of consumer needs and aim to achieve high levels of brand preference by delivering against those needs. We seek to remain relevant to existing consumers, win new consumers, and secure their long-term brand loyalty.
- We intend to further strengthen brand innovation in order to stay ahead of market trends and maintain consumer appeal.
- In partnership with distributors, off-trade retailers and on-trade points of sale, we seek to build connections with our consumers at the point-of-sale by further improving the quality of the consumer’s shopping experience and consumption occasions.
- We leverage social media platforms to reach out to existing and potential consumers and build connections with our brands. Social media is becoming increasingly important to the development of our brands, and has become an important platform in building connections with digitally savvy, legal drinking age consumers.
Second, we strive to continuously improve efficiency by unlocking the potential for variable and fixed-cost savings.

- We aim to maintain long-term cost increases at below inflation, benefiting from the application of cost efficiency programs such as Zero-Based Budgeting and Voyager Plant Optimization, internal and external benchmarking, as well as from our scale.
- We aim to leverage the Global Procurement Center, located in Belgium, to generate further cost savings and build on our supplier relationships to bring new ideas and innovation to our business.
- Our management believes that cost management and efficiency are part of an ongoing process. We will continue to share best practices across all functions, as well as benchmark performance externally against other leading companies.
- A combination of revenue growth ahead of the industry and inflation, a more premium brand mix, and cost increases below inflation should enable us to deliver on our commitment of long-term margin enhancement.

Finally, we will continue to exercise strict financial discipline in the generation and use of cash.

- We have consistently generated significant operating cash flow from growth in our operating activities, tight working capital management and a disciplined approach to capital expenditure.
- While organic growth is the focus for our management, external growth remains a core competency and we will continue to take advantage of opportunities as and when they arise.
- Our management has repeatedly demonstrated its ability to successfully integrate acquisitions and generate significant cost synergies and revenue growth opportunities.
- In terms of long-term capital allocation, we will continue to prioritize investment in the organic growth of our business. Non-organic, external growth is a core competency and we will continue to consider suitable opportunities as and when they arise. In the absence of appropriate external growth opportunities, surplus cash flow should be returned to shareholders, with dividends providing a predictable growing flow. Our goal is to reach a dividend yield in line with other large capitalization consumer goods companies, in the 3% to 4% range, with low volatility consistent with the non-cyclical nature of our business. In addition, our optimal capital structure is a net debt to EBITDA, as defined (adjusted for exceptional items), ratio of 2x, and around this level, the return of cash to shareholders should be comprised of both dividends and share buybacks. Net debt to EBITDA, as defined (adjusted for exceptional items), increased from 2.27x for the 12-month period ending 31 December 2014 to 2.51x for the 12-month period ending 31 December 2015, both on a reported basis. In 2015, we conducted a successful share buyback program in relation to our various share delivery commitments under the stock ownership plan, in which 8,200,090 ordinary shares were repurchased for a total consideration of approximately USD 1 billion. We expect our net debt to EBITDA, as defined (adjusted for exceptional items), ratio to increase meaningfully in excess of 2x upon completion of the Transaction.

**General factors facilitate the implementation of our corporate strategy**

We have identified a number of other factors which we believe will facilitate the implementation of our corporate strategy:

- a disciplined approach to innovation, aimed at invigorating the beer category and increasing our share of the beer and total alcohol markets;
• a strong company culture, investing in people and maintaining a strong target-related compensation structure;
• best-in-class financial discipline spread throughout the whole organization; and
• a strong Better World platform, which links our business objectives to our consumers and our social responsibility initiatives.

2. PRINCIPAL ACTIVITIES AND PRODUCTS

We produce, market, distribute and sell a strong portfolio of well over 200 beer and malt beverage brands. We have a global footprint with a balanced exposure to developed and developing markets and production facilities spread across our Zones.

Our production and distribution facilities and other assets are predominantly located in the same geographical areas as our consumers. We set up local production when we believe that there is substantial potential for local sales that cannot be addressed in a cost-efficient manner through exports or third-party distribution into the relevant country. Local production also helps us to reduce, although it does not eliminate, our exposure to currency movements.

The table below sets out the main brands we sell in the markets listed below as of 31 December 2015.

<table>
<thead>
<tr>
<th>Market</th>
<th>Global brands</th>
<th>Multi-country brands</th>
<th>Local brands</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>North America</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Canada</td>
<td>Budweiser, Corona,</td>
<td>Beck’s, Hoegaarden,</td>
<td>Beer: Alexander Keith’s, Bass,</td>
</tr>
<tr>
<td></td>
<td>Stella Artois</td>
<td>Leffe</td>
<td>Bud Light, Kokanee, Labatt,</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Lakeport, Lucky, Oland, Mike’s</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Hard Lemonade, Okanagan, Palm</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Bay, Stanley Park, Mill Street</td>
</tr>
<tr>
<td>United States</td>
<td>Budweiser, Corona,</td>
<td>Beck’s, Hoegaarden,</td>
<td>Beer: Bass, Bud Light, Busch,</td>
</tr>
<tr>
<td></td>
<td>Stella Artois</td>
<td>Leffe</td>
<td>Goose Island, Michelob Ultra,</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Natural Light, Shock Top, Blue</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Point, Busch Light, Bud Light,</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Lime-A-Rita Family, MixxTail,</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Oculo, 10 Barrel, Elysian,</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Golden Road, Four Peaks</td>
</tr>
<tr>
<td>Mexico</td>
<td>Budweiser, Corona,</td>
<td>—</td>
<td>Beer: Bud Light, Modelo</td>
</tr>
<tr>
<td></td>
<td>Stella Artois</td>
<td></td>
<td>Especial, Victoria, Pacifico,</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Negra Modelo, Modelo Ambar,</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Modelo Light, Barrilito,</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Estrella, Leon, Montejo,</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Tropical, Ideal, Mexicali,</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Day of the Dead, Tijuana</td>
</tr>
<tr>
<td><strong>Latin America</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Argentina</td>
<td>Budweiser, Corona,</td>
<td>Beck’s, Hoegaarden,</td>
<td>Beer: Andes, Brahma, Norte,</td>
</tr>
<tr>
<td></td>
<td>Stella Artois</td>
<td>Leffe</td>
<td>Patagonia, Quilmes, Iguana,</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Franziskaner, MixxTail, Lowenbrau,</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Pilsen, Negra Modelo</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Non-beer: 7UP, Pepsi, H2OH!,</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Mirinda, Paso de los Toros,</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Tropicana, Gatorade</td>
</tr>
<tr>
<td>Bolivia</td>
<td>Corona, Stella Artois</td>
<td>—</td>
<td>Beer: Paceña, Taquína, Huari</td>
</tr>
<tr>
<td>Brazil</td>
<td>Budweiser, Corona,</td>
<td>Hoegaarden, Leffe</td>
<td>Non-beer: 7UP, Pepsi</td>
</tr>
<tr>
<td></td>
<td>Stella Artois</td>
<td></td>
<td>Beer: Antarctica, Bohemia,</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Brahma, Skol, Colorado</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Non-beer: Guaraná Antarctica,</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Pepsi</td>
</tr>
<tr>
<td>Chile</td>
<td>Budweiser, Corona,</td>
<td>—</td>
<td>Beer: Baltic, Becker, Brahma</td>
</tr>
<tr>
<td></td>
<td>Stella Artois</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Colombia</td>
<td>Budweiser, Corona,</td>
<td>—</td>
<td>Beer: Bogota Beer Company,</td>
</tr>
<tr>
<td></td>
<td>Stella Artois</td>
<td></td>
<td>Modelo Especial, Bud Light</td>
</tr>
<tr>
<td>Dominican</td>
<td>Budweiser, Corona,</td>
<td>Hoegaarden, Leffe</td>
<td>Beer: Brahma, Presidente,</td>
</tr>
<tr>
<td>Republic</td>
<td>Stella Artois</td>
<td></td>
<td>Bohemia, The One</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Non-beer: Pepsi, 7UP, Red Rock</td>
</tr>
<tr>
<td>Ecuador</td>
<td>Budweiser, Corona,</td>
<td>—</td>
<td>Beer: Brahma, Biela</td>
</tr>
<tr>
<td>Guatemala</td>
<td>Stella Artois</td>
<td>Beck’s, Hoegaarden,</td>
<td>Beer: Brahma, Modelo Especial,</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Leffe</td>
<td>Bud Light</td>
</tr>
</tbody>
</table>
The table below sets out our sales broken down by business segment for the periods shown:

<table>
<thead>
<tr>
<th>Market</th>
<th>Global brands</th>
<th>Multi-country brands</th>
<th>Local brands</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Budweiser, Corona,</td>
<td>—</td>
<td>Beer: Baviera, Brahma, Ouro Fino, Pilsen</td>
</tr>
<tr>
<td></td>
<td>Stella Artois</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paraguay</td>
<td>—</td>
<td>—</td>
<td>Beer: Brahma, Lowenbrau</td>
</tr>
<tr>
<td>Peru(1)</td>
<td>Budweiser, Corona,</td>
<td>—</td>
<td>Beer: Pilsen, Nortèña, Patricia, Zillertal</td>
</tr>
<tr>
<td></td>
<td>Stella Artois</td>
<td></td>
<td>Non-beer: 7UP, Pepsi, H2OH!</td>
</tr>
<tr>
<td></td>
<td>—</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Uruguay</td>
<td>Budweiser, Corona,</td>
<td>—</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Stella Artois</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Europe</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Belgium</td>
<td>Budweiser, Stella</td>
<td>Beck’s, Hoegaarden,</td>
<td>Beer: Belle-Vue, Jupiler, Vieux Temps</td>
</tr>
<tr>
<td></td>
<td>Artois</td>
<td>Leffe</td>
<td></td>
</tr>
<tr>
<td>France</td>
<td>Budweiser, Corona,</td>
<td>Beck’s, Hoegaarden,</td>
<td>Beer: Belle-Vue, Boomerang, Loburg</td>
</tr>
<tr>
<td></td>
<td>Stella Artois</td>
<td>Leffe</td>
<td></td>
</tr>
<tr>
<td>Germany</td>
<td>—</td>
<td>Beck’s</td>
<td>Beer: Diebels, Franziskaner, Haake-Beck, Hasseroöder, Löwenbräu, Spaten, Gilde, Lindener, Ratskeller</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>Stella Artois</td>
<td>Beck’s, Hoegaarden,</td>
<td>Beer: Diekirch, Jupiler, Mousel</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Leffe</td>
<td></td>
</tr>
<tr>
<td>Netherlands</td>
<td>Corona, Stella Artois</td>
<td>Beck’s, Hoegaarden,</td>
<td>Beer: Dommelsh, Jupiler, Hertog Jan</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Leffe</td>
<td></td>
</tr>
<tr>
<td>United Kingdom</td>
<td>Budweiser, Corona,</td>
<td>Beck’s, Hoegaarden,</td>
<td>Beer: Bass, Boddingtons, Brahma, Mackeson, Cubanisto, Camden Town</td>
</tr>
<tr>
<td></td>
<td>Stella Artois</td>
<td>Leffe</td>
<td></td>
</tr>
<tr>
<td>Italy</td>
<td>Budweiser, Corona,</td>
<td>Beck’s, Hoegaarden,</td>
<td>Beer: Franziskaner, Löwenbräu, Spaten</td>
</tr>
<tr>
<td></td>
<td>Stella Artois</td>
<td>Leffe</td>
<td></td>
</tr>
<tr>
<td>Spain</td>
<td>Corona, Stella Artois</td>
<td>Beck’s, Leffe</td>
<td>Beer: Franziskaner</td>
</tr>
<tr>
<td>Russia</td>
<td>Bud, Corona, Stella</td>
<td>Hoegaarden, Leffe</td>
<td>Beer: Bagbier, Brahma, Klinskoye, Löwenbräu, Sibirskaya</td>
</tr>
<tr>
<td></td>
<td>Artois</td>
<td></td>
<td>Korona, T, Tolstiax, Spaten, Franziskaner</td>
</tr>
<tr>
<td>Ukraine</td>
<td>Bud, Corona, Stella</td>
<td>Beck’s, Hoegaarden,</td>
<td>Beer: Chernigivske, Rogan, Yantar</td>
</tr>
<tr>
<td></td>
<td>Artois</td>
<td>Leffe</td>
<td></td>
</tr>
<tr>
<td>Asia Pacific</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>China</td>
<td>Budweiser, Corona,</td>
<td>Beck’s, Hoegaarden,</td>
<td>Beer: Harbin, Sedrin, Big Boss, Ginsber, MixxTail</td>
</tr>
<tr>
<td></td>
<td>Stella Artois</td>
<td>Leffe</td>
<td></td>
</tr>
<tr>
<td>South Korea</td>
<td>Budweiser, Corona,</td>
<td>Hoegaarden</td>
<td>Beer: Cass, OB</td>
</tr>
<tr>
<td></td>
<td>Stella Artois</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Notes:

(1) We divested our soft drink business in Peru in July 2015.

The table below sets out our sales broken down by business segment for the periods shown:

<table>
<thead>
<tr>
<th>Market</th>
<th>2015 Revenue(1) (USD million)</th>
<th>2015 Revenue (% of total)</th>
<th>2014 Revenue(1) (USD million)</th>
<th>2014 Revenue (% of total)</th>
<th>2013 Revenue (USD million)</th>
<th>2013 Revenue (% of total)</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>15,603</td>
<td>35.8%</td>
<td>16,093</td>
<td>34.2%</td>
<td>16,023</td>
<td>37.1%</td>
</tr>
<tr>
<td>Mexico(2)</td>
<td>3,951</td>
<td>9.1%</td>
<td>4,619</td>
<td>9.8%</td>
<td>2,769</td>
<td>6.4%</td>
</tr>
<tr>
<td>Latin America North(4)</td>
<td>9,096</td>
<td>20.9%</td>
<td>11,269</td>
<td>23.9%</td>
<td>10,877</td>
<td>25.2%</td>
</tr>
<tr>
<td>Latin America South</td>
<td>3,458</td>
<td>7.9%</td>
<td>2,961</td>
<td>6.3%</td>
<td>3,269</td>
<td>7.6%</td>
</tr>
<tr>
<td>Europe(3)(5)</td>
<td>4,012</td>
<td>9.2%</td>
<td>4,865</td>
<td>10.3%</td>
<td>5,065</td>
<td>11.7%</td>
</tr>
<tr>
<td>Asia Pacific(5)</td>
<td>5,555</td>
<td>12.7%</td>
<td>5,040</td>
<td>10.7%</td>
<td>3,354</td>
<td>7.8%</td>
</tr>
<tr>
<td>Global Export &amp; Holding Companies</td>
<td>1,929</td>
<td>4.4%</td>
<td>2,216</td>
<td>4.7%</td>
<td>1,839</td>
<td>4.2%</td>
</tr>
<tr>
<td>Total</td>
<td>43,604</td>
<td>100.0%</td>
<td>47,063</td>
<td>100.0%</td>
<td>43,195</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

Notes:

(1) Gross revenue (turnover) less excise taxes and discounts. In many jurisdictions, excise taxes make up a large proportion of the cost of beer charged to our customers.

The table below sets out the breakdown between our beer and non-beer volumes and revenue. Based on our actual historical financial information for these periods, our non-beer activities accounted for 9.6% of consolidated volumes in 2015, 10.2% of consolidated volumes in 2014 and 11.0% of consolidated volumes in 2013. In terms of revenue, our non-beer activities generated 6.9% of consolidated revenue in 2015, compared to 8.4% in 2014 and 9.5% in 2013 based on our actual historical financial information for these periods.

<table>
<thead>
<tr>
<th>Volume (million hectoliters)</th>
<th>Beer (1)(3)</th>
<th>Non-Beer (4)</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>413</td>
<td>411</td>
<td>44</td>
</tr>
<tr>
<td>2014</td>
<td>411</td>
<td>379</td>
<td>44</td>
</tr>
<tr>
<td>2013</td>
<td>379</td>
<td>44</td>
<td>47</td>
</tr>
<tr>
<td>Revenue(2) (USD million)</td>
<td>40,595</td>
<td>43,116</td>
<td>39,080</td>
</tr>
</tbody>
</table>

Notes:

(1) Beer volumes and revenue include not only brands that we own or license, but also third-party brands that we brew or otherwise produce as a subcontractor and third-party products that we sell through our distribution network, particularly in Western Europe.

(2) Gross revenue (turnover) less excise taxes and discounts. In many jurisdictions, excise taxes make up a large proportion of the cost of beer charged to our customers.

(3) The beer category includes flavored malt beverages, such as the Rita family of beverages and MixxTail.

(4) The non-beer category includes soft drinks and certain other beverages, such as Stella Artois Cidre.

Beer

We manage a portfolio of well over 200 brands of beer. Our beer portfolio is divided into global brands, multi-country brands and local brands. Our brands are our foundation and the cornerstone of our relationships with consumers. We invest in our brands to create a long-term and sustainable competitive advantage by meeting the various needs and expectations of consumers and by developing leading brand positions around the globe.

On the basis of quality and price, beer can be differentiated into the following categories:

- Premium or high-end brands;
• Core brands; and
• Value, discount or sub-premium brands.

Our brands are positioned across all these categories. For example, a global brand like Stella Artois generally targets the premium category across the globe, while a local brand like Natural Light targets the sub-premium category in the United States. In the United States, Bud Light targets the premium light or mainstream category, which is equivalent to the core category in other markets. We have a particular focus on core to premium categories, but intend to be present in the value category if the market structure in a particular country necessitates this presence.

We make clear category choices and, within those categories, clear brand choices. Examples of these choices include the focus on the core Quilmes brand in Argentina, on the core category in Brazil, on the core and premium categories in Canada, on core and premium brands in Russia and on the multi-country premium, domestic premium and core categories in China. The majority of our resources are directed to our “focus brands,” those brands that we believe have the greatest growth potential in their relevant consumer categories. In 2015, our focus brands accounted for 69.6% of our own beer volume.

Consumer preferences can change over time, especially in the face of challenging economic circumstances, such as those faced in many markets between 2008 and 2015. However, we believe we are well placed to deal with short-term trend changes from a portfolio perspective, while continuing our long-standing strategy of driving growth in the core and premium beer categories. We aim to continue with our focus brands strategy, which addresses the desire of consumers to trade up from value to core and from core to premium brands.

Our portfolio includes three global brands with worldwide distribution:
• Budweiser is our largest global flagship brand, accounting for 11.3% of our total company own beer volumes in 2015. Globally, Budweiser volumes have grown every year since 2010, including growth of 6.9% in 2015, driven by strong growth in China and Brazil. Budweiser was a sponsor of the 2014 FIFA World Cup™ and has confirmed its sponsorship of the 2018 and 2022 FIFA World Cups™;
• Corona is the best-selling Mexican beer in the world and the leading beer brand in Mexico. Corona is available in more than 120 countries. In 2015, it was ranked number six in the Brandz™ list of most valuable beer brands worldwide. We have granted Constellation Brands, Inc. the exclusive right to market and sell Corona and certain other Grupo Modelo brands in 50 states of the United States, the District of Columbia and Guam; and
• Stella Artois is the number one Belgian beer in the world according to Plato Logic Limited. Stella Artois is distributed in over 90 countries worldwide and has strong global potential. Stella Artois is a premium lager with a heritage dating back to our foundations in 1366. Our top three markets for Stella Artois are currently the United Kingdom, United States and Argentina. Building upon the strength of this brand in the United Kingdom, we launched Stella Artois Cidre in 2011, Stella Artois Cidre Pear in 2012 and Stella Artois Cidre Raspberry in 2014. In the United States, Stella Artois Cidre was launched in 2013.

In addition, we have three multi-country brands, including:
• Beck’s, the world’s number one German beer, is renowned for uncompromising quality. It is brewed today, just as it was in 1873, with a rigorous brewing process and a recipe using only four natural ingredients. Beck’s adheres to the strictest quality standards of the German Reinheitsgebot (Purity Law). Beck’s is brewed in various countries, including the United States;
• Leffe, a rich, full-bodied beer that hails from Belgium, has the longest heritage in our beer portfolio and is available in over 70 countries worldwide; and
More locally, we manage numerous well-known “local champions,” which form the foundation of our business. The portfolio of local brands includes:

**North America**

- Bud Light is the best-selling beer in the United States and the leader in the premium light category. It is the official sponsor of the NFL (National Football League), with a six-year sponsorship agreement ending in 2016, which has been extended by six years to 2022. In the United States, its share of the premium light category is approximately 44.6%, more than the combined share of the next two largest core brands (based on IRI estimates).
- Michelob ULTRA was rolled out nationally in the United States in 2002 and is estimated to be the number nine brand in the United States according to Beer Marketer’s Insights. Michelob ULTRA was the fastest growing beer brand in the United States in 2015, according to IRI.

**Mexico**

- Victoria is a Vienna-style lager and one of Mexico’s most popular beers. The brand’s fans appreciate its medium body and slight malt sweetness. Victoria was produced for the first time in 1865, making Victoria Mexico’s oldest beer brand.
- Modelo Especial is a full-flavored pilsner beer brewed with premium two-row barley malt for a slightly sweet, well-balanced taste with a light hop character and crisp finish. Brewed since 1925, it was created to be a “model” beer for all of Mexico and stands for pride and authenticity.

We have granted Constellation Brands, Inc. the exclusive right to market and sell Corona and certain other Grupo Modelo brands in 50 states of the United States, the District of Columbia and Guam, including Victoria, Modelo Especial, Pacifico and Negra Modelo.

**Latin America**

- Skol is the leading beer brand in the Brazilian market according to Plato Logic Limited. Skol has been a pioneer and innovator in the beer category, engaging with consumers and creating new market trends, especially with entertainment initiatives such as music festivals.
- Brahma is the second-most consumed beer in Brazil according to Plato Logic Limited. It was one of the Brazilian official sponsors of the 2014 FIFA World Cup™.
- Antarctica is the third-most consumed beer in Brazil according to Plato Logic Limited.
- Quilmes is the leading beer in Argentina, according to Nielsen, and a national icon with its striped light blue and white label linked to the colors of the Argentine national flag and football team.

**Europe**

- Jupiler is the market leader in Belgium and the official sponsor of the most important Belgian professional football league, the Jupiler League. It is also the sponsor of the Belgian national football team.
- Klinskoye, our largest brand in Russia, originated near Moscow.

• Hoegaarden, a high-end Belgian wheat (or “white”) beer. Based on its brewing tradition dating back to 1445, Hoegaarden is top fermented and then refermented in the bottle or keg leading to its distinctive cloudy white appearance.
• Sibirskaya Korona, first established as a local Siberian brand with proud Siberian values, has grown into a national premium brand sold throughout Russia.
• Chernigivske is the best-selling brand of beer in Ukraine and the sponsor of the Ukrainian national football team.

**Asia Pacific**

• Harbin is a national brand with its roots in the northeast of China. Harbin is our largest brand in China and the 11th largest beer brand in the world according to Plato Logic.
• Sedrin is a strong regional brand that originated in China’s Fujian province.
• Cass is the market leader in South Korea.

The branding and marketing of our global brands, Budweiser, Corona and Stella Artois, is managed centrally within our group. Multi-country brands are managed at the zone and local levels for flexibility, while our local brands are generally managed at a local level. See “—B. Business Overview—9. Branding and Marketing” for more information on brand positioning, branding and marketing.

In certain markets, we also distribute products of other brewers.

**Non-Alcoholic Malt Beverages**

In the United States, Anheuser-Busch also produces non-alcoholic malt beverage products, including O’Doul’s, O’Doul’s Amber and related products.

We have also continued to expand our global portfolio of non-alcoholic beverages, including, for example, the launch of Hoegaarden 0.0% in Belgium for consumers who prefer non-alcoholic alternatives. In addition, in 2015, Brahma 0.0% became the number one non-alcoholic beer in Brazil, reaching 71.9% market share in the category according to AC Nielsen. See “Item 4. Information on the Company—B. Business Overview—2. Principal Activities and Products—Beer” for more information.

**Near Beer**

Some of our recent innovations, which often involve other malt beverages, have stretched beyond typical beer occasions, such as the Rita family in the United States and MixxTail in China and Argentina. These innovations are designed to grow the near beer category and improve our market share of alcoholic beverage categories other than beer, by addressing changing consumer trends and preferences, including, for example, a preference for sweeter tasting liquids with higher alcohol content.

**Non-Beer**

**Soft Drinks**

While our core business is beer, we also have a presence in the soft drink market in Latin America through our subsidiary Ambev and in the United States through Anheuser-Busch. Soft drinks include both carbonated and non-carbonated soft drinks.

Our soft drinks business includes both our own brands, as well as agreements with PepsiCo related to bottling and distribution of PepsiCo brands. Ambev is one of PepsiCo’s largest independent bottlers in the world. Major brands that are distributed under these agreements are Pepsi, 7UP and Gatorade. Ambev has long-term agreements with PepsiCo whereby Ambev has the exclusive right to bottle, sell and distribute certain brands of PepsiCo’s portfolio of carbonated and non-carbonated soft drinks in Brazil. The agreements will expire on
31 December 2017 and are automatically extended for additional ten-year terms unless terminated prior to the expiration date by written notice by either party at least two years prior to the expiration of their term or on account of other events, such as a change of control or insolvency of, or failure to comply with material terms or meet material commitments by, our relevant subsidiary. Ambev also has agreements with PepsiCo to bottle, sell, distribute and market some of its brands in the Dominican Republic. Through our Latin America South operations, Ambev is also PepsiCo’s bottler for Argentina, Bolivia and Uruguay.

Apart from the bottling and distribution agreements with PepsiCo, Ambev also produces, sells and distributes its own soft drinks. Its main carbonated soft drinks brand is Guaraná Antarctica.

Since 2006, Anheuser-Busch has provided coordination services for the distribution of Monster Energy Company (“Monster”) energy drinks in portions of the United States, and certain wholly owned and independent Anheuser-Busch wholesalers have distributed the products in local markets. Additionally, Ambev sells and distributes Monster Energy drinks in Brazil pursuant to a distribution agreement executed in November 2012. In 2015, Monster entered into an investment and distribution arrangement with The Coca-Cola Company and The Coca-Cola Company became Monster’s preferred global distributor, including in the United States. As a result, during 2015, Monster terminated most of its agreements with Anheuser-Busch wholesalers relating to local distribution of Monster products in the United States, including all such agreements with Anheuser-Busch’s wholly owned wholesalers.

3. MAIN MARKETS

We are a global brewer, with sales in over 130 countries across the globe.

The last two decades have been characterized by rapid growth in fast-growing developing markets, notably in regions in Latin America North, Latin America South and Asia Pacific, where we have significant sales. The table below sets out our total volumes broken down by business segment for the periods shown:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>118</td>
<td>25.8%</td>
<td>121</td>
<td>26.4%</td>
<td>122</td>
<td>28.7%</td>
</tr>
<tr>
<td>Mexico(1)</td>
<td>42</td>
<td>9.1%</td>
<td>39</td>
<td>8.5%</td>
<td>22</td>
<td>5.3%</td>
</tr>
<tr>
<td>Latin America North(3)</td>
<td>123</td>
<td>27.0%</td>
<td>125</td>
<td>27.3%</td>
<td>119</td>
<td>28.0%</td>
</tr>
<tr>
<td>Latin America South</td>
<td>36</td>
<td>7.9%</td>
<td>37</td>
<td>8.0%</td>
<td>37</td>
<td>8.7%</td>
</tr>
<tr>
<td>Europe(2)(3)</td>
<td>43</td>
<td>9.4%</td>
<td>44</td>
<td>9.7%</td>
<td>47</td>
<td>11.2%</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>88</td>
<td>19.3%</td>
<td>83</td>
<td>18.0%</td>
<td>66</td>
<td>15.4%</td>
</tr>
<tr>
<td>Global Export &amp; Holding Companies(4)</td>
<td>7</td>
<td>1.5%</td>
<td>10</td>
<td>2.1%</td>
<td>12</td>
<td>2.8%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>457</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>459</strong></td>
<td><strong>100.00%</strong></td>
<td><strong>426</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>

Notes:

(1) Following the combination with Grupo Modelo, we are fully consolidating Grupo Modelo in our financial reporting as of 4 June 2013 and are reporting the Grupo Modelo volumes in the reported volumes as of that date. Grupo Modelo results are reported within the relevant zone where we have existing local operations. The Mexico beer and packaging businesses are reported in the Mexico zone. The remaining Export business is reported in the Global Export & Holding Companies segment.

(2) Effective 1 January 2014, we created a single Europe zone by combining two preexisting Zones: Western Europe and Central & Eastern Europe.

(3) As part of the creation of a single Europe zone, our interest in a joint venture in Cuba through our subsidiary Ambev was moved from the Western Europe zone to the Latin America North zone. The figures for both Zones reflect this allocation from 1 January 2014.
(4) Following the reacquisition of Oriental Brewery, we are fully consolidating Oriental Brewery in our financial reporting as of 1 April 2014 and are reporting the Oriental Brewery volumes in the reported volumes as of that date. Oriental Brewery results are reported in the Asia Pacific zone.

On an individual country basis, our largest markets by volume, during the year ended 31 December 2015, were Argentina, Belgium, Brazil, Canada, China, the Dominican Republic, Germany, Mexico, Russia, South Korea, Ukraine, the United Kingdom and the United States, with each market having its own dynamics and consumer preferences and trends. Given the breadth of our brand portfolio, we believe we are well placed to address changing consumer needs in the various categories (premium, core and value) within any given market.

4. COMPETITION

Historically, brewing was a local industry with only a few players having a substantial international presence. Larger brewing companies often obtained an international footprint through direct exports, licensing agreements and joint venture arrangements. However, the last several decades have seen a transformation of the industry, with a prolonged period of consolidation. This trend started within the more established beer markets of Western Europe and North America, and took the form of larger businesses being formed through merger and acquisition activity within national markets. More recently, consolidation has also taken place within developing markets. Over the last decade, the global consolidation process has accelerated, with brewing groups making significant acquisitions outside of their domestic markets and increasingly looking to purchase other regional brewing organizations. As a result of this consolidation process, the absolute and relative size of the world’s largest brewers has substantially increased. Therefore, today’s leading international brewers have significantly more diversified operations and have established leading positions in a number of international markets.

We have participated in this consolidation trend and grown our international footprint through a series of mergers and acquisitions described in “—A. History and Development of the Company” which include:

- the acquisition of Labatt in 1995;
- the acquisition of Beck’s in 2002;
- the acquisition of Ambev and Quilmes Industrial S.A. in 2003;
- the creation of InBev in 2004, through the combination of Interbrew and Ambev;
- the Anheuser-Busch acquisition in November 2008;
- the combination with Grupo Modelo in June 2013; and
- the reacquisition of Oriental Brewery in April 2014.

The ten largest brewers in the world in 2014 in terms of volume are as set out in the table below.

<table>
<thead>
<tr>
<th>Rank</th>
<th>Name</th>
<th>Volume (million hectoliters)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>AB InBev</td>
<td>411.9</td>
</tr>
<tr>
<td>2</td>
<td>SABMiller</td>
<td>291.7</td>
</tr>
<tr>
<td>3</td>
<td>Heineken</td>
<td>210.5</td>
</tr>
<tr>
<td>4</td>
<td>Carlsberg</td>
<td>129.4</td>
</tr>
<tr>
<td>5</td>
<td>Tsingtao (Group)</td>
<td>91.5</td>
</tr>
<tr>
<td>6</td>
<td>Molson Coors Brewing Company</td>
<td>63.4</td>
</tr>
<tr>
<td>7</td>
<td>Beijing Yanjing</td>
<td>53.2</td>
</tr>
<tr>
<td>8</td>
<td>Kirin</td>
<td>42.1</td>
</tr>
<tr>
<td>9</td>
<td>Castel BGI</td>
<td>30.7</td>
</tr>
<tr>
<td>10</td>
<td>Asahi</td>
<td>29.9</td>
</tr>
</tbody>
</table>

Note:

(1) Source: Plato Logic Limited report for the calendar year 2014 (published in December 2015). AB InBev volumes indicated here are Plato Logic Limited’s estimates of our beer-only volumes and do not include volumes of associates. Our own beer volumes for the year ended 2014 were 408 million hectoliters and were 410 million hectoliters for the year ended 31 December 2015.
In each of our regional markets, we compete against a mixture of national, regional, local and imported beer brands. In many countries in Latin America, we compete mainly with local players and local beer brands. In North America, Brazil, and in other selected countries in Latin America, Europe and Asia Pacific, we compete primarily with large leading international or regional brewers and international or regional brands.

5. WEATHER AND SEASONALITY

For information on how weather affects consumption of our products and the seasonality of our business, see “Item 5. Operating and Financial Review—A. Key Factors Affecting Results of Operations—Weather and Seasonality.”

6. BREWING PROCESS; RAW MATERIALS AND PACKAGING; PRODUCTION FACILITIES; LOGISTICS

Brewing Process

The basic brewing process for most beers is straightforward, but significant know-how is involved in quality and cost control. The most important stages are brewing and fermentation, followed by maturation, filtering and packaging. Although malted barley (malt) is the primary ingredient, other grains such as unmalted barley, corn, rice or wheat are sometimes added to produce different beer flavors. The proportion and choice of other raw materials varies according to regional taste preferences and the type of beer.

The first step in the brewing process is making wort by mixing malt with warm water and then gradually heating it to around 75°C in large mash tuns to dissolve the starch and transform it into a mixture, called “mash,” of maltose and other sugars. The spent grains are filtered out and the liquid, now called “wort,” is boiled. Hops are added at this point to give a special bitter taste and aroma to the beer. The wort is boiled for one to two hours to sterilize and concentrate it, and extract the flavor from the hops. Cooling follows, using a heat exchanger. The hopped wort is saturated with air or oxygen, essential for the growth of the yeast in the next stage.

Yeast is a micro-organism that turns the sugar in the wort into alcohol and carbon dioxide. This process of fermentation takes five to eleven days, after which the wort finally becomes beer. Different types of beer are made using different strains of yeast and wort compositions. In some yeast varieties, the cells rise to the top at the end of fermentation. Ales and wheat beers are brewed in this way. Lagers are made using yeast cells that settle to the bottom. Some special Belgian beers, called lambic or gueuze, use yet another method where fermentation relies on spontaneous action by airborne yeasts.

During the maturation process the liquid clarifies as yeast and other particles settle. Further filtering gives the beer more clarity. Maturation varies by type of beer and can take as long as three weeks. Then the beer is ready for packaging in kegs, cans or bottles.

Raw Materials and Packaging

The main raw materials used in our beer and other alcoholic malt beverage production are malted barley, corn grits, corn syrup, rice, hops and water. For non-beer production (mainly carbonated soft drinks) the main ingredients are flavored concentrate, fruit concentrate, sugar, sweetener and water. In addition to these inputs into our products, delivery of our products to consumers requires extensive use of packaging materials such as glass, PET and aluminum bottles, aluminum or steel cans and kegs, aluminum can stock, labels, plastic crates, metal and plastic closures, folding cartons, cardboard products and plastic films.
We use only our own proprietary yeast, which we grow in our facilities. In some regions, we import hops to obtain adequate quality and appropriate variety for flavor and aroma. We purchase these ingredients through the open market and through contracts with suppliers. We also purchase barley and process it to meet our malt requirements at our malting plants.

Prices and sources of raw materials are determined by, among other factors:

- the level of crop production;
- weather conditions;
- export demand; and
- governmental taxes and regulations.

We are reducing the number of our suppliers in each region to develop closer relationships that allow for lower prices and better service, while at the same time ensuring that we are not entirely dependent on a single supplier. We hedge some of our commodities contracts on the financial markets and some of our malt requirements are purchased on the spot market. See “Item 11. Quantitative and Qualitative Disclosures about Market Risk—Market Risk, Hedging and Financial Instruments” and note 27 to our audited financial information as of 31 December 2015 and 2014, and for the three years ended 31 December 2015, for further details on commodities hedging.

We have supply contracts with respect to most packaging materials as well as our own production capacity as outlined below in “—Production Facilities.” The choice of packaging materials varies by cost and availability in different regions, as well as consumer preferences and the image of each brand. We also use aluminum cansheet for the production of beverage cans and lids.

Hops, PET resin and, to some extent, cans are mainly sourced globally. Malt, adjuncts (such as unmalted grains or fruit), sugar, steel, cans, labels, metal closures, soda ash for our glass plants, plastic closures, preforms and folding cartons are sourced regionally. Electricity is sourced nationally, while water is sourced locally, for example, from municipal water systems and private wells.

We use natural gas as the primary fuel for our plants, and diesel as the primary fuel for freight. We believe adequate supplies of fuel and electricity are available for the conduct of our business. The energy commodity markets have experienced, and can be expected to continue to experience, significant price volatility. We manage our energy costs using various methods including supply contracts, hedging techniques, and fuel switching.

Production Facilities

Our production facilities are spread across our Zones, giving us a balanced geographical footprint in terms of production and allowing us to efficiently meet consumer demand across the globe. We manage our production capacity across our Zones, countries and plants. We typically own our production facilities free of any major encumbrances. We also lease a number of warehouses and other commercial buildings from third parties. See “Item 4. Information on the Company—B. Business Overview—11. Regulations Affecting Our Business” for a description of the environmental and other regulations that affect our production facilities.

Beverage Production Facilities

Our beverage production facilities comprised 156 breweries and/or non-beer plants as of 31 December 2015 spread across our Zones. Of these 156 plants, 127 produced only beer and other alcoholic malt beverages, 12
produced only soft drinks and 17 produced beer, other alcoholic malt beverages and soft drinks. Except in limited cases (for example, our Hoegaarden brewery in Belgium), our breweries are not dedicated to one single brand of beer. This allows us to allocate production capacity efficiently within our group.

The table below sets out, for each of our Zones in 2015, the number of our beverage production plants (breweries and/or non-beer drink plants) as well as the plants’ overall capacity and shipment volumes.

<table>
<thead>
<tr>
<th>Zone</th>
<th>Number of plants(4)</th>
<th>2015 volumes(3)(4)</th>
<th>Annual engineering capacity as of 31 December 2015(4)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Beer (khl)(2)</td>
<td>Non-Beer(3)(4)</td>
</tr>
<tr>
<td>North America</td>
<td>25</td>
<td>118,151</td>
<td>0</td>
</tr>
<tr>
<td>Mexico</td>
<td>9</td>
<td>41,629</td>
<td>0</td>
</tr>
<tr>
<td>Latin America North</td>
<td>35</td>
<td>92,366</td>
<td>31,102</td>
</tr>
<tr>
<td>Latin America South</td>
<td>22</td>
<td>23,229</td>
<td>12,756</td>
</tr>
<tr>
<td>Europe</td>
<td>23</td>
<td>42,955</td>
<td>0</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>42</td>
<td>88,218</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>156</strong></td>
<td><strong>406,548</strong></td>
<td><strong>43,858</strong></td>
</tr>
</tbody>
</table>

Notes:
(1) Reported volumes.
(2) For purposes of this table, the beer category includes near beer beverages, such as the Rita family of beverages and MixxTail.
(3) The non-beer category includes soft drinks and certain other beverages, such as Stella Artois Cidre.
(4) Excludes our joint ventures.
(5) Excludes Global Export & Holding Companies with 2015 beer volumes of 6.9 million hectoliters.

**Non-Beverage Production Facilities**

Our beverage production plants are supplemented and supported by a number of plants and other facilities that produce raw materials and packaging materials for our beverages. The table below provides additional detail on these facilities as of 31 December 2015.

<table>
<thead>
<tr>
<th>Type of plant / facility</th>
<th>Number of plants/facilities(1)</th>
<th>Countries in which plants / facilities are located(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Malt plants</td>
<td>14</td>
<td>Argentina, Brazil, Mexico, Russia, South Korea, United States, Uruguay</td>
</tr>
<tr>
<td>Rice mill</td>
<td>1</td>
<td>United States</td>
</tr>
<tr>
<td>Corn grits</td>
<td>5</td>
<td>Argentina, Bolivia, Brazil</td>
</tr>
<tr>
<td>Hop farms</td>
<td>2</td>
<td>Germany, United States</td>
</tr>
<tr>
<td>Hop pellet plant</td>
<td>1</td>
<td>Argentina</td>
</tr>
<tr>
<td>Guaraná farm</td>
<td>1</td>
<td>Brazil</td>
</tr>
<tr>
<td>Glass bottle plants</td>
<td>6</td>
<td>Brazil, Mexico, Paraguay, United States</td>
</tr>
<tr>
<td>Bottle cap plants</td>
<td>3</td>
<td>Argentina, Brazil, Mexico</td>
</tr>
<tr>
<td>Label plant</td>
<td>1</td>
<td>Brazil</td>
</tr>
<tr>
<td>Can plants</td>
<td>7</td>
<td>Bolivia, Mexico, United States</td>
</tr>
<tr>
<td>Can lid manufacturing plants</td>
<td>2</td>
<td>United States</td>
</tr>
<tr>
<td>Crown and closure liner material plant</td>
<td>1</td>
<td>United States</td>
</tr>
<tr>
<td>Syrup plant</td>
<td>2</td>
<td>Brazil</td>
</tr>
<tr>
<td>Sand quarries</td>
<td>1</td>
<td>Mexico</td>
</tr>
</tbody>
</table>

Notes:
(1) Excludes plants and facilities owned by joint ventures.
In addition to production facilities, we also maintain a geographical footprint in key markets through sales offices and
distribution centers. Such offices and centers are opened as needs in the various markets arise.

**Capacity Expansion**

We continually assess whether our production footprint is optimized to support future customer demand. Through footprint
optimization, adding new capabilities (such as plants, packaging lines or distribution centers) to our portfolio not only allows us to
boost production capacity, but the strategic location often also reduces distribution time and costs so that our products reach
consumers rapidly, efficiently and at a lower total cost. Conversely, footprint optimization can lead to divesting of some assets, such
as reducing some production and distribution capabilities as needed to maintain the most optimal operational network.

For example, in 2015, in China, we closed four older breweries, while opening three new breweries in the Heilongjiang, Yunnan
and Jiangxi provinces. Additionally, we further expanded three existing breweries and continue scoping requirements for capacity
additions and expansions to support this growing market. We also invested in additional brewing, packaging and distribution
capacities in Brazil, Mexico, the U.S., Uruguay and Belgium to meet our future demand expectations in these countries.

Our capital expenditures are primarily funded through cash from operating activities and are for production facilities, logistics,
administrative capabilities improvements, hardware and software.

We may also outsource, to a limited extent, the production of items that we are either unable to produce in our own production
network (for example, due to a lack of capacity during seasonal peaks) or for which we do not yet want to invest in new production
facilities (for example, to launch a new product without incurring the full associated start-up costs). Such outsourcing mainly relates
to secondary repackaging materials that we cannot practicably produce on our own, in which case our products are sent to external
companies for repackaging (for example, gift packs with different types of beers).

**Logistics**

Our logistics organization is composed of (i) a first tier, which comprises all inbound flows into the plants of raw materials and
packaging materials and all the outbound flows from the plants into the second drop point in the chain (for example, distribution
centers, warehouses, wholesalers or key accounts), and (ii) a second tier, which comprises all distribution flows from the second drop
point into the customer delivery tier (for example, pubs or retailers).

Transportation is mainly outsourced to third-party contractors, although we do own a small fleet of vehicles in certain countries
where it makes economic or strategic sense.

Most of our breweries have a warehouse that is attached to its production facilities. In places where our warehouse capacity is
limited, external warehouses are rented. We strive to centralize fixed costs, which has resulted in some plants sharing warehouse and
other facilities with each other.

Where it has been implemented, the VPO program has had a direct impact on our logistics organization, for example, in respect
of safety, quality, environment, scheduling, warehouse productivity and loss prevention actions.

7. DISTRIBUTION OF PRODUCTS

We depend on effective distribution networks to deliver products to our customers. We review our focus markets for distribution
and licensing agreements on an annual basis. The focus markets will typically be markets with an interesting premium category and
with sound and strong partners (brewers and/or importers). Based on these criteria, focus markets are then chosen.

The distribution of beer, other alcoholic beverages and non-beer drinks varies from country to country and from region to
region. The nature of distribution reflects consumption patterns and market structure, geographical
density of customers, local regulation, the structure of the local retail sector, scale considerations, market share, expected added-value and capital returns, and the existence of third-party wholesalers or distributors. In some markets, brewers distribute directly to customers (for example, in Belgium). In other markets, wholesalers may play an important role in distributing a significant proportion of beer to customers either for legal reasons (for example, in certain U.S. states and Canada where there may be legal constraints on the ability of a beer manufacturer to own a wholesaler), or because of historical market practice (for example, in China, Russia and Argentina). In some instances, we have acquired third-party distributors to help us self-distribute our products as we have done in Brazil and Mexico.

The products we brew in the United States are sold to approximately 500 wholesalers for resale to retailers, with some entities owning more than one wholesaler. As of the end of 2015, we owned 21 of these wholesalers and have ownership stakes in another two of them. The remaining wholesalers are independent businesses. In certain countries, we enter into exclusive importer arrangements and depend on our counterparties to these arrangements to market and distribute our products to points of sale. In certain markets, we also distribute the products of other brewers.

We generally distribute our products through (i) own distribution, in which we deliver to points of sale directly, and (ii) third-party distribution networks, in which delivery to points of sale occurs through wholesalers and independent distributors. Third-party distribution networks may be exclusive or non-exclusive and may, in certain business segments, involve use of third-party distribution while we retain the sales function through an agency framework. We seek to fully manage the sales teams in each of our markets. In case of non-exclusive distributorships, we try to encourage best practices through wholesaler excellence programs.


As a customer-driven organization, we have programs for professional relationship building with our customers in all markets regardless of the chosen distribution method. This happens directly, for example, by way of key customer account management, and indirectly, by way of wholesaler excellence programs.

We seek to provide media advertising, point-of-sale advertising, and sales promotion programs to promote our brands. Where relevant, we complement national brand strategies with geographic marketing teams focused on delivering relevant programming addressing local interests and opportunities.

8. LICENSING

In markets where we have no local affiliate, we may choose to enter into license agreements or, alternatively, international distribution and/or importation agreements, depending on the best strategic fit for each particular market. License agreements entered into by us grant the right to third-party licensees to manufacture, package, sell and market one or several of our brands in a particular assigned territory under strict rules and technical requirements. In the case of international distribution and/or importation agreements, we produce and package the products ourselves while the third party distributes, markets and sells the brands in the local market.

Stella Artois is licensed to third parties in Algeria, Australia, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Hungary, Israel, Kosovo, Montenegro, New Zealand, Romania, Serbia and Slovakia, while Beck’s is licensed to third parties in Algeria, Australia, Bosnia and Herzegovina, Bulgaria, Croatia, Hungary, Kosovo, Montenegro, New Zealand, Romania, Serbia, Slovakia, Tunisia and Turkey.

Budweiser is brewed and sold in Japan through license and distribution agreements with Kirin Brewery Company, Limited. A licensing agreement allows Diageo Ireland to brew and sell Budweiser and Bud Light in the Republic of Ireland and Northern Ireland. Budweiser is also brewed under license and sold by brewers in Spain (Sociedad Anonima Damm) and Panama (Heineken). Compañía Cervecerías Unidas, a subsidiary of Compañía Cervecerías Unidas S.A., a leading Chilean brewer, brews and distributes Budweiser in Argentina through a subsidiary. We also sell various brands, including Budweiser, by exporting from our license partners’ breweries to other countries.
Corona is perpetually licensed to Constellation Brands, Inc. for production in Mexico and marketing and sales in 50 states of the United States, the District of Columbia and Guam. Corona is also distributed either through our own network or by third parties in over 120 other countries worldwide.

On 2 December 2009, we sold our Central European operations to CVC Capital Partners. The business we sold to CVC Capital Partner, in 2009 has rights to brew and/or distribute, under license from us, Beck’s, Hoegaarden, Leffe, Löwenbräu, Spaten and Stella Artois, in Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Hungary, Kosovo, Macedonia, Moldova, Montenegro, Romania, Serbia, Slovakia and Slovenia. On 15 June 2012, CVC sold the business to Molson Coors Brewing Company for an aggregate consideration of EUR 2.65 billion (USD 3.50 billion). As of 31 December 2015, we retain rights to brew and distribute Staropramen in Ukraine and Russia and to distribute Staropramen in Italy.

We also manufacture and distribute other third-party brands, such as Kirin in the United States. Ambev, our listed Brazilian subsidiary, and some of our other subsidiaries have entered into manufacturing and distribution agreements with PepsiCo. Pursuant to the agreements between Ambev and PepsiCo, Ambev is one of PepsiCo’s largest independent bottlers in the world. Major brands that are distributed under this agreement are Pepsi, 7UP and Gatorade. See “—2. Principal Activities and Products—Non-Beer—Soft Drinks” for further information in this respect. Ambev also has a license agreement with us allowing it to exclusively produce, distribute and market Budweiser and Stella Artois in Brazil and Canada. Ambev also distributes Budweiser in Chile, Ecuador, Paraguay, Uruguay, Guatemala, Dominican Republic, El Salvador, Peru and Nicaragua and Corona in Argentina, Paraguay, Bolivia, Uruguay, Chile, Peru, Guatemala, El Salvador, Panama, Nicaragua and Canada.

9. BRANDING AND MARKETING

Our brands are the foundation, and cornerstone of our relationships with consumers and the key to our long-term success. Our brand portfolio, its enduring bonds with consumers and its partnerships with customers are our most important assets. We invest in our brands to create long-term sustainable competitive advantage by seeking to meet the beverage needs of consumers around the world and to develop leading brand positions in every market in which we operate.

Our brand portfolio consists of three global brands (Budweiser, Corona and Stella Artois), our multi-country brands (Beck’s, Leffe and Hoegaarden), and many “local champions” (Jupiler, Skol, Quilmes, Bud Light, Sibirskaya Korona, Modelo Especial and Harbin, to name but a few). We believe this global brand portfolio provides us with strong growth and revenue opportunities and, coupled with a powerful range of premium brands, positions us well to meet the needs of consumers in each of the markets in which we compete. For further information about our focus brands, see “—2. Principal Activities and Products—Beer.”

We have established a “focus brands” strategy. Focus brands are those in which we invest the majority of our resources (money, people and attention). They are a small group of brands which we believe have the best growth potential within each relevant consumer group. These focus brands include our three global brands, key multi-country brands and selected “local champions.” In 2015, our focus brands accounted for 69.6% of our beer volume.

We seek to constantly strengthen and develop our brand portfolio through enhancement of brand quality, marketing and product innovation. Our marketing team therefore works together closely with our research and development team (see “—B. Business Overview—10. Intellectual Property; Research and Development” for further information).

We continually assess consumer needs and values in each geographic market in which we operate with a view to identifying the key characteristics of consumers in each beer category (that is, premium, core and value). This allows us to position our existing brands (or to introduce new brands) in order to address the characteristics of each category.
Our marketing approach is based on a “value-based brands” approach. A value-based brands proposition is a single, clear, compelling values-based reason for consumer preference. We have defined 37 different consumer values (such as ambition, authenticity or friendship) to establish a connection between consumers and our products. The value-based brands approach first involves the determination of consumer portraits; secondly, brand attributes (that is, tangible characteristics of the brand that support the brand’s positioning) and brand personality (that is, the way the brand would behave as a person) are defined; and, finally, a positioning statement to help ensure the link between the consumer and the brand is made. Once this link has been established, a particular brand can either be developed (brand innovation) or relaunched (brand renovation or line extension from the existing brand portfolio) to meet the customers’ needs. We apply zero-based planning principles to yearly budget decisions and for ongoing investment reviews and reallocations. We invest in each brand in line with its local or global strategic priority and, taking into account its local circumstances, seek to maximize profitable and sustainable growth.

For example, we focus on our growth strategy for each of our brands based on different growth driver platforms, which depend on the occasion at which our products are consumed (e.g., relaxing at home with friends; or socializing in a bar). These growth driver platforms are a global company-wide initiative, incorporating the whole organization from supply, to operations, to sales and marketing, bringing our teams together to deliver end-to-end integrated consumer experiences.

We own the rights to our principal brand names and trademarks in perpetuity for the main countries where these brands are currently commercialized (with the exception of the Modelo brands licensed in the United States as described under “—8. Licensing” above).

10. INTELLECTUAL PROPERTY; RESEARCH AND DEVELOPMENT

Innovation is one of the key factors enabling us to achieve our strategy. We seek to combine technological know-how with market understanding to develop a healthy innovation pipeline in terms of production process, product and packaging features as well as branding strategy. In addition, as beer markets mature, innovation plays an increasingly important role by providing differentiated products with increased value to consumers.

**Intellectual Property**

Our intellectual property portfolio mainly consists of trademarks, patents, registered designs, copyrights, know-how and domain names. This intellectual property portfolio is managed by our internal legal department, in collaboration with a selected network of external intellectual property advisors. We place importance on achieving close cooperation between our intellectual property team and our marketing and research and development teams. An internal stage gate process promotes the protection of our intellectual property rights, the swift progress of our innovation projects and the development of products that can be launched and marketed without infringing any third-party’s intellectual property rights. A project can only move on to the next step of its development after the necessary verifications (for example, availability of trademark, existence of prior technology/earlier patents and freedom to market) have been carried out. This internal process is designed to ensure that financial and other resources are not lost due to oversights in relation to intellectual property protection during the development process.

Our patent portfolio is carefully built to gain a competitive advantage and support our innovation and other intellectual assets. We currently have more than 95 pending patent families, each of which covers one or more technological inventions. This means we have or are seeking to obtain patent protection for more than 110 different technological inventions. The extent of the protection differs between technologies, as some patents are protected in many jurisdictions, while others are only protected in one or a few jurisdictions. Our patents may relate, for example, to brewing processes, improvements in production of fermented malt-based beverages, treatments for improved beer flavor stability, non-alcoholic beer development, filtration processes, beverage dispensing systems and devices or beer packaging.

We license in limited technology from third parties. We also license out certain of our intellectual property to third parties, for which we receive royalties.
Research and Development

Given our focus on innovation, we place a high value on research and development (“R&D”). In 2015, we spent USD 207 million (USD 217 million in 2014 and USD 185 million in 2013) on R&D. Part of this was spent in the area of market research, but the majority is related to innovation in the areas of process optimization and product development.

R&D in product innovation covers liquid, packaging and dispense innovation. Product innovation consists of breakthrough innovation, incremental innovation and renovation (that is, updates and enhancements of existing products and packages). The main goal for the innovation process is to provide consumers with better products and experiences. This includes launching new liquids, new packaging and new dispense systems that deliver better performance both for the consumer and in terms of financial results, by increasing our competitiveness in the relevant markets. With consumers comparing products and experiences offered across very different beverage categories and the choice of beverages increasing, our R&D efforts also require an understanding of the strengths and weaknesses of other beverage categories, spotting opportunities for beer and malt beverages and developing consumer solutions (products) that better address consumer needs and deliver better experiences. This requires understanding consumer emotions and expectations. Sensory experience, premiumization, convenience, sustainability and design are all central to our R&D efforts.

R&D in process optimization is primarily aimed at quality improvement, capacity increase (plant debottlenecking and addressing volume issues, while minimizing capital expenditure) and improving efficiency. Newly developed processes, materials and/or equipment are documented in best practices and shared across business Zones. Current projects range from malting to bottling of finished products.

Knowledge management and learning also make up an integral part of research and development. We seek to continuously increase our knowledge through collaborations with universities and other industries.

Our R&D team is briefed at least annually on our priorities and our business Zones’ priorities and approves concepts and technologies which are subsequently prioritized for development. The R&D teams invest in both short- and long-term strategic projects for future growth, with the launch time depending on complexity and prioritization.

The Global Innovation and Technology Center, located in Leuven, Belgium, accommodates the Product, Packaging, Raw Material, Process, and Dispense Development teams and has facilities such as Labs, Experimental Brewery and Sensory Analysis. In addition to the Global Innovation and Technology Center, we also have Product, Packaging and Process development teams located in each of our six geographic regions focusing on the short-term development and implementation needs of such regions.

11. REGULATIONS AFFECTING OUR BUSINESS

Our worldwide operations are subject to extensive regulatory requirements regarding, among other things, production, distribution, importation, marketing, promotion, labeling, advertising, labor, pensions and public health, consumer protection and environmental issues. For example, in the United States, federal and state laws regulate most aspects of the brewing, sale, marketing, labeling and wholesaling of our products. At the federal level, the Alcohol and Tobacco Tax and Trade Bureau of the U.S. Treasury Department oversees the industry, and each state in which we sell or produce products, and some local authorities in jurisdictions in which we sell products, also have regulations that affect the business conducted by us and other brewers and wholesalers. It is our policy to abide by the laws and regulations around the world that apply to us or to our business. We rely on legal and operational compliance programs, as well as local in-house and external counsel, to guide our businesses in complying with applicable laws and regulations of the countries in which we operate.

Our Existing Business—We could incur significant costs as a result of compliance with, and/or violations of or liabilities under, various regulations that govern our operations,” “Item 3. Key Information—D. Risk Factors—Risks Relating to Our Existing Business—Our operations are subject to environmental regulations, which could expose us to significant compliance costs and litigation relating to environmental issues,” “Item 3. Key Information—D. Risk Factors—Risks Relating to Our Existing Business—Our subsidiary, Ambev, operates a joint venture in Cuba, in which the Government of Cuba is its joint venture partner. Cuba remains subject to comprehensive economic and trade sanctions by the United States and our operations in Cuba may adversely affect our reputation and the liquidity and value of our securities,” and “Item 5. Operating and Financial Review—A. Key Factors Affecting Results of Operations—Governmental Regulations.”

Production, advertising, marketing and sales of alcoholic beverages are subject to various restrictions around the world, often based on health considerations related to the misuse or harmful use of alcohol. These range from a complete prohibition of alcohol in certain countries and cultures through the prohibition of the import of alcohol, to restrictions on the advertising style, media and messages used. In a number of countries, television is a prohibited medium for advertising alcohol products, and in other countries, television advertising, while permitted, is carefully regulated. Media restrictions may constrain our brand building potential. Labeling of our products is also regulated in certain markets, varying from health warning labels to importer identification, alcohol strength and other consumer information. Specific warning statements related to the risks of drinking alcohol products, including beer, have also become prevalent in recent years. Introduction of smoking bans in pubs and restaurants may have negative effects on on-trade consumption (that is, beer purchased for consumption in a pub or restaurant or similar retail establishment), as opposed to off-trade consumption (that is, beer purchased at a retail outlet for consumption at home or another location). We believe that the regulatory environment in most countries in which we operate is becoming increasingly strict with respect to health issues and expect this trend to continue in the future.

The distribution of our beer and other alcoholic beverage products may also be regulated. In certain markets, alcohol may only be sold through licensed outlets, varying from government- or state-operated monopoly outlets (for example, in the off-trade channel of certain Canadian provinces) to the common system of licensed on-trade outlets (for example, licensed bars and restaurants) which prevails in many countries (for example, in much of the European Union). In the United States, states operate under a three-tier system of regulation for beer products from brewer to wholesaler to retailer, meaning that we usually work with licensed third-party distributors to distribute our products to the points of sale.

In the United States, both federal and state laws generally prohibit us from providing anything of value to retailers, including paying slotting fees or (subject to exceptions) holding ownership interests in retailers. Some states prohibit us from being licensed as a wholesaler for our products. State laws also regulate the interactions among us, our wholesalers and consumers by, for example, limiting merchandise that can be provided to consumers or limiting promotional activities that can be held at retail premises. If we were found to have violated applicable federal or state alcoholic beverage laws, we could be subject to a variety of sanctions, including fines, equitable relief and suspension or permanent revocation of our licenses to brew or sell our products.

Governments in most of the countries in which we operate also establish minimum legal drinking ages, which generally vary from 16 to 21 years, impose minimum prices on alcohol products or impose other restrictions on sales, which affect demand for our products. Moreover, governments may respond to public pressure to curtail alcohol consumption by raising the legal drinking age, further limiting the number, type or operating hours of retail outlets or expanding retail licensing requirements. We work both independently and together with other brewers and alcoholic beverage companies to limit the negative consequences of inappropriate use of alcohol products and actively promote responsible sales and consumption.

Similarly, we may need to respond to new legislation curtailing soft drink consumption at schools and other government-owned facilities.

We are subject to antitrust and competition laws in the jurisdictions in which we operate and may be subject to regulatory scrutiny in certain of these jurisdictions. See “Item 3. Key Information—D. Risk Factors—Risks Relating to Our Existing Business—We are exposed to antitrust and competition laws in certain jurisdictions and the risk of changes in such laws or in the interpretation and enforcement of existing antitrust and competition laws.”
In many jurisdictions, excise and other indirect duties, including legislation regarding minimum alcohol pricing, make up a large proportion of the cost of beer charged to customers. In the United States, for example, the brewing industry is subject to significant taxation. The United States federal government currently levies an excise tax of USD 18 per barrel (equivalent to approximately 117 liters) of beer sold for consumption in the United States. All states also levy excise taxes on alcoholic beverages. Proposals have been made to increase the federal excise tax as well as the excise taxes in some states. In the past few years, Argentina, Belgium, Mexico, Bolivia, Brazil, Peru, Chile, Australia, Vietnam, Singapore, the Netherlands, Russia and Ukraine, among others, have all adopted proposals to increase beer excise taxes. Rising excise duties can drive up our pricing to the consumer, which in turn could have a negative impact on our results of operations. See “Item 3. Key Information—D. Risk Factors—Risks Relating to Our Existing Business—The beer and beverage industry may be subject to adverse changes in taxation.”

Our products are generally sold in glass or PET bottles or aluminum or steel cans. Legal requirements apply in various jurisdictions in which we operate, requiring that deposits or certain eco-taxes or fees are charged for the sale, marketing and use of certain non-refillable beverage containers. The precise requirements imposed by these measures vary. Other types of beverage-container-related deposit, recycling, eco-tax and/or extended producer responsibility statutes and regulations also apply in various jurisdictions in which we operate.

We are subject to different environmental legislation and controls in each of the countries in which we operate. Environmental laws in the countries in which we operate mostly relate to (i) the conformity of our operating procedures with environmental standards regarding, among other things, the emission of gas and liquid effluents, (ii) the disposal of one-way (that is, non-returnable) packaging and (iii) noise levels. We believe that the regulatory climate in most countries in which we operate is becoming increasingly strict with respect to environmental issues and expect this trend to continue in the future. Achieving compliance with applicable environmental standards and legislation may require plant modifications and capital expenditures. Laws and regulations may also limit noise levels and the disposal of waste, as well as impose waste treatment and disposal requirements. Some of the jurisdictions in which we operate have laws and regulations that require polluters or site owners or occupants to clean up contamination.

The amount of dividends payable to us by our operating subsidiaries is, in certain countries, subject to exchange control restrictions of the respective jurisdictions where those subsidiaries are organized and operate. See also “Item 5. Operating and Financial Review—G. Liquidity and Capital Resources—Transfers from Subsidiaries,” “Item 3. Key Information—D. Risk Factors.”

12. INSURANCE

We self-insure most of our insurable risk. However, we do purchase insurance for director and officer liability and other coverage where required by law or contract or where considered to be in our best interest. We maintain a comprehensive approach to insurable risk, which is mainly divided in two general categories:

- **Assets**: a combination of self-insurance and insurance is used to cover our physical properties and business interruption; and
- **Liabilities**: a combination of self-insurance and insurance is used to cover losses due to damages caused to third parties; insurance is used primarily for executive risks (risks related to our board and management) and automobile insurance (which is required by law in most jurisdictions).

We believe we have an adequate approach to insurable risk based on our market capitalization and our worldwide presence. We further believe that the types and level of insurance we maintain is appropriate for the risks of our business.
Our Dream is to be the Best Beer Company Bringing People Together for a Better World. In all we do, we strive to ensure that we produce the highest-quality products, provide the best consumer experience, and maximize shareholder value by building the strongest competitive and financial position. We aim to use this increasing financial capacity and our global reach to deliver on our Better World commitment. Our Better World actions focus on three key areas—smart drinking, environment and community.

Smart Drinking

As the world’s leading brewer, we are committed to promoting the responsible enjoyment of our products. To support that commitment, we develop and implement alcohol education and awareness programs, while opposing the harmful use of alcohol, including underage drinking, excessive drinking and drink driving.

In 2014, we successfully met or exceeded all six of the original Global Responsible Drinking Goals we set for ourselves in 2011. This set of goals included collaborations with a wide range of partners, public education initiatives, retailer training and other activities that reinforced responsible drinking.

In 2015, after four years of working towards the achievement of our original Global Responsible Drinking Goals and after more than 30 years of investing in efforts to promote responsible drinking and discourage the harmful uses of alcohol, we reflected on our progress and lessons learned through our experiences. We acknowledged the accomplishments that we made through strategic partnerships, public education initiatives and joint efforts with retailers, all focused on driving awareness of alcohol responsibility, and we determined that, by taking an evolved approach to positively changing behavior by investing in longer-term, evidence-based approaches, we have an opportunity to continue to make an impact on underage drinking, binge drinking and drink driving.

With this as our vision, in 2015 we launched our new set of Global Smart Drinking Goals (2015-2025), which focus on two key areas: changing behaviors through social norms and empowering consumers through choice.

In order to achieve our vision of a global culture of smart drinking, we aim to implement effective and collaborative solutions through our four established goals:

- reduce the harmful use of alcohol by at least 10% in six cities by the end of 2020 and implement best practices globally by the end of 2025;
- influence social norms and individual behaviors to reduce harmful alcohol use by investing at least USD 1 billion across our markets in dedicated social marketing campaigns and related programs by the end of 2025;
- ensure no-alcohol (by which we mean ABV 0.0%-0.5%) and lower-alcohol (by which we mean ABV 0.51%-3.5%) beer products represent at least 20% of our global beer volume by the end of 2025; and
- place a guidance label on all of our beer products in all of our markets by the end of 2020 and increase alcohol health literacy by the end of 2025.

Specific progress on our Global Smart Drinking Goals will be communicated annually in our Global Citizenship Report, which is typically released in April each year.

Environment

Beer is a product of natural ingredients, and the stewardship of our natural environment—land, water and air—is fundamental to the quality of our brands in the long-term. To be a responsible and resource-efficient global brewer, we must continually look for ways to incorporate practices that help us make the most of our raw materials, while also reducing the impact of our packaging and transportation on the environment.
Environmental key performance indicators and targets are fully integrated into our VPO global management system. It is designed to bring greater efficiency to our brewery operations, generate cost savings and improve environmental management, in accordance with our Environmental Policy and Strategy.

In 2013, we announced seven global goals that focus on operational efficiencies and key areas outside the brewery walls that are vital to our business and our stakeholders. We added an additional goal focused on logistics in 2014. With the reduction of our global water usage ratio to 3.2hl/hl and an over 10% decrease in our global GHG emissions, we achieved two of the eight goals in 2014. We have made further progress against the remaining goals in 2015, five of which have an external focus reflecting our increased attention to our supply chain. We continue to both optimize internal management systems and best practices and rely on external partnerships to drive environmental and social progress. We aim to reach these goals by the end of 2017. The global environmental goals are:

- Reduce water risks and improve water management in 100% of our key barley-growing regions in partnership with local stakeholders;
- Engage in watershed protection measures at 100% of our facilities located in key areas in Argentina, Bolivia, Brazil, China, Mexico, Peru and the United States, in partnership with local stakeholders;
- Reduce global water usage to a leading-edge 3.2 hectoliters of water per hectoliter of production;
- Reduce global greenhouse gas emissions per hectoliter of production by 10%, including a 15% reduction per hectoliter in China;
- Reduce global energy usage per hectoliter of production by 10%, which is equivalent to the amount of electricity needed to light about a quarter of a million night football matches;
- Reduce packaging materials by 100,000 tons, which is equivalent to the weight of about a quarter of a billion full cans of beer;
- Reach a 70% global average of eco-friendly cooler purchases annually; and
- Reduce carbon emissions in our logistics operations by 15%.

We report annual progress on our environmental goals in our Global Citizenship Report, which is typically released in April each year.

Beyond operations management, we are also engaged with the international community and local groups to support key environmental initiatives. We recognize the critical role that companies can play in addressing some of the world’s most pressing environmental challenges, such as water scarcity and climate change. We are a signatory to the CEO Water Mandate, a public/private initiative of the United Nations Global Compact, which focuses on developing corporate strategies to address global water issues, and we also serve on the Mandate Steering Group. We actively work to better understand and manage climate change and water risks across our supply chain and publicly report our risks and opportunities to the Carbon Disclosure Project.

We take a multi-faceted approach that includes applying a mix of operational changes and technological solutions, building effective partnerships and having a sustainability-focused mindset, underscored by strong teamwork, in order to help reduce the use of water in our direct operations, to help protect watersheds that serve our breweries and local communities and to help improve water management in our barley supply chain. At 3.2 hl of water per hl of beer produced, we are the most water-efficient global brewer.

We are members of the Beverage Industry Environmental Roundtable, a technical coalition of leading global beverage companies working together to advance environmental sustainability within the beverage sector. We are members of the Sustainable Agriculture Initiative, a global food industry organization that supports the
development of sustainable agriculture through the involvement of food chain stakeholders. In addition, we were active participants in the United Nations Environment Program’s annual World Environment Day, through which we engage annually with many community stakeholders around the world.

Energy conservation has been a strategic focus for us for many years, especially with the unpredictable cost of energy and evolving climate change regulations. Our continued progress is based on the importance we place on sharing best technical and management practices across our operations. We publicly report our risks and opportunities related to climate change to the Carbon Disclosure Project.

We work with suppliers, wholesalers and procurement companies, as well as packaging experts, to help make decisions that minimize the cost and environmental impact of packaging materials. We use many types of product packaging, from bulk packaging (i.e., beer kegs, crates and pallets), which is almost always returnable and reusable, to cardboard boxes, glass bottles, aluminum cans and PET bottles, which are recyclable. We also continue the light-weighting of packaging to reduce material costs, minimize the use of natural resources, reduce waste and lessen our transportation fuel consumption. We are continually exploring new forms of packaging that meet consumer needs with fewer resources.

Operating ethically is also part of our environmental mission. We have a Responsible Sourcing Policy, as well as a Human Rights Policy, that include standards on labor issues and business conduct. We are committed to operating ethically and with high integrity, maintaining our commitment to quality, and encouraging similar conduct for our business partners. We are a member of AIM-Progress, a global forum of consumer goods companies sponsored by the European Brands Association and the Grocery Manufacturers Association. The group’s purpose is to promote responsible supply chain and sourcing standards covering labor practices, health and safety, environmental management and business integrity. As a member, we report audits of our suppliers to AIM-Progress. We are also members of SEDEX, a not-for-profit organization dedicated to driving visibility in ethical and responsible business practices in global supply chains.

Community

We make significant contributions to the well-being of the communities where we do business, around the world. This occurs through the jobs we provide, the salaries and wages we pay, the taxes we contribute to local, regional and national governments, and the community support we provide in the form of donations and volunteer activities. For example, we have been involved in supporting Hope Schools for elementary school children in poverty-stricken areas in China, constructing temporary houses in Uruguay and Paraguay, supporting education and community development programs in Argentina and Russia, and providing funds and canned drinking water to victims in disaster stricken areas in Europe, the United States and Latin America.

Our People

It takes great people to build a great company. That is why we focus on attracting and retaining the best talent. Our approach is to enhance our people’s skills and potential through education and training, competitive compensation and a culture of ownership that rewards people for taking responsibility and producing results. Our ownership culture unites our people, providing the necessary energy, commitment and alignment needed to pursue our Dream—to be the Best Beer Company Bringing People Together for a Better World.

Having the right people in the right roles at the right time—aligned through a clear goal-setting and rewards process—improves productivity and enables us to continue to invest in our business and strengthen our social responsibility initiatives.
C. ORGANIZATIONAL STRUCTURE

Anheuser Busch InBev SA/NV is the parent company of the AB InBev Group. Our most significant subsidiaries (as of 31 December 2015) are:

<table>
<thead>
<tr>
<th>Subsidiary Name</th>
<th>Jurisdiction of incorporation or residence</th>
<th>Proportion of ownership interest</th>
<th>Proportion of voting rights held</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anheuser-Busch Companies, LLC</td>
<td>Delaware, U.S.A.</td>
<td>100%</td>
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</tr>
<tr>
<td>One Busch Place</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>St. Louis, MO 63118</td>
<td></td>
<td></td>
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<td>Ambev S.A.</td>
<td>Brazil</td>
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<td>Rua Dr. Renato Paes de Barros 1017</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>São Paulo</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grupo Modelo, S. de R.L. de C.V.</td>
<td>Mexico 100%</td>
<td>100%</td>
<td></td>
</tr>
<tr>
<td>Javier Barros Sierra No. 555 Piso 3</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Zedec Santa Fe, 01210 Mexico, DF</td>
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</tr>
</tbody>
</table>

For a more comprehensive list of our most important financing and operating subsidiaries see note 34 of our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015.

D. PROPERTY, PLANTS AND EQUIPMENT


ITEM 4A. UNRESOLVED STAFF COMMENTS

None.

ITEM 5. OPERATING AND FINANCIAL REVIEW

The following is a review of our financial condition and results of operations as of 31 December 2015 and 2014, and for the three years ended 31 December 2015, and of the key factors that have affected or are expected to be likely to affect our ongoing and future operations. You should read the following discussion and analysis in conjunction with our audited consolidated financial statements and the accompanying notes included elsewhere in this Form 20-F.

Some of the information contained in this discussion, including information with respect to our plans and strategies for our business and our expected sources of financing, contain forward-looking statements that involve risk and uncertainties. You should read “Forward-Looking Statements” for a discussion of the risks related to those statements. You should also read “Item 3. Key Information—D. Risk Factors” for a discussion of certain factors that may affect our business, financial condition and results of operations.

We have prepared our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and in conformity with International Financial Reporting Standards as adopted by the European Union (“IFRS”). The financial information and related discussion and analysis contained in this item are presented in U.S. dollars except as otherwise specified. Unless otherwise specified the financial information analysis in this Form 20-F is based on our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015.

See “Presentation of Financial and Other Data” for further information on our presentation of financial information.
A. KEY FACTORS AFFECTING RESULTS OF OPERATIONS

We consider acquisitions, divestitures and other structural changes, economic conditions and pricing, consumer preferences, our product mix, raw material and transport prices, the effect of our distribution arrangements, excise taxes, the effect of governmental regulations, foreign currency effects and weather and seasonality to be the key factors influencing the results of our operations. The following sections discuss these key factors.

Acquisitions, Divestitures and Other Structural Changes

We regularly engage in acquisitions, divestitures and investments. We also engage in start-up or termination of activities and may transfer activities between business segments. Such events have had and are expected to continue to have a significant effect on our results of operations and the comparability of period-to-period results. Significant acquisitions, divestitures, investments, transfers of activities between business segments and other structural changes in the years ended 31 December 2015, 2014, and 2013 are described below. See also note 6 and note 8 to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015 included in this Form 20-F.

Grupo Modelo Combination

On 4 June 2013, we announced the completion of our combination with Grupo Modelo. The combination was a natural next step given our economic stake of more than 50% in Grupo Modelo prior to the transaction and the successful long-term partnership between the two companies. The combination was completed through a series of steps that simplified Grupo Modelo’s corporate structure, followed by an all-cash tender offer for all outstanding Grupo Modelo shares that we did not own at that time for USD 9.15 per share. By 4 June 2013 and following the settlement of the tender offer, we owned approximately 95% of Grupo Modelo’s outstanding shares. We established and funded a trust to accept further tender of shares by Grupo Modelo shareholders at a price of USD 9.15 per share over a period of up to 25 months from the completion of the combination. On 7 June 2013, in a transaction related to the combination, Grupo Modelo completed the sale of its business in the 50 states of the United States, the District of Columbia and Guam to Constellation Brands, Inc. for approximately USD 4.75 billion, in aggregate, subject to post-closing adjustment of USD 558 million, which was paid by Constellation Brands, Inc. on 6 June 2014. In a transaction related to the combination with Grupo Modelo, select Grupo Modelo shareholders purchased a deferred share entitlement to acquire the equivalent of approximately 23.1 million AB InBev shares, to be delivered within five years, for consideration of approximately USD 1.5 billion. This investment occurred on 5 June 2013.

During 2014, we purchased USD 1.0 billion of Grupo Modelo shares through the trust established on 4 June 2013, to accept further tender of shares by Grupo Modelo shareholders over a period of up to 25 months and, during 2015, we performed a mandatory tender offer and purchased all outstanding Grupo Modelo shares held by third parties for a total consideration of USD 483 million. Following the tender offer, Grupo Modelo became our wholly owned subsidiary and Grupo Modelo was delisted. An amount of USD 2 million was recognized as restricted cash for the outstanding consideration payable to former Grupo Modelo shareholders who did not yet claim their proceeds.

Oriental Brewery Acquisition

In April 2014, we announced the completion of our acquisition of Oriental Brewery, the leading brewer in South Korea, from KKR and Affinity Equity Partners. The enterprise value for the transaction was USD 5.8 billion, and as a result of an agreement entered into with KKR and Affinity Equity Partners in 2009, we received approximately USD 320 million in cash at closing from this transaction, subject to closing adjustments according to the terms of the transaction. This acquisition returned Oriental Brewery to our portfolio after we sold the company in July 2009, following the combination of InBev and Anheuser-Busch in support of our deleveraging target.
Proposed Acquisition of SABMiller

On 11 November 2015, our board and the board of SABMiller announced that we had reached an agreement on the terms of the Transaction.

The Transaction will be implemented through a series of stages, including the acquisition of SABMiller by Newbelco, a newly incorporated Belgian company formed for the purposes of the Transaction. We will also merge into Newbelco so that, following completion of the Transaction, Newbelco will be the new holding company for the Combined Group.

Under the terms of the Transaction, each SABMiller shareholder will be entitled to receive GBP 44.00 in cash in respect of each SABMiller share. The Transaction will also include a partial share alternative (the “Partial Share Alternative”), under which SABMiller shareholders can elect to receive GBP 3.7788 in cash and 0.483969 restricted shares in respect of each SABMiller share in lieu of the full cash consideration to which they would otherwise be entitled under the Transaction (subject to scaling back in accordance with the terms of the Partial Share Alternative).

The Partial Share Alternative is limited to a maximum of 326,000,000 restricted shares and GBP 2,545,387,824 in cash, which will be available for approximately 41.6% of the SABMiller shares. Altria Group, Inc. and BEVCO Ltd. which hold approximately 27% and 14% of the ordinary share capital of SABMiller, respectively, have given irrevocable undertakings to us to elect for the Partial Share Alternative in respect of their entire beneficial holdings in SABMiller. The restricted shares will be unlisted, not admitted to trading on any stock exchange, and will be subject to, among other things, restrictions on transfer until converted into new ordinary shares on a one-for-one basis with effect from the fifth anniversary of completion of the Transaction. From completion of the Transaction, such restricted shares will rank equally with the new ordinary shares with respect to dividends and voting rights.

The total value of the Transaction was, as at 10 November 2015, estimated to be approximately GBP 71 billion. The aggregate value of the Transaction of approximately GBP 71 billion is calculated based on AB InBev’s closing share price of EUR 111.20 on 10 November 2015, based on a GBP:EUR exchange rate of 1.4135 and a fully diluted share capital of SABMiller of 1,654,630,463 shares, assuming that Altria Group, Inc. and BEVCO Ltd. 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. The board of SABMiller has unanimously recommended the cash offer of GBP 44.00 in respect of each SABMiller share to SABMiller shareholders.

On 10 February 2016, we announced that we had received a binding offer from Asahi to acquire SABMiller’s Peroni, Grolsch and Meantime brand families and their associated business (excluding certain rights in the U.S.). The offer values the Peroni, Grolsch, and Meantime brand families and associated businesses in Italy, the Netherlands, the UK and internationally at EUR 2,550 million on a debt free/cash-free basis. The parties have commenced the relevant employee information and consultation processes, during which time we have agreed to a period of exclusivity with Asahi in respect of these brands and businesses. Asahi’s offer is conditional on the successful closing of the Transaction.

On 2 March 2016, we announced that we had entered into an agreement to sell SABMiller’s 49% interest in CR Snow to China Resources Beer (Holdings) Co. Ltd., which currently owns 51% of CR Snow. The agreement values SABMiller’s 49% stake in CR Snow at USD 1.6 billion. The sale is conditional on the successful closing of the Transaction and is subject to any applicable regulatory approvals in China.
The Transaction is subject to regulatory and shareholder approvals and closing is expected to occur during the second half of 2016.

**Other Acquisition, Disposals and Structural Changes**

During the first quarter of 2015, Constellation Brands, Inc. notified us that it was exercising its rights under the final judgment issued in connection with our purchase of Grupo Modelo to require us to sell all U.S. local distribution rights held by us at the purchase price formula specified by the final judgment.

On 14 August 2014, Monster announced that it had entered into a long-term strategic partnership in the global energy drink category with The Coca-Cola Company and that The Coca-Cola Company would become Monster’s preferred global distributor, including in the United States. In 2015, Monster entered into an investment and distribution arrangement with The Coca-Cola Company and The Coca-Cola Company became Monster’s preferred global distributor, including in the United States. As a result, during 2015 Monster terminated most of its agreements with Anheuser-Busch wholesalers relating to local distribution of Monster products in the United States, including all such agreements with Anheuser-Busch’s wholly owned wholesalers.

During 2015, we undertook a series of acquisitions and disposals with no significant impact to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015 included in this Form 20-F.

In February 2015, we announced the entry into an agreement with RJ Corp Limited under which we would exit our Indian joint venture with RJ Corp Limited. Later in February 2015, we exited the Indian joint venture. We now operate independently in India via our wholly owned subsidiary Crown Beers India Private Limited.

In 2014, we completed the acquisition of the Siping Ginsber Draft Beer Co., Ltd., which owns the Ginsber brand, as well as a transaction to acquire three breweries in China. The aggregate purchase price of such acquisitions was approximately USD 868 million.

In 2014, we sold our investment in the company Comercio y Distribución Modelo, Mexico and we completed the sale of the glass plant located in Piedras Negras, Coahuila, Mexico.

On 27 April 2013, we completed a transaction to acquire four breweries in China with a total capacity of approximately 9 million hectoliters. The aggregate purchase price was approximately USD 439 million.

In addition to the acquisitions and divestitures described above, we may acquire, purchase or dispose of further assets or businesses in our normal course of operations. Accordingly, the financial information presented in this Form 20-F may not reflect the scope of our business as it will be conducted in the future.

**Economic Conditions and Pricing**

General economic conditions in the geographic regions in which we sell our products, such as the level of disposable income, the level of inflation, the rate of economic growth, the rate of unemployment, exchange rates and currency devaluation or revaluation, influence consumer confidence and consumer purchasing power. These factors, in turn, influence the demand for our products in terms of total volumes sold and the price that can be charged. This is particularly true for developing countries in our Latin America North, Latin America South, Mexico and Asia Pacific Zones, as well as certain countries within our Europe zone, which tend to have lower disposable income per capita and may be subject to greater economic volatility than our markets in North America and developed countries in Europe. The level of inflation has been particularly significant in our Latin America North and Latin America South Zones and in certain countries within the Europe Zones. For instance, Brazil has periodically experienced extremely high rates of inflation. In 1993, the annual rate of inflation, as measured by the National Consumer Price Index (Índice Nacional de Preços ao Consumidor), reached a hyperinflationary peak of 2,489%. As measured by the same index, Brazilian inflation was approximately 10.7% in 2015. Similarly, Russia and Argentina have, in the past, experienced periods of hyper-inflation. Due to the decontrol of prices in 1992, retail prices in Russia increased by 2,520% in that year, as measured by the Russian Federal State Statistics Service. Argentine inflation in 1989 was 63
4,924% according to the Instituto Nacional de Estadística y Censos. As measured by these institutes, in 2015, Russian inflation was 12.9% and Argentine inflation was approximately 27.9%. Consequently, a central element of our strategy for achieving sustained profitable volume growth is our ability to anticipate changes in local economic conditions and their impact on consumer demand in order to achieve the optimal combination of pricing and sales volume.

In addition to affecting demand for our products, the general economic conditions described above may cause consumer preferences to shift between on-trade consumption channels, such as restaurants and cafés, bars, sports and leisure venues and hotels, and off-trade consumption channels, such as traditional grocery stores, supermarkets, hypermarkets and discount stores. Products sold in off-trade consumption channels typically generate higher volumes and lower margins per retail outlet than those sold in on-trade consumption channels, although on-trade consumption channels typically require higher levels of investment. The relative profitability of on-trade and off-trade consumption channels varies depending on various factors, including costs of invested capital and the distribution arrangements in the different countries in which we operate. A shift in consumer preferences towards lower-margin products may adversely affect our price realization and profit margins.

Consumer Preferences

We are a consumer products company, and our results of operations largely depend on our ability to respond effectively to shifting consumer preferences. Consumer preferences may shift due to a variety of factors, including changes in demographics, changes in social trends, such as consumer health concerns, product attributes and ingredients, changes in travel, vacation or leisure activity patterns, weather or negative publicity resulting from regulatory action or litigation.

Product Mix

The results of our operations are substantially affected by our ability to build on our strong family of brands by relaunching or reinvigorating existing brands in current markets, launching existing brands in new markets and introducing brand extensions and packaging alternatives for our existing brands, as well as our ability to both acquire and develop innovative local products to respond to changing consumer preferences. Strong, well-recognized brands that attract and retain consumers, for which consumers are willing to pay a premium, are critical to our efforts to maintain and increase market share and benefit from high margins. See “Item 4. Information on the Company—B. Business Overview—2. Principal Activities and Products—Beer” for further information regarding our brands.

Raw Material and Transport Prices

We have significant exposure to fluctuations in the prices of raw materials, packaging materials, energy and transport services, each of which may significantly impact our cost of sales or distribution expenses. Increased costs or distribution expenses will reduce our profit margins if we are unable to recover these additional costs from our customers through higher prices (see “—Economic Conditions and Pricing”).

The main raw materials used in our beer and other alcoholic malt beverage production are malted barley, corn grits, corn syrup, rice, hops and water, while those used in our non-beer production are flavored concentrate, fruit concentrate, sugar, sweetener and water. In addition to these inputs into our products, delivery of our products to consumers requires extensive use of packaging materials, such as glass, PET and aluminum bottles, aluminum or steel cans and kegs, labels, plastic crates, metal and plastic closures, folding cartons, cardboard products and plastic films.

The price of the raw and packaging materials that we use in our operations is determined by, among other factors, the level of crop production (both in the countries in which we are active and elsewhere in the world), weather conditions, supplier’s capacity utilization, end-user demand, governmental regulations, and legislation affecting agriculture and trade. We are also exposed to increases in fuel and other energy prices through our own and third-party distribution networks and production operations. Furthermore, we are exposed to increases in raw material transport costs charged by suppliers. Increases in the prices of our products could affect demand among consumers, and thus, our sales volumes and revenue. Even though we seek to minimize the impact of such fluctuations through financial and physical hedging, the results of our hedging activities may vary across time.
As further discussed under “Item 11. Quantitative and Qualitative Disclosures About Market Risk—Market Risk, Hedging and Financial Instruments,” we use both fixed-price purchasing contracts and commodity derivatives to minimize our exposure to commodity price volatility when practicable. Fixed-price contracts generally have a term of one to two years although a small number of contracts have a term up to five years. See “Item 4. Information on the Company—B. Business Overview—6. Brewing Process; Raw Materials and Packaging; Production Facilities; Logistics—Raw Materials and Packaging” for further details regarding our arrangements for sourcing of raw and packaging materials.

**Distribution Arrangements**

We depend on effective distribution networks to deliver our products to our customers. Generally, we distribute our products through (i) own distribution, in which we deliver to points of sale directly, and (ii) third-party distribution networks, in which delivery to points of sale occurs through wholesalers and independent distributors. Third-party distribution networks may be exclusive or non-exclusive and may, in certain business segments, involve use of third-party distribution while we retain the sales function through an agency framework. We use different distribution networks in the markets in which we operate, as appropriate, based on the structure of the local retail sectors, local geographic considerations, scale considerations, regulatory requirements, market share and the expected added-value and capital returns.

Although specific results may vary depending on the relevant distribution arrangement and market, in general, the use of own distribution or third-party distribution networks will have the following effects on our results of operations:

- **Revenue.** Revenue per hectoliter derived from sales through own distribution tends to be higher than revenue derived from sales through third parties. In general, under own distribution, we receive a higher price for our products since we are selling directly to points of sale, capturing the margin that would otherwise be retained by intermediaries;

- **Transportation costs.** In our own distribution networks, we sell our products to the point of sale and incur additional freight costs in transporting those products between our plant and such points of sale. Such costs are included in our distribution expenses under IFRS. In most of our own distribution networks, we use third-party transporters and incur costs through payments to these transporters, which are also included in our distribution expenses under IFRS. In third-party distribution networks, our distribution expenses are generally limited to expenses incurred in delivering our products to relevant wholesalers or independent distributors in those circumstances in which we make deliveries; and

- **Sales expenses.** Under fully third-party distribution systems, the salesperson is generally an employee of the distributor, while under our own distribution and indirect agency networks, the salesperson is generally our employee. To the extent that we deliver our products to points of sale through direct or indirect agency distribution networks, we will incur additional sales expenses from the hiring of additional employees (which may offset to a certain extent increased revenue gained as a result of own distribution).

In addition, in certain countries, we enter into exclusive importer arrangements and depend on our counterparts to these arrangements to market and distribute our products to points of sale. To the extent that we rely on counterparts to distribution agreements to distribute our products in particular countries or regions, the results of our operations in those countries and regions will, in turn, be substantially dependent on our counterparts’ own distribution networks operating effectively.
**Excise Taxes**

Taxation on our beer, other alcoholic beverage and non-beer products in the countries in which we operate is comprised of different taxes specific to each jurisdiction, such as excise and other indirect taxes. In many jurisdictions, excise and other indirect duties, including legislation regarding minimum alcohol pricing (MUP), make up a large proportion of the cost of beer charged to customers. Increases in excise and other indirect taxes applicable to our products either on an absolute basis or relative to the levels applicable to other beverages tend to adversely affect our revenue or margins, both by reducing overall consumption and by encouraging consumers to switch to lower-taxed categories of beverages. These increases also adversely affect the affordability of our products and our ability to raise prices. For example, see the discussion of taxes in the United States, Russia and Ukraine in “Item 3. Key Information—D. Risk Factors—Risks Relating to Our Existing Business—The beer and beverage industry may be subject to adverse changes in taxation.”

**Governmental Regulations**

Governmental restrictions on beer consumption in the markets in which we operate vary from one country to another, and in some instances, within countries. The most relevant restrictions are:

- Legal drinking ages;
- Global and national alcohol policy reviews and the implementation of policies aimed at preventing the harmful effects of alcohol misuse (including, among others, relating to underage drinking, drink driving, drinking while pregnant and excessive or abusive drinking);
- Restrictions on sales of alcohol generally or beer specifically, including restrictions on distribution networks, restrictions on certain retail venues, requirements that retail stores hold special licenses for the sale of alcohol, restrictions on times or days of sale and minimum alcohol pricing requirements;
- Advertising restrictions, which affect, among other things, the media channels employed, the content of advertising campaigns for our products and the times and places where our products can be advertised, including in some instances, sporting events;
- Restrictions imposed by antitrust or competition laws;
- Deposit laws (including those for bottles, crates and kegs);
- Heightened environmental regulations and standards, including regulations addressing emissions of gas and liquid effluents and the disposal of waste and one-way packaging, compliance with which imposes costs; and
- Litigation associated with any of the above.

Please refer to “Item 4. Information on the Company—B. Business Overview—11. Regulations Affecting Our Business” for a fuller description of the key laws and regulations to which our operations are subject.

**Foreign Currency**

Our financial statements presentation and reporting currency is the U.S. dollar. A number of our operating companies have functional currencies (that is, in most cases, the local currency of the respective operating company) other than our reporting currency. Consequently, foreign currency exchange rates have a significant impact on our consolidated financial statements. In particular:

- Changes in the value of our operating companies’ functional currencies against other currencies in which their costs and expenses are priced may affect those operating companies’ cost of sales and
operating expenses, and thus negatively impact their operating margins in functional currency terms. Foreign currency transactions are accounted for at exchange rates prevailing at the date of the transactions, while monetary assets and liabilities denominated in foreign currencies are translated at the balance sheet date. Except for exchange differences on transactions entered into in order to hedge certain foreign currency risk and exchange rate differences on monetary items that form part of the net investment in the foreign operations, gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities in currencies other than an operating company’s functional currency are recognized in the income statement. Historically, we have been able to raise prices and implement cost saving initiatives to partly offset cost and expense increases due to exchange rate volatility. We also have hedge policies designed to manage commodity price and foreign currency risks to protect our exposure to currencies other than our operating companies’ respective functional currencies. Please refer to “Item 11. Quantitative and Qualitative Disclosures about Market Risk—Market Risk, Hedging and Financial Instruments” for further detail on our approach to hedging commodity price and foreign currency risk.

- Any change in the exchange rates between our operating companies’ functional currencies and our reporting currency affects our consolidated income statement and consolidated statement of financial position when the results of those operating companies are translated into the reporting currency for reporting purposes as translational exposures are not hedged. Assets and liabilities of foreign operations are translated to the reporting currency at foreign exchange rates prevailing at the balance sheet date. Income statements of foreign operations are translated to the reporting currency at foreign exchange rates prevailing at the balance sheet date approximating the foreign exchange rates prevailing at the dates of transactions. The components of shareholders’ equity are translated at historical rates. Exchange differences arising from the translation of shareholders’ equity into the reporting currency at year-end are taken to other comprehensive income (that is, in a translation reserve). Decreases in the value of our operating companies’ functional currencies against the reporting currency tend to reduce their contribution to, among other things, our consolidated revenue and profit. During 2014 and 2015, several currencies, such as the Argentine peso, the Mexican peso, the Brazilian real, the Canadian dollar, the Russian ruble and the euro, underwent significant devaluation compared to the U.S. dollar. Our total consolidated revenue was USD 43.6 billion for the year ended 31 December 2015, a decrease of USD 3.5 billion compared to the year ended 31 December 2014. The negative impact of unfavorable currency translation effects on our consolidated revenue in the year ended 31 December 2015 was USD 6.0 billion, primarily as a result of the impact of the currencies listed above.

For further details regarding the currencies in which our revenue is realized and the effect of foreign currency fluctuations on our results of operations see “—F. Impact of Changes in Foreign Exchange Rates” below.

See also “Item 3. Key Information—D. Risk Factors—Risks Relating to Our Existing Business—Our results of operations are affected by fluctuations in exchange rates” and “Item 3. Key Information—D. Risk Factors—Risks Relating to Our Existing Business—We are exposed to developing market risks, including the risks of devaluation, nationalization and inflation.”

Weather and Seasonality

Weather conditions directly affect consumption of our products. High temperatures and prolonged periods of warm weather favor increased consumption of our products, while unseasonably cool or wet weather, especially during the spring and summer months, adversely affect our sales volumes and, consequently, our revenue. Accordingly, product sales in all of our business segments are generally higher during the warmer months of the year (which also tend to be periods of increased tourist activity) as well as during major holiday periods.

Consequently, for most countries in the Latin America North and Latin America South Zones (particularly Argentina and most of Brazil), volumes are usually stronger in the first and fourth quarters due to year-end festivities and the summer season in the Southern Hemisphere, while for Mexico and the countries in the North America, Europe and Asia Pacific Zones, volumes tend to be stronger during the spring and summer seasons in the second and third quarters of each year.
Based on 2015 information, for example, we realized 57% of our total 2015 volumes in Europe in the second and third quarters, compared to 43% in the first and fourth quarters of the year, whereas in Latin America South, we realized 43% of our sales volume in the second and third quarters, compared to 57% in the first and fourth quarters.

Although such sales volume figures are the result of a range of factors in addition to weather and seasonality, they are nevertheless broadly illustrative of the historical trend described above.

B. SIGNIFICANT ACCOUNTING POLICIES

The SEC has defined a critical accounting policy as a policy for which there is a choice among alternatives available, and for which choosing a legitimate alternative would yield materially different results. We believe that the following are our critical accounting policies. We consider an accounting policy to be critical if it is important to our financial condition and results of operations and requires significant or complex judgments and estimates on the part of our management. For a summary of all of our significant accounting policies, see note 3 to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015 included in this Form 20-F.

Although each of our significant accounting policies reflect judgments, assessments or estimates, we believe that the following accounting policies reflect the most critical judgments, estimates and assumptions that are important to our business operations and the understanding of its results: revenue recognition; accounting for business combinations and impairment of goodwill and intangible assets; pension and other post-retirement benefits; share-based compensation; contingencies; deferred and current income taxes; and accounting for derivatives. Although we believe that our judgments, assumptions and estimates are appropriate, actual results may differ from these estimates under different assumptions or conditions.

Summary of Changes in Accounting Policies

Effective 1 January 2014, we created a single Europe zone by combining the Western Europe zone and the Central & Eastern Europe zone, we transferred the responsibility for our Spanish operations from Global Export & Holding Companies to the Europe zone, we transferred the export of Corona to a number of European countries, and we transferred the management responsibility for operations in Cuba through our subsidiary Ambev to the Latin America North zone. The 2013 Western Europe and Central & Eastern Europe and Latin America North information has been adjusted in this Form 20-F for comparative purposes.

Revenue Recognition

Our products are sold for cash or on credit terms. In relation to the sale of beverages and packaging, we recognize revenue when the significant risks and rewards of ownership have been transferred to the buyer, and no significant uncertainties remain regarding recovery of the consideration due, associated costs or the possible return of goods, and there is no continuing management involvement with the goods. Our sales terms do not allow for a right of return.

Our customers can earn certain incentives, which are treated as deductions from revenue. These incentives primarily include volume-based incentive programs, free beer and cash discounts. In preparing the financial statements, management must make estimates related to the contractual terms, customer performance and sales volume to determine the total amounts recorded as deductions from revenue. Management also considers past results in making such estimates. The actual amounts ultimately paid may be different from our estimates. Such differences are recorded once they have been determined and have historically not been significant.

In many jurisdictions, excise taxes make up a large proportion of the cost of beer charged to our customers. The aggregate deductions from revenue recorded by us in relation to these taxes was approximately USD 11.2 billion, USD 13.2 billion, and USD 10.6 billion for the years ended 31 December 2015, 2014, and 2013, respectively.
Accounting for Business Combinations and Impairment of Goodwill and Intangible Assets

We have made acquisitions that included a significant amount of goodwill and other intangible assets, including the acquisition of Anheuser-Busch and Grupo Modelo.

As of 31 December 2015, our total goodwill amounted to USD 65.1 billion and our intangible assets with indefinite useful lives amounted to USD 27.7 billion.

We apply the acquisition method of accounting to account for acquisition of businesses. The cost of an acquisition is measured as the aggregate of the fair values at the date of exchange of the assets given, liabilities incurred and equity instruments issued. Identifiable assets, liabilities and contingent liabilities acquired or assumed are measured separately at their fair value as of the acquisition date. The excess of the cost of the acquisition over our interest in the fair value of the identifiable net assets acquired is recorded as goodwill. If the business combination is achieved in stages, the acquisition date carrying value of our previously held interest in the acquiree is remeasured to fair value at the acquisition date; any gains or losses arising from such remeasurement are recognized in profit or loss. We exercise significant judgment in the process of identifying tangible and intangible assets and liabilities, valuing such assets and liabilities and in determining their remaining useful lives. We generally engage third-party valuation firms to assist in valuing the acquired assets and liabilities. The valuation of these assets and liabilities is based on the assumptions and criteria which include, in some cases, estimates of future cash flows discounted at the appropriate rates. The use of different assumptions used for valuation purposes including estimates of future cash flows or discount rates may have resulted in different estimates of value of assets acquired and liabilities assumed. Although we believe that the assumptions applied in the determination are reasonable based on information available at the date of acquisition, actual results may differ from the forecasted amounts and the difference could be material.

We test our goodwill and other long-lived assets for impairment annually or whenever events and circumstances indicate that the recoverable amount, determined as the higher of the asset’s fair value less cost to sell and value in use, of those assets is less than their carrying amount. The testing methodology consists of applying a discounted free cash flow approach based on acquisition valuation models for our major business units and the business units showing a high invested capital to EBITDA, as defined, multiple, and valuation multiples for our other business units. Our cash flow estimates are based on historical results adjusted to reflect our best estimate of future market and operating conditions. Our estimates of fair values used to determine the resulting impairment loss, if any, represent our best estimate based on forecasted cash flows, industry trends and reference to market rates and transactions. Impairments can also occur when we decide to dispose of assets.

The key judgments, estimates and assumptions used in the discounted free cash flow calculations are generally as follows:

• The first year of the model is based on management’s best estimate of the free cash flow outlook for the current year;
• In the second to fourth years of the model, free cash flows are based on our strategic plan as approved by key management. Our strategic plan is prepared per business unit and is based on external sources in respect of macroeconomic assumptions, industry, inflation and foreign exchange rates, past experience and identified initiatives in terms of market share, revenue, variable and fixed cost, capital expenditure and working capital assumptions;
• For the subsequent six years of the model, data from the strategic plan is extrapolated generally using simplified assumptions such as constant volumes and variable cost per hectoliter and fixed cost linked to inflation, as obtained from external sources;
• Cash flows after the first ten-year period are extrapolated generally using expected annual long-term consumer price indices, based on external sources, in order to calculate the terminal value, considering sensitivities on this metric. For the three main cash generating units, the terminal growth rate applied ranged between 0.0% and 2.4% for the United States, 0.0% and 3.4% for Brazil and 0.0% and 2.6% for Mexico;
The above calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Although we believe that our judgments, assumptions and estimates are appropriate, actual results may differ from these estimates under different assumptions or market or macroeconomic conditions.

Impairment testing of intangible assets with an indefinite useful life is based on the same methodology and assumptions as described above.

For additional information on goodwill, intangible assets, tangible assets and impairments, see notes 8, 13, 14 and 15 to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015.

Pension and Other Post-Retirement Benefits

We sponsor various post-employment benefit plans worldwide. These include pension plans, both defined contribution plans, and defined benefit plans, and other post-employment benefits. Usually, pension plans are funded by payments made both by us and our employees, taking into account the recommendations of independent actuaries. We maintain funded and unfunded plans.

**Defined Contribution Plans**

Contributions to these plans are recognized as expenses in the period in which they are incurred.

**Defined Benefit Plans**

For defined benefit plans, liabilities and expenses are assessed separately for each plan using the projected unit credit method. The projected unit credit method takes into account each period of service as giving rise to an additional unit of benefit to measure each unit separately. Under this method, the cost of providing pensions is charged to the income statement during the period of service of the employee. The amounts charged to the income statement consist of current service cost, net interest cost/(income), past service costs and the effect of any settlements and curtailments. Past service costs are recognized at the earlier of when the amendment/curtailment occurs or when we recognize related restructuring or termination costs.

The net defined benefit plan liability recognized in the statement of financial position is measured as the current value of the estimated future cash outflows using a discount rate equivalent to high-quality corporate bond yields with maturity terms similar to those of the obligation, less the fair value of any plan assets. Where the calculated amount of a defined benefit plan liability is negative (an asset), we recognize such asset to the extent that economic benefits are available to us either from refunds or reductions in future contributions.

Assumptions used to value defined benefit liabilities are based on actual historical experience, plan demographics, external data regarding compensation and economic trends. While we believe that our assumptions
are appropriate, significant differences in our actual experience or significant changes in our assumptions may materially affect our pension obligation and our future expense. Re-measurements, comprising actuarial gains and losses, the effect of asset ceilings (excluding net interest) and the return on plan assets (excluding net interest) are recognized in full in the period in which they occur in the statement of comprehensive income. For further information on how changes in these assumptions could change the amounts recognized, see the sensitivity analysis within note 23 to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015.

A significant portion of our plan assets is invested in equity and debt securities. The equity and debt markets have experienced volatility in the recent past, which has affected the value of our pension plan assets. This volatility may impact the long-term rate of return on plan assets. Actual asset returns that differ from the interest income recognized in our income statement are fully recognized in other comprehensive income.

**Other Post-Employment Obligations**

We and our subsidiaries provide health care benefits and other benefits to certain retirees. The expected costs of these benefits are recognized over the period of employment, using an accounting methodology similar to that used for defined benefit plans.

**Share-Based Compensation**

We have various types of equity settled share-based compensation schemes for employees. Employee services received, and the corresponding increase in equity, are measured by reference to the fair value of the equity instruments as of the date of grant. Fair value of stock options is estimated by using the binomial Hull model on the date of grant based on certain assumptions. Those assumptions are described in note 24 to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015 included in this Form 20-F and include, among others, the dividend yield, expected volatility and expected life of the stock options. The binomial Hull model assumes that all employees would immediately exercise their options if our share price were 2.5 times above the option exercise price. As a consequence, no single expected option life applies, whereas the assumption of the expected volatility has been set by reference to the implied volatility of our shares in the open market and in light of historical patterns of volatility. In the determination of the expected volatility, we excluded the volatility measured during the period 15 July 2008 to 30 April 2009 given the extreme market conditions experienced during that period.

**Contingencies**

The preparation of our financial statements requires management to make estimates and assumptions regarding contingencies which affect the valuation of assets and liabilities at the date of the financial statements and the revenue and expenses during the reported period.

We disclose material contingent liabilities unless the possibility of any loss arising is considered remote, and material contingent assets where the inflow of economic benefits is probable. We discuss our material contingencies in note 30 to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015.

Under IFRS, we record a provision for a loss contingency when it is probable that a future event will confirm that a liability has been incurred at the date of the financial statements, and the amount of the loss can be reasonably estimated. By their nature, contingencies will only be resolved when one or more future events occur or fail to occur and typically those events will occur over a number of years in the future. The accruals are adjusted as further information becomes available.

As discussed in “Item 8. Financial Information—A. Consolidated Financial Statements and Other Financial Information—Legal and Arbitration Proceedings,” and in note 30 to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015, legal proceedings covering a wide range of matters are pending or threatened in various jurisdictions against us. We record provisions for pending
litigation when we determine that an unfavorable outcome is probable and the amount of loss can be reasonably estimated. Due to the inherent uncertain nature of litigation, the ultimate outcome or actual cost of settlement may materially vary from estimates.

**Deferred and Current Income Taxes**

We recognize deferred tax effects of tax loss carry-forwards and temporary differences between the financial statement carrying amounts and the tax basis of our assets and liabilities. We estimate our income taxes based on regulations in the various jurisdictions where we conduct business. This requires us to estimate our actual current tax exposure and to assess temporary differences that result from different treatment of certain items for tax and accounting purposes. These differences result in deferred tax assets and liabilities, which we record on our consolidated balance sheet. We regularly review the deferred tax assets for recoverability and will only recognize these if we believe that it is probable that there will be sufficient taxable profit against any temporary differences that can be utilized, based on historical taxable income, projected future taxable income, and the expected timing of the reversals of existing temporary differences.

The carrying amount of a deferred tax asset is reviewed at each balance sheet date. We reduce the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of tax losses carried forward. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available. If the final outcome of these matters differs from the amounts initially recorded, differences may positively or negatively impact the income tax and deferred tax provisions in the period in which such determination is made.

We are subject to income tax in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income tax. There are some transactions and calculations for which the ultimate tax determination is uncertain. Some of our subsidiaries are involved in tax audits and local enquiries usually in relation to prior years. Investigations and negotiations with local tax authorities are ongoing in various jurisdictions at the balance sheet date and, by their nature, these can take considerable time to conclude. In assessing the amount of any income tax provisions to be recognized in the financial statements, estimation is made of the expected successful settlement of these matters. Estimates of interest and penalties on tax liabilities are also recorded. Where the final outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period such determination is made.

**Accounting for Derivatives**

Our risk management strategy includes the use of derivatives. The main derivative instruments we use are foreign currency rate agreements, exchange traded foreign currency futures, interest rate swaps and options, cross currency interest rate swaps and forwards, exchange traded interest rate futures, commodity swaps, exchange traded commodity futures and equity swaps. Our policy prohibits the use of derivatives in the context of speculative trading.

Derivative financial instruments are recognized initially at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Subsequent to initial recognition, derivative financial instruments are re-measured to fair value at balance sheet date. For derivative financial instruments that qualify for hedge accounting, we apply the following policy: for fair value hedges, changes in fair value are recorded in the income statement and for cash flow and net investment hedges, changes in fair value are recognized in the other comprehensive income and/or in the income statement for the effective and/or ineffective portion of the hedge relationship, respectively.

The estimated fair value amounts have been determined by us using available market information and appropriate valuation methodologies. However, considerable judgment is necessarily required in interpreting market data to develop the estimates of fair value. The fair values of financial instruments that are not traded in an active market (for example, unlisted equities, currency options, embedded derivatives and over-the-counter derivatives) are
determined using valuation techniques. We use judgment to select an appropriate valuation methodology and underlying assumptions based principally on existing market conditions. Changes in these assumptions may cause us to recognize impairments or losses in future periods.

Although our intention is to maintain these instruments through maturity, they may be realized at our discretion. Should these instruments be settled only on their respective maturity dates, any effect between the market value and estimated yield curve of the instruments would be eliminated.

C. BUSINESS SEGMENTS

Both from an accounting and managerial perspective, we are organized according to business segments, which, with the exception of Global Export & Holding Companies, correspond to geographic regions in which our operations are based, and which we call “Zones.” The Global Export & Holding Companies segment includes our headquarters and the countries in which our products are sold only on an export basis and in which we generally do not otherwise have any operations or production activities, as well as certain intra-group transactions.

On 31 December 2015, our seven business segments were: North America, Mexico, Latin America North (including Brazil, Dominican Republic, Guatemala, and Cuba), Latin America South (including Bolivia, Paraguay, Uruguay, Argentina, Chile, Ecuador, Peru and Colombia), Europe, Asia Pacific and Global Export & Holding Companies.

Following the combination with Grupo Modelo, we are fully consolidating Grupo Modelo in our financial reporting as of 4 June 2013 and are reporting the Grupo Modelo volumes in the reported volumes as of that date. The Grupo Modelo operations are reported according to their geographical presence in the following segments: the Mexico beer and packaging businesses are reported in the Mexico zone, the Export business is reported in the Global Export & Holding Companies segment and the sale of Grupo Modelo brands by our affiliates is reported in the respective Zones where these affiliates operate. Effective 1 April 2014, we discontinued the reporting of volumes sold to Constellation Brands, Inc. under the interim supply agreement, since these volumes do not form part of the underlying performance of our business.

The Oriental Brewery business is reported in the Asia Pacific zone as from 1 April 2014.

Effective 1 January 2014, we created a single Europe zone by combining the Western Europe zone and the Central & Eastern Europe zone, we transferred the responsibility of our Spanish operations from Global Export & Holding Companies to the Europe zone, we transferred the export of Corona to a number of European countries, and we transferred the management responsibility for operations in Cuba through our subsidiary Ambev to the Latin America North zone. The Western Europe and Central & Eastern Europe and Latin America North information for 2013 has been adjusted in this 20-F for comparative purposes.

The financial performance of each business segment, including its sales volume and revenue, is measured based on our product sales within the countries that comprise that business segment rather than based on products manufactured within that business segment but sold elsewhere.

In 2015, Latin America North accounted for 27.0% of our consolidated volumes, North America accounted for 25.8%, Asia Pacific for 19.3%, Europe for 9.4%, Mexico for 9.1%, Latin America South for 7.9% and Global Export & Holding Companies for 1.5%. A substantial portion of our operations is carried out through our three largest subsidiaries, Anheuser-Busch (wholly owned), Ambev (62% owned as of 31 December 2015) and Grupo Modelo (wholly owned as of 31 December 2015) and their respective subsidiaries.

Throughout the world, we are primarily active in the beer business. However, we also have non-beer activities (primarily consisting of soft drinks) within certain countries in Latin America, in particular Brazil, the Dominican Republic, Bolivia, Uruguay and Argentina. Both the beer and non-beer volumes comprise sales of brands that we own or license, third-party brands that we brew or otherwise produce as a subcontractor and third-party products that we sell through our distribution network.
D. EQUITY INVESTMENTS

The 2013 combination with Grupo Modelo was completed through a series of steps that simplified Grupo Modelo’s corporate structure, followed by an all-cash tender offer for all outstanding Grupo Modelo shares that we did not own at that time for USD 9.15 per share. By 4 June 2013 and following the settlement of the tender offer, we owned approximately 95% of Grupo Modelo’s outstanding shares. Thereafter, we established and funded a trust to accept further tender of shares by Grupo Modelo shareholders at a price of USD 9.15 per share over a period of up to 25 months from the completion of the combination.

During 2014, we purchased USD 1.0 billion of Grupo Modelo shares through the trust established on 4 June 2013, to accept further tender of shares by Grupo Modelo shareholders over a period of up to 25 months and, during 2015, we performed a mandatory tender offer and purchased all outstanding Grupo Modelo shares held by third parties for a total consideration of USD 483 million. Following the tender offer, Grupo Modelo became our wholly owned subsidiary and Grupo Modelo was delisted. An amount of USD 2 million was recognized as restricted cash for the outstanding consideration payable to former Grupo Modelo shareholders who did not yet claim their proceeds.

Following the 2013 combination with Grupo Modelo, we fully consolidated Grupo Modelo in our consolidated financial statements as of 4 June 2013, which resulted in the derecognition of the investment in associates previously held in Grupo Modelo as of that date.

For further details of the combination with Grupo Modelo, see “Item 10. Additional Information—C. Material Contracts—Grupo Modelo Transaction Agreement.”

E. RESULTS OF OPERATIONS

Year Ended 31 December 2015 Compared to the Year Ended 31 December 2014

Volumes

Our reported volumes include both beer (including near beer) and non-beer (primarily carbonated soft drinks) volumes. In addition, volumes include not only brands that we own or license, but also third-party brands that we brew or otherwise produce as a subcontractor and third-party products that we sell through our distribution network, particularly in Europe. Volumes sold by the Global Export & Holding Companies businesses are shown separately. Following the closing of the Oriental Brewery acquisition in South Korea on 1 April 2014, we are reporting the results and volumes of the company as of that date.

Effective 1 April 2014, we discontinued the reporting of volumes sold to Constellation Brands, Inc. under the interim supply agreement, since these volumes do not form part of the underlying performance of our business.

The table below summarizes the volume evolution by business segment.

| Segment                      | Year ended 31 December 2015 (thousand hectoliters) | Year ended 31 December 2014 (thousand hectoliters) | Change (%)
|------------------------------|----------------------------------------------------|----------------------------------------------------|----------
| North America                | 118,151                                            | 121,150                                            | (2.5)    |
| Mexico                       | 41,629                                             | 38,800                                             | 7.3      |
| Latin America North          | 123,468                                            | 125,418                                            | (1.6)    |
| Latin America South          | 35,985                                             | 36,826                                             | (2.3)    |
| Europe                       | 42,955                                             | 44,278                                             | (3.0)    |
| Asia Pacific                 | 88,218                                             | 82,529                                             | 6.9      |
| Global Export & Holding Companies | 6,911                                          | 9,800                                              | (29.5)   |
| Total                        | 457,317                                            | 458,801                                            | (0.3)    |

Notes:
(1) The percentage change reflects the improvement (or worsening) of results for the period as a result of the change in each item.
Our consolidated volumes were 457 million hectoliters for the year ended 31 December 2015. This represented a decrease of 1.5 million hectoliters, or 0.3%, as compared to our consolidated volumes for the year ended 31 December 2014. The results for the year ended 31 December 2015 reflect the performance of our business after the completion of certain acquisitions and disposals we undertook in 2014 and 2015.

- The 2014 acquisitions include the acquisition of Oriental Brewery, which was included as from 1 April 2014 in our consolidated financial reporting for the year ended 31 December 2014, the acquisition of the Siping Ginsber Draft Beer Co., Ltd. and three breweries in China. The 2014 disposals of Comercio y Distribución Modelo and the glass plant located in Piedras Negras, Coahuila, Mexico had an immaterial impact on our 2014 consolidated volumes.

- The 2015 acquisitions and disposals include the termination of certain distribution rights in Europe, the termination of agreements with Crown Imports for the distribution of Grupo Modelo products through some of our company-owned distributors in the United States, and with Monster, for the distribution of its brands in the United States, as well as the disposal of our soft drink business in Peru. Furthermore, our 2015 volumes compared to 2014 volumes were impacted by the discontinuance of the reporting of volumes sold to Constellation Brands, Inc. mentioned above.

- These 2014 and 2015 transactions positively impacted our volumes, in the aggregate, by 1.3 million hectoliters (net) for the year ended 31 December 2015 compared to the year ended 31 December 2014.

For further details of these acquisitions and disposals, see “Item 5. Operating and Financial Review—A. Key Factors affecting Results of Operations—Acquisitions, Divestitures and Other Structural Changes.” See also note 6 to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015 included in this Form 20-F.

Excluding volume changes attributable to the acquisitions and disposals described above, total volumes declined 0.6%, with our own beer volumes essentially flat and non-beer volumes decreasing 4.7% in the year ended 31 December 2015 compared to our beer volumes for the year ended 31 December 2014.

**North America**

In the year ended 31 December 2015, our volumes in North America decreased by 3.0 million hectoliters, or 2.5%, compared to the year ended 31 December 2014. Excluding volume changes attributable to the acquisitions and disposals described above, our volumes would have declined by 1.9% compared to the same period in 2014.

We estimate that the United States industry’s beer sales-to-retailers adjusted for the number of selling days declined by 0.3% in the year ended 31 December 2015 compared to the same period last year. On the same basis, we estimate that our shipment volumes in the United States and our beer sales-to-retailers adjusted for the number of selling days declined by 2.2% and 1.7%, respectively. We estimate that our total market share, based on beer sales-to-retailers adjusted for the number of selling days, declined by approximately 65 bps during 2015 compared to 2014. We estimate that Budweiser sales-to-retailers adjusted for the number of selling days declined by low single digits, with the brand’s share of total market down approximately 20 bps in 2015. On the same basis, we estimate that Bud Light’s share of total market was down approximately 40 bps, with some share loss in the premium light category. Our portfolio of above premium brands performed well during the year, with sales-to-retailers adjusted for the number of selling days up mid-single digits, leading to a gain of approximately 30 bps of total market share, based on our estimate.
In Canada, beer volumes increased by low single digits in 2015, on the back of a good industry performance. We estimate we gained market share.

**Mexico**

In the year ended 31 December 2015, our volumes in Mexico increased by 2.8 million hectoliters or 7.3% compared to the year ended 31 December 2014, driven by a favorable macroeconomic environment, and good performances by Corona, Bud Light and Victoria. Our focus brands, which represent approximately 90% of our total volumes, continue to grow ahead of the total portfolio, increasing by 9.0% during 2015. We estimate that beer will continue to gain share of total alcohol in Mexico, with good volume growth in all regions of the country. We estimate that our market share was marginally up in the year ended 31 December 2015, reaching a level of just over 58%, driven by the strong performance of our focus brands.

**Latin America North**

In the year ended 31 December 2015, our volumes in Latin America North decreased by 2.0 million hectoliters, or 1.6%, compared to the year ended 31 December 2014, with our beer volumes and soft drinks decreasing 0.9% and 3.6%, respectively.

In Brazil, beer volumes and soft drinks decreased by 1.8% and 5.2%, respectively. These results were delivered despite a very challenging macroeconomic environment, a difficult FIFA World Cup comparable, and unfavorable weather in the fourth quarter of 2015. We estimate that the volumes of our premium and near beer brands, which now account for almost 10% of our total beer volumes, delivered good growth, led by Budweiser, Stella Artois, Corona, Original and Skol Beats Senses. We estimate that our total beer market share, according to AC Nielsen, was 67.5% in 2015.

**Latin America South**

Latin America South volumes for the year ended 31 December 2015 decreased by 0.8 million hectoliters or 2.3% compared to the year ended 31 December 2014. Excluding the acquisitions and disposals described above, our volumes would have increased by 0.6%, with beer volumes increasing 5.1% and non-beer volumes decreasing 6.7%. Our beer volumes in Argentina increased by low single digits, as a result of growth of our premium brands, Stella Artois and Corona, as well as a good performance by MixxTail.

**Europe**

Our volumes, including subcontracted volumes, for the year ended 31 December 2015 decreased by 1.3 million hectoliters, or 3.0%, compared to the year ended 31 December 2014. Excluding the acquisitions and disposals described above, own beer volumes for the year ended 31 December 2015 decreased 1.3% compared to the year ended 31 December 2014, mainly driven by a weak beer industry in Russia and Ukraine. On the same basis, our beer volumes declined by low-single digits in Belgium and Germany mainly due to a difficult FIFA World Cup comparable. In the United Kingdom, our own products volumes grew by mid-single digits, driven by strong performance from our Stella Artois and Corona activations. We estimate we gained market share in the majority of our markets, driven by organic growth from our focus brands, especially in France, Italy and the Netherlands.

**Asia Pacific**

For the year ended 31 December 2015, our volumes increased by 5.7 million hectoliters, or 6.9%, compared to the year ended 31 December 2014. Excluding the acquisitions described above, our total volumes remained basically flat over the same period. In China, we estimate that the total industry volumes declined by approximately 6.0% in 2015, mainly driven by continuing economic headwinds, with most of the impact being felt in the value and core categories. Our own beer volumes grew by 0.4% and we estimate we gained approximately 100 bps market share in 2015, reaching 18.6%, driven by our commercial strategy of growing the premium and super premium brands nationally, and increasing distribution in the growth channels. The combined volumes of our core+, premium and super premium brands grew double digits in the year, and now represent more than 50% of our total China volume.
The acquisition of Oriental Brewery closed on 1 April 2014. Year-over-year, for the period Oriental Brewery was consolidated, our beer volumes in South Korea were down mid-single digits, due to an estimated market share loss in a very competitive environment.

**Global Export & Holding Companies**

For the year ended 31 December 2015, Global Export & Holding Companies volumes decreased by 2.9 million hectoliters. The change in volume performance mainly results from the discontinued reporting of the volumes sold to Constellation Brands, Inc. referred to above.

**Revenue**

Revenue refers to turnover less excise taxes and discounts. See “—A. Key Factors Affecting Results of Operations—Excise Taxes.”

The following table reflects changes in revenue across our business segments for the year ended 31 December 2015 as compared to our revenue for the year ended 31 December 2014.

<table>
<thead>
<tr>
<th></th>
<th>Year ended 31 December 2015 (USD million)</th>
<th>Year ended 31 December 2014 (USD million)</th>
<th>Change (%)1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>15,603</td>
<td>16,093</td>
<td>(3.0)</td>
</tr>
<tr>
<td>Mexico</td>
<td>3,951</td>
<td>4,619</td>
<td>(14.5)</td>
</tr>
<tr>
<td>Latin America North</td>
<td>9,096</td>
<td>11,269</td>
<td>(19.3)</td>
</tr>
<tr>
<td>Latin America South</td>
<td>3,458</td>
<td>2,961</td>
<td>16.8</td>
</tr>
<tr>
<td>Europe</td>
<td>4,012</td>
<td>4,865</td>
<td>(17.5)</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>5,555</td>
<td>5,040</td>
<td>10.2</td>
</tr>
<tr>
<td>Global Export &amp; Holding Companies</td>
<td>1,929</td>
<td>2,216</td>
<td>(13.0)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>43,604</strong></td>
<td><strong>47,063</strong></td>
<td><strong>(7.3)</strong></td>
</tr>
</tbody>
</table>

Notes:

(1) The percentage change reflects the improvement (or worsening) of results for the period as a result of the change in each item.

Our consolidated revenue was USD 43,604 million for the year ended 31 December 2015. This represented a decrease of USD 3,459 million, or 7.3%, as compared to our consolidated revenue for the year ended 31 December 2014. The results for the year ended 31 December 2015 reflect the performance of our business after the completion of certain acquisitions and disposals we undertook in 2014 and 2015 and currency translation effects.

- The 2014 acquisitions and disposals include the acquisition of Oriental Brewery, which was included as from 1 April 2014 in our consolidated financial reporting for the year ended 31 December 2014, the acquisition of the Siping Ginsber Draft Beer Co., Ltd. and three breweries in China, as well as the disposal of Comercio y Distribución Modelo and the glass plant located in Piedras Negras, Coahuila, Mexico (collectively, the “2014 acquisitions and disposals”). Furthermore, our 2015 consolidated results were impacted by the phasing out of inventory sales and transition services provided under agreements with Constellation Brands, Inc. in connection with the disposal of the Piedras Negras glass plant, the termination of certain distribution rights in Europe and the termination of agreements with Crown Imports, for the distribution of Grupo Modelo products through some of our company-owned distributors in the United States, and with Monster, for the distribution of its brands in the United States, as well as the disposal of our soft drink business in Peru (collectively, the “2015 acquisitions and disposals,” and together with the 2014 acquisitions and disposals, the “2014 and 2015 acquisitions and disposals”).
excluding the effects of the business acquisitions and disposals described above, currency translation effects and a change in the presentation of government surcharges in Asia Pacific previously reported in administrative expenses, our revenue would have increased 6.3%, and by 7.0% on a per hectoliter basis, in the year ended 31 December 2015 compared to the year ended 31 December 2014 driven by revenue management initiatives and brand mix, as we continue to implement our premiumization strategies. Our consolidated revenue for the year ended 31 December 2015 was partly impacted by the developments in volumes discussed above. Revenues of our three global brands grew by 12.6% in 2015, with global revenues for Budweiser growing by 7.6%, for Stella Artois by 12.5% and for Corona by 23.0%.

The main business Zones contributing to growth in our consolidated revenues were (i) Latin America North, benefitting from our revenue management initiatives, increased own distribution and premium brand mix; (ii) Latin America South, mainly as a result of growth of our premium and super premium brands, Stella Artois and Corona, as well as good performances by MixxTail in Argentina; (iii) Mexico driven by our revenue management initiatives and a positive impact on our brands mix, driven by Bud Light; and (iv) Asia Pacific, with a 9.8% increase in China, mainly driven by improved brand mix, driven by the growth of Budweiser and our super premium portfolio.

Cost of Sales

The following table reflects changes in cost of sales across our Zones for the year ended 31 December 2015 as compared to the year ended 31 December 2014:

<table>
<thead>
<tr>
<th>Zone</th>
<th>Year ended 31 December 2015 (USD million)</th>
<th>Year ended 31 December 2014 (USD million)</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>(6,122)</td>
<td>(6,391)</td>
<td>4.2</td>
</tr>
<tr>
<td>Mexico</td>
<td>(1,034)</td>
<td>(1,374)</td>
<td>24.7</td>
</tr>
<tr>
<td>Latin America North</td>
<td>(3,032)</td>
<td>(3,741)</td>
<td>24.7</td>
</tr>
<tr>
<td>Latin America South</td>
<td>(1,232)</td>
<td>(1,081)</td>
<td>14.0</td>
</tr>
<tr>
<td>Europe</td>
<td>(1,667)</td>
<td>(2,081)</td>
<td>19.9</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>(2,758)</td>
<td>(2,552)</td>
<td>8.1</td>
</tr>
<tr>
<td>Global Export &amp; Holding Companies</td>
<td>(1,294)</td>
<td>(1,538)</td>
<td>15.9</td>
</tr>
<tr>
<td>Total</td>
<td>(17,137)</td>
<td>(18,756)</td>
<td>8.6</td>
</tr>
</tbody>
</table>

Notes:
(1) The percentage change reflects the improvement (or worsening) of results for the period as a result of the change in each item.

Our consolidated cost of sales was USD 17,137 million for the year ended 31 December 2015. This represented a decrease of USD 1,619 million or 8.6%, as compared to our consolidated cost of sales for the year ended 31 December 2014. The results for the year ended 31 December 2015 reflect the performance of our business after the completion of certain acquisitions and disposals we undertook in 2014 and 2015 and currency translation effects.
• The 2014 and 2015 acquisitions and disposals described above positively impacted our consolidated cost of sales by USD 237 million for the year ended 31 December 2015 compared to year ended 31 December 2014.

• Our consolidated cost of sales for the year ended 31 December 2015 also reflects a positive currency translation impact of USD 2,097 million mainly arising from currency translation effects in Latin America North and South, Europe and Mexico.

Excluding the effects of the business acquisitions and disposals described above and currency translation effects, our cost of sales would have increased by 3.9%, and by 4.5% on a per hectoliter basis, driven primarily by unfavorable foreign exchange transactional impacts, higher depreciation from recent investments and product mix. These increases were partly offset by procurement savings and the synergies delivered in Mexico. Our consolidated cost of sales for the year ended 31 December 2015 was partly impacted by the developments in volumes discussed above.

Operating Expenses

The discussion below relates to our operating expenses, which equal the sum of our distribution expenses, sales and marketing expenses, administrative expenses and other operating income and expenses (net), for the year ended 31 December 2015 as compared to the year ended 31 December 2014. Our operating expenses do not include exceptional charges, which are reported separately.

Our operating expenses for the year ended 31 December 2015 were USD 12,700 million, representing a decrease of USD 299 million, or 2.3% compared to our operating expenses for 2014.

Distribution Expenses

The following table reflects changes in distribution expenses across our business segments for the year ended 31 December 2015 as compared to the year ended 31 December 2014:

<table>
<thead>
<tr>
<th></th>
<th>Year ended 31 December 2015 (USD million)</th>
<th>Year ended 31 December 2014 (USD million)</th>
<th>Change (USD million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>(1,317)</td>
<td>(1,324)</td>
<td>0.5</td>
</tr>
<tr>
<td>Mexico</td>
<td>(403)</td>
<td>(453)</td>
<td>11.0</td>
</tr>
<tr>
<td>Latin America North</td>
<td>(1,137)</td>
<td>(1,404)</td>
<td>19.0</td>
</tr>
<tr>
<td>Latin America South</td>
<td>(327)</td>
<td>(290)</td>
<td>(12.8)</td>
</tr>
<tr>
<td>Europe</td>
<td>(407)</td>
<td>(477)</td>
<td>14.7</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>(464)</td>
<td>(434)</td>
<td>(6.9)</td>
</tr>
<tr>
<td>Global Export &amp; Holding Companies</td>
<td>(202)</td>
<td>(175)</td>
<td>(15.4)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>(4,259)</strong></td>
<td><strong>(4,558)</strong></td>
<td><strong>6.6</strong></td>
</tr>
</tbody>
</table>

Notes:

(1) The percentage change reflects the improvement (or worsening) of results for the period as a result of the change in each item.

Our consolidated distribution expenses were USD 4,259 million for the year ended 31 December 2015. This represented a decrease of USD 299 million, or 6.6%, as compared to the year ended 31 December 2014. The results for the year ended 31 December 2015 reflect the performance of our business after the completion of certain acquisitions and disposals we undertook in 2014 and 2015 and currency translation effects.

• The 2014 and 2015 acquisitions and disposals described above positively impacted our consolidated distribution expenses by USD 2 million for the same period last year.
• Our consolidated distribution expenses for the year ended 31 December 2015 also reflect a positive currency translation impact of USD 672 million.

Excluding the effects of the business acquisitions and disposals and the currency translation effects described above, distribution expenses would have increased 8.3%, driven mainly by increased own distribution in Brazil, which is more than offset by the increase in net revenues, the growth of our premium and near beer brands, and inflationary increases in Latin America South.

Sales and Marketing Expenses

Marketing expenses include all costs relating to the support and promotion of brands, including operating costs (such as payroll and office costs) of the marketing departments, advertising costs (such as agency costs and media costs), sponsoring and events and surveys and market research. Sales expenses include all costs relating to the selling of products, including operating costs (such as payroll and office costs) of the sales department and sales force.

The following table reflects changes in sales and marketing expenses across our business segments for the year ended 31 December 2015 as compared to the year ended 31 December 2014:

| Segment                      | Year ended 31 December 2015 (USD million) | Year ended 31 December 2014 (USD million) | Change (%)
|------------------------------|-------------------------------------------|-------------------------------------------|----------
| North America               | (2,293)                                   | (2,136)                                   | (7.4)    |
| Mexico                      | (720)                                     | (808)                                     | 10.9     |
| Latin America North         | (980)                                     | (1,253)                                   | 21.8     |
| Latin America South         | (394)                                     | (315)                                     | 25.1     |
| Europe                      | (888)                                     | (1,067)                                   | 16.8     |
| Asia Pacific                | (1,399)                                   | (1,227)                                   | (14.0)   |
| Global Export & Holding Companies | (238)                                   | (230)                                     | (3.5)    |
| **Total**                   | **(6,913)**                               | **(7,036)**                               | **1.7**  |

Notes:

(1) The percentage change reflects the improvement (or worsening) of results for the period as a result of the change in each item.

Our consolidated sales and marketing expenses were USD 6,913 million for the year ended 31 December 2015. This represented a decrease of USD 123 million, or 1.7%, as compared to our sales and marketing expenses for the year ended 31 December 2014. The results for the year ended 31 December 2015 reflect the performance of our business after the completion of certain acquisitions and disposals we undertook in 2014 and 2015 and currency translation effects.

• The 2014 and 2015 acquisitions and disposals described above negatively impacted our consolidated sales and marketing expenses by USD 83 million for the year ended 31 December 2015 compared to the same period last year.

• Our consolidated sales and marketing expenses for the year ended 31 December 2015 also reflect a positive currency translation impact of USD 867 million.

Excluding the effects of the 2014 and 2015 acquisitions and disposals and currency translation effects, our overall sales and marketing expenses for the year ended 31 December 2015 would have increased 9.4%, with increased support behind the long-term growth of our brands, innovations and sales activations. The increase during the year ended 31 December 2015 compared to a growth of 12.5% in the year ended 31 December 2014, which reflected our FIFA World Cup activations.

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Administrative Expenses

The following table reflects changes in administrative expenses across our business segments for the year ended 31 December 2015 as compared to the year ended 31 December 2014:

<table>
<thead>
<tr>
<th></th>
<th>Year ended 31 December 2015 (USD million)</th>
<th>Year ended 31 December 2014 (USD million)</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>50</td>
<td>299</td>
<td>(83.3)</td>
</tr>
<tr>
<td>Mexico</td>
<td>222</td>
<td>237</td>
<td>(6.3)</td>
</tr>
<tr>
<td>Latin America North</td>
<td>557</td>
<td>689</td>
<td>(19.2)</td>
</tr>
<tr>
<td>Latin America South</td>
<td>16</td>
<td>5</td>
<td>220.0</td>
</tr>
<tr>
<td>Europe</td>
<td>19</td>
<td>28</td>
<td>(32.1)</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>140</td>
<td>90</td>
<td>55.6</td>
</tr>
<tr>
<td>Global Export &amp; Holding Companies</td>
<td>27</td>
<td>39</td>
<td>(30.8)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,032</strong></td>
<td><strong>1,386</strong></td>
<td><strong>(25.5)</strong></td>
</tr>
</tbody>
</table>

Notes:
(1) The percentage change reflects the improvement (or worsening) of results for the period as a result of the change in each item.

Our consolidated administrative expenses were USD 2,560 million for the year ended 31 December 2015. This represented a decrease of USD 231 million, or 8.3%, as compared to our consolidated administrative expenses for the year ended 31 December 2014. The results for the year ended 31 December 2015 reflect the performance of our business after the completion of certain acquisitions and disposals we undertook in 2014 and 2015 and currency translation effects.

• The 2014 and 2015 acquisitions and disposals negatively impacted our consolidated administrative expenses by USD 10 million for the year ended 31 December 2015 compared to the year ended 31 December 2014.

• Our consolidated administrative expenses for the year ended 31 December 2015 also reflect a positive currency translation impact of USD 396 million.

Excluding the effects of the business acquisitions and disposals described above, currency translation effects and a change in the presentation of government surcharges in Asia Pacific to revenue, administrative expenses would have increased by 8.3%, mainly due to variable compensation accruals.

Other Operating Income/(Expense)

The following table reflects changes in other operating income and expenses across our business segments for the year ended 31 December 2015 as compared to the year ended 31 December 2014:

<table>
<thead>
<tr>
<th></th>
<th>Year ended 31 December 2015 (USD million)</th>
<th>Year ended 31 December 2014 (USD million)</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>50</td>
<td>299</td>
<td>(83.3)</td>
</tr>
<tr>
<td>Mexico</td>
<td>222</td>
<td>237</td>
<td>(6.3)</td>
</tr>
<tr>
<td>Latin America North</td>
<td>557</td>
<td>689</td>
<td>(19.2)</td>
</tr>
<tr>
<td>Latin America South</td>
<td>16</td>
<td>5</td>
<td>220.0</td>
</tr>
<tr>
<td>Europe</td>
<td>19</td>
<td>28</td>
<td>(32.1)</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>140</td>
<td>90</td>
<td>55.6</td>
</tr>
<tr>
<td>Global Export &amp; Holding Companies</td>
<td>27</td>
<td>39</td>
<td>(30.8)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,032</strong></td>
<td><strong>1,386</strong></td>
<td><strong>(25.5)</strong></td>
</tr>
</tbody>
</table>

Notes:
(1) The percentage change reflects the improvement (or worsening) of results for the period as a result of the change in each item.
The net positive effect of our other operating income and expenses for the year ended 31 December 2015 was USD 1,032 million. This represented a decrease of USD 354 million, or 25.5%, compared to the year ended 31 December 2014.

Other operating income in the year ended 31 December 2014 included a one-time positive accounting adjustment of USD 223 million, following an actuarial reassessment of future liabilities under our post-retirement healthcare benefit plans in the United States. Furthermore, the results for the year ended 31 December 2015 reflect the performance of our business after the completion of certain acquisitions and disposals we undertook in 2014 and 2015 and currency translation effects.

- The 2014 and 2015 acquisitions and disposals described above negatively impacted our consolidated, other operating income by USD 58 million for the year ended 31 December 2015 compared to the same period last year.
- Our other operating income for the year ended 31 December 2015 also reflects a negative currency translation impact of USD 266 million.

**Exceptional Items**

Exceptional items are items which, in our management’s judgment, need to be disclosed separately by virtue of their size and incidence in order to obtain a proper understanding of our financial information. We consider these items to be significant in nature, and accordingly, our management has excluded these items from their segment measure of performance.

For the year ended 31 December 2015, exceptional items consisted of restructuring charges, acquisition costs of business combinations, business and asset disposal, impairment of assets and judicial settlement. Exceptional items were as follows for the years ended 31 December 2015 and 2014:

<table>
<thead>
<tr>
<th>Year ended 31 December 2015 (USD million)</th>
<th>Year ended 31 December 2014 (1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restructuring</td>
<td>(171)</td>
</tr>
<tr>
<td>Acquisition costs business combination</td>
<td>(55)</td>
</tr>
<tr>
<td>Business and asset disposal</td>
<td>524</td>
</tr>
<tr>
<td>Impairment of assets</td>
<td>(82)</td>
</tr>
<tr>
<td>Judicial settlement</td>
<td>(80)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>136</strong></td>
</tr>
</tbody>
</table>

Notes:

(1) Reclassified to conform to the 2015 presentation.

**Restructuring**

Exceptional restructuring charges amounted to a net cost of USD 171 million for the year ended 31 December 2015 as compared to a net cost of USD 158 million for the year ended 31 December 2014. These charges primarily relate mainly to the integration of Grupo Modelo and to organizational alignments in North America and Europe. These changes aim to eliminate overlap or duplicated processes, taking into account the right match of employee profiles with the new organizational requirements. These one-time expenses, as a result of the series of decisions, provide us with a lower cost base in addition to a stronger focus on our core activities, quicker decision-making and improvements to efficiency, service and quality.
**Acquisition Costs and Business Combinations**

Acquisition costs of USD 55 million for the year ended 31 December 2015 primarily related to costs incurred in relation to the proposed acquisition of SABMiller.

**Business and Asset Disposal**

Business and asset disposals amounted to a net benefit of USD 524 million for the year ended 31 December 2015. This gain consists primarily of gains on property sales, and compensation for the termination agreements with Crown imports for the distribution of Grupo Modelo products through our wholly owned distributors in the U.S., and with Monster for the distribution of its brands through the Anheuser-Busch distribution system.

**Impairment of Assets**

During the year ended 31 December 2015, we incurred USD 50 million impairment losses related to goodwill and other assets in respect of our operations in Ukraine and impairment of non-core brands for an amount of USD 32 million.

**Judicial Settlement**

The judicial settlement for the year-end 31 December 2015 relates to the settlement reached between CADE, the Brazilian Antitrust Authority, and Ambev regarding the “Tô Contigo” customer loyalty program. Please also refer to note 30 to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015.

**Profit from Operations**

The following table reflects changes in profit from operations across our business segments for the year ended 31 December 2015 as compared to the year ended 31 December 2014:

<table>
<thead>
<tr>
<th></th>
<th>Year ended 31 December 2015 (USD million)</th>
<th>Year ended 31 December 2014 (USD million)</th>
<th>Change (USD million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>5,520</td>
<td>6,063</td>
<td>(543)</td>
</tr>
<tr>
<td>Mexico</td>
<td>1,700</td>
<td>1,685</td>
<td>15</td>
</tr>
<tr>
<td>Latin America North</td>
<td>3,937</td>
<td>4,957</td>
<td>(1,020)</td>
</tr>
<tr>
<td>Latin America South</td>
<td>1,380</td>
<td>1,163</td>
<td>217</td>
</tr>
<tr>
<td>Europe</td>
<td>818</td>
<td>774</td>
<td>44</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>833</td>
<td>432</td>
<td>401</td>
</tr>
<tr>
<td>Global Export &amp; Holding Companies</td>
<td>(283)</td>
<td>37</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>13,904</strong></td>
<td><strong>15,111</strong></td>
<td><strong>(8.0)</strong></td>
</tr>
</tbody>
</table>

Notes:

(1) The percentage change reflects the improvement (or worsening) of results for the period as a result of the change in each item.

Our profit from operations amounted to USD 13,904 million for the year ended 31 December 2015. This represented a decrease of USD 1,207 million, or 8.0%, as compared to our profit from operations for the year ended 31 December 2014. The results for the year ended 31 December 2015 reflect the performance of our business after the completion of certain acquisitions and disposals we undertook in 2014 and 2015, currency translation effects and the effects of certain exceptional items as described above.
• The 2014 and 2015 acquisitions and disposals negatively impacted our consolidated profit from operations by USD 493 million for the year ended 31 December 2015 compared to the same period last year.

• Our consolidated profit from operations for the year ended 31 December 2015 also reflects a negative currency translation impact of USD 2,111 million.

• Our profit from operations for the year ended 31 December 2015 was positively impacted by USD 136 million of certain exceptional items, as compared to a negative impact of USD 197 million for the year ended 31 December 2014. See “— Exceptional Items” above for a description of the exceptional items during the years ended 31 December 2015 and 2014.

**EBITDA, as defined**

The following table reflects changes in our EBITDA, as defined, for the year ended 31 December 2015 as compared to the year ended 31 December 2014:

<table>
<thead>
<tr>
<th>Year ended</th>
<th>Year ended</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>31 December 2015</td>
<td>31 December 2014</td>
</tr>
<tr>
<td>Profit</td>
<td>9,867</td>
<td>11,302</td>
</tr>
<tr>
<td>Net finance cost</td>
<td>1,453</td>
<td>1,319</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>2,594</td>
<td>2,499</td>
</tr>
<tr>
<td>Share of result of associates</td>
<td>(10)</td>
<td>(9)</td>
</tr>
<tr>
<td><strong>Profit from operations</strong></td>
<td><strong>13,904</strong></td>
<td><strong>15,111</strong></td>
</tr>
<tr>
<td>Depreciation, amortization and impairment</td>
<td>3,153</td>
<td>3,353</td>
</tr>
<tr>
<td><strong>EBITDA, as defined</strong></td>
<td><strong>17,057</strong></td>
<td><strong>18,464</strong></td>
</tr>
</tbody>
</table>

Notes:

(1) The percentage change reflects the improvement (or worsening) of results for the period as a result of the change in each item.

A performance measure such as EBITDA, as defined, is a non-IFRS measure. The financial measure most directly comparable to EBITDA, as defined, presented in accordance with IFRS in our consolidated financial statements, is profit. EBITDA, as defined, is a measure used by our management to evaluate our business performance and is defined as profit from operations before depreciation, amortization and impairment. EBITDA, as defined, is a key component of the measures that are provided to senior management on a monthly basis at the group level, the zone level and lower levels. We believe EBITDA, as defined, is useful to investors for the following reasons.

We believe EBITDA, as defined, facilitates comparisons of our operating performance across our Zones from period to period. In comparison to profit, EBITDA, as defined, excludes items which do not impact the day-to-day operation of our primary business (that is, the selling of beer and other operational businesses) and over which management has little control. Items excluded from EBITDA, as defined, are our share of results of associates, depreciation and amortization, impairment, financial charges and corporate income taxes, which management does not consider to be items that drive our underlying business performance. Because EBITDA, as defined, includes only items management can directly control or influence, it forms part of the basis for many of our performance targets. For example, certain options under our share-based compensation plan were granted such that they vest only when certain targets derived from EBITDA, as defined, were met.

We further believe that EBITDA, as defined, and measures derived from it, are frequently used by securities analysts, investors and other interested parties in their evaluation of us and in comparison to other companies, many of which present an EBITDA performance measure when reporting their results.
EBITDA, as defined, does, however, have limitations as an analytical tool. It is not a recognized term under IFRS and does not purport to be an alternative to profit as a measure of operating performance, or to cash flows from operating activities as a measure of liquidity. As a result, you should not consider EBITDA, as defined, in isolation from, or as a substitute analysis for, our results of operations. Some limitations of EBITDA, as defined, are:

- EBITDA, as defined, does not reflect the impact of financing costs on our operating performance. Such costs are significant in light of our increased debt;
- EBITDA, as defined, does not reflect depreciation and amortization, but the assets being depreciated and amortized will often have to be replaced in the future;
- EBITDA, as defined, does not reflect the impact of charges for existing capital assets or their replacements;
- EBITDA, as defined, does not reflect our tax expense; and
- EBITDA, as defined, may not be comparable to other similarly titled measures of other companies because not all companies use identical calculations.

Additionally, EBITDA, as defined, is not intended to be a measure of free cash flow for management’s discretionary use, as it is not adjusted for all non-cash income or expense items that are reflected in our consolidated statement of cash flows.

We compensate for these limitations, in addition to using EBITDA, as defined, by relying on our results calculated in accordance with IFRS.

Our EBITDA, as defined, amounted to USD 17,057 million for the year ended 31 December 2015. This represented a decrease of USD 1,407 million, or 7.6%, as compared to our EBITDA, as defined, for the year ended 31 December 2014. The results for the year ended 31 December 2015 reflect the performance of our business after the completion of the acquisitions and disposals we undertook in 2014 and 2015 discussed above and currency translation effects. Furthermore, our EBITDA, as defined, was positively impacted by USD 218 million (before impairment losses) of certain exceptional items in the year ended 31 December 2015, as compared to a negative impact of USD 78 million (before impairment losses) during the year ended 31 December 2014. See “—Exceptional Items” above for a description of the exceptional items during the year ended 31 December 2015 and 2014.

**Net Finance Cost**

Our net finance cost items were as follows for the years ended 31 December 2015 and 2014:

<table>
<thead>
<tr>
<th></th>
<th>Year ended 31 December 2015 (USD million)</th>
<th>Year ended 31 December 2014 (USD million)</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net interest expense</td>
<td>(1,466)</td>
<td>(1,634)</td>
<td>10.3</td>
</tr>
<tr>
<td>Net interest on net defined benefit liabilities</td>
<td>(118)</td>
<td>(124)</td>
<td>4.8</td>
</tr>
<tr>
<td>Accretion expense</td>
<td>(326)</td>
<td>(364)</td>
<td>10.4</td>
</tr>
<tr>
<td>Other financial results</td>
<td>671</td>
<td>294</td>
<td>—</td>
</tr>
<tr>
<td><strong>Net finance costs before exceptional finance results</strong></td>
<td>(1,239)</td>
<td>(1,828)</td>
<td>32.2</td>
</tr>
<tr>
<td>Mark-to-market adjustment on derivatives</td>
<td>(195)</td>
<td>509</td>
<td>—</td>
</tr>
<tr>
<td>Other</td>
<td>(19)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td><strong>Exceptional net finance income/(cost)</strong></td>
<td>(214)</td>
<td>509</td>
<td>—</td>
</tr>
<tr>
<td><strong>Net finance income/(cost)</strong></td>
<td>(1,453)</td>
<td>(1,319)</td>
<td>(10.2)</td>
</tr>
</tbody>
</table>

Notes:

(1) The percentage change reflects the improvement (or worsening) of results for the period as a result of the change in each item.

85
Our net finance cost for the year ended 31 December 2015 was USD 1,453 million, as compared to USD 1,319 million for the year ended 31 December 2014, representing an increase of USD 134 million.

The decrease in net finance costs before exceptional items is driven primarily by lower net interest expenses and positive other financial results, mainly due to net foreign exchange gains on U.S. dollar cash held in Mexico and a positive mark-to-market adjustment of USD 844 million linked to the hedging of our share-based payment programs. In 2014, mark-to-market adjustment linked to the hedging of our share-based payment programs amounted to USD 711 million.

The number of shares covered by the hedging of our share-based payment programs, and the opening and closing share prices are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Year ended 31 December 2015</th>
<th>Year ended 31 December 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share price at the start of the period (in euro)</td>
<td>93.86</td>
<td>77.26</td>
</tr>
<tr>
<td>Share price at the end of the period (in euro)</td>
<td>114.4</td>
<td>93.86</td>
</tr>
<tr>
<td>Number of derivative equity instruments at the end of the period (in millions)</td>
<td>35.5</td>
<td>33.7</td>
</tr>
</tbody>
</table>

Exceptional net finance cost in 2015 includes a negative mark-to-market adjustment of USD 688 million related to the portion of the hedging of the purchase price of the proposed acquisition of SABMiller that does not qualify for hedge accounting under IFRS rules. This is partly offset by a favorable mark-to-market adjustment of USD 511 million on derivative instruments entered into to hedge the deferred share instrument issued in a transaction related to the combination with Grupo Modelo, compared to a favorable mark-to-market adjustment of USD 509 million in 2014.

The deferred share instrument was hedged at an average price of EUR 68 per share. The number of shares covered by the hedging of the deferred share instrument, and the opening and closing share prices are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Year ended 31 December 2015</th>
<th>Year ended 31 December 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share price at the start of the period (in euro)</td>
<td>93.86</td>
<td>77.26</td>
</tr>
<tr>
<td>Share price at the end of the period (in euro)</td>
<td>114.4</td>
<td>93.86</td>
</tr>
<tr>
<td>Number of derivative equity instruments at the end of the period (in millions)</td>
<td>23.1</td>
<td>23.1</td>
</tr>
</tbody>
</table>

**Share of Result of Associates**

Our share of result of associates for the year ended 31 December 2015 was USD 10 million as compared to USD 9 million for the year ended 31 December 2014.
**Income Tax Expense**

Our total income tax expense for the year ended 31 December 2015 amounted to USD 2,594 million, with an effective tax rate of 20.8%, as compared to an income tax expense of USD 2,499 million and an effective tax rate of 18.1% for the year ended 31 December 2014. The increase in the effective tax rate mainly results from non-deductible foreign exchange losses from certain derivatives entered into in relation to the proposed acquisition of SABMiller that could not qualify for hedge accounting under IFRS rules, as well as unfavorable outcome of tax claims and uncertain tax positions. Changes in country profit mix are also impacting the effective tax rate. See also notes 8, 12 and 27 to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015 included in this Form 20-F.

In 2015 and 2014, we recognized the benefit at the Ambev level from the impact of interest on equity payments and tax deductible goodwill resulting from the merger of Beverage Associates Holding Limited into Ambev in August 2006. See “Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Ambev Special Goodwill Reserve.” The impact of the tax deductible goodwill resulting from the merger of Beverage Associates Holding Limited into Ambev in August 2006 and other mergers was to reduce income tax expense for the year ended 31 December 2015 by USD 44 million. In October 2013, Ambev received a tax assessment related to the goodwill amortization resulting from the merger of Beverage Associates Holding Limited into Ambev. See “Item 8. Financial Information—A. Consolidated Financial Statements and Other Financial Information—Legal and Arbitration Proceedings—Ambev and its Subsidiaries—Special Goodwill Reserve” for further information.

We benefit from tax exempted income and tax credits which are expected to continue in the future, except for the tax deductibility of existing goodwill in Brazil, which will expire in 2017. We do not have significant benefits coming from low tax rates in any particular jurisdiction.

**Profit Attributable to Non-Controlling Interests**

The profit attributable to non-controlling interests was USD 1,594 million for the year ended 31 December 2015, a decrease of USD 492 million from USD 2,086 million for the year ended 31 December 2014, with an improved operating performance of Ambev being offset by currency translation effects.

**Profit Attributable to Our Equity Holders**

Profit attributable to our equity holders for the year ended 31 December 2015 was USD 8,273 million (compared to USD 9,216 million for the year ended 31 December 2014) with basic earnings per share of USD 5.05, based on 1,638 million shares outstanding, representing the weighted average number of shares outstanding during the year ended 31 December 2015. For the definition of weighted average number of shares outstanding, see footnote 2 of the table in “Item 3. Key Information—A. Selected Financial Data.”

Excluding the after-tax exceptional items and unfavorable outcome of tax claims and uncertain tax positions discussed above, profit attributable to our equity holders for the year ended 31 December 2015 would have been USD 8,513 million and basic earnings per share would have been USD 5.20.

**Year Ended 31 December 2014 Compared to the Year Ended 31 December 2013**

**Volumes**

Our reported volumes include both beer (including near beer) and non-beer (primarily carbonated soft drinks) volumes. In addition, volumes include not only brands that we own or license, but also third-party brands that we brew or otherwise produce as a subcontractor and third-party products that we sell through our distribution network, particularly in Europe. Volumes sold by the Global Export & Holding Companies businesses are shown separately. Following the combination with Grupo Modelo, we are fully consolidating Grupo Modelo in our financial reporting as of 4 June 2013 and are reporting the Grupo Modelo volumes in the reported volumes as of that date. Following the closing of the Oriental Brewery acquisition in South Korea on 1 April 2014, we are reporting the results and volumes of the company as of that date.
Effective 1 April 2014, we discontinued the reporting of volumes sold to Constellation Brands, Inc. under the interim supply agreement, since these volumes do not form part of the underlying performance of our business.

The table below summarizes the volume evolution by business segment.

<table>
<thead>
<tr>
<th>Business Segment</th>
<th>Year ended 31 December 2014 (thousand hectoliters)</th>
<th>Year ended 31 December 2013(1) (thousand hectoliters)</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>121,150</td>
<td>122,116</td>
<td>(0.8)</td>
</tr>
<tr>
<td>Mexico</td>
<td>38,800</td>
<td>22,366</td>
<td>73.5</td>
</tr>
<tr>
<td>Latin America North</td>
<td>125,418</td>
<td>120,427</td>
<td>4.1</td>
</tr>
<tr>
<td>Latin America South</td>
<td>36,826</td>
<td>36,918</td>
<td>(0.2)</td>
</tr>
<tr>
<td>Europe</td>
<td>44,278</td>
<td>46,271</td>
<td>(4.3)</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>82,529</td>
<td>65,787</td>
<td>25.4</td>
</tr>
<tr>
<td>Global Export &amp; Holding Companies</td>
<td>9,800</td>
<td>12,054</td>
<td>(18.7)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>458,801</strong></td>
<td><strong>425,939</strong></td>
<td><strong>7.7</strong></td>
</tr>
</tbody>
</table>

Notes:

(1) The percentage change reflects the improvement (or worsening) of results for the period as a result of the change in each item.
(2) 2013 as reported, adjusted to reflect changes in the segment reporting. See “Item 5. Operating and Financial Review—B. Significant Accounting Policies.”

Our consolidated volumes were 459 million hectoliters for the year ended 31 December 2014. This represented an increase of 32.9 million hectoliters, or 7.7%, as compared to our consolidated volumes for the year ended 31 December 2013. The results for the year ended 31 December 2014 reflect the performance of our business after the completion of certain acquisitions we undertook in 2013 and 2014.

- Our combination with Grupo Modelo closed on 4 June 2013 and was included in our consolidated financial reporting as of that date. In the first five months of 2014, Grupo Modelo contributed an increase of 18.3 million hectoliters to our consolidated volumes. The acquisition primarily affects the Mexico zone and, to a lesser degree, our European and Global Export & Holding Companies volumes.
- The 2013 acquisition of four breweries in China impacted positively our volumes by 1.0 million hectoliters for the period in the year ended 31 December 2014 corresponding to the period in 2013 for which volumes from these acquisitions were not included in our consolidated financial reporting.
- The 2014 acquisition of Oriental Brewery, which was included as from 1 April 2014 in our consolidated financial reporting for the year ended 31 December 2014, increased our volumes by 10.8 million hectoliters.
- On the same basis, the 2014 acquisition of the Siping Ginsber Draft Beer Co., Ltd. and three breweries in China impacted positively our volumes by 3.9 million hectoliters while the 2014 acquisitions in the United States and the disposal of Comercio y Distribución Modelo in Mexico had an immaterial impact on our volumes.

For further details of these acquisitions and disposals, see “Item 5. Operating and Financial Review—A. Key Factors affecting Results of Operations—Acquisitions, Divestitures and Other Structural Changes.” See also note 6 to our audited consolidated financial statements as of 31 December 2014 and 2013, and for the three years ended 31 December 2014 included in our 2014 Annual Report on Form 20-F.
Excluding volume changes attributable to the acquisitions and the discontinued reporting of the interim supply agreement volumes referred to above, our own beer volumes increased 0.3% in the year ended 31 December 2014 compared to our beer volumes for the year ended 31 December 2013. On the same basis, in the year ended 31 December 2014, our non-beer volumes increased by 1.3% compared to the year ended 31 December 2013.

North America

In the year ended 31 December 2014, our volumes in North America decreased by 1.0 million hectoliters or 0.8% compared to the year ended 31 December 2013. We estimate that our shipment volumes in the United States declined by 1.5% and our beer sales-to-retailers adjusted for the number of selling days declined by 1.7% during the year ended 31 December 2014 compared to the year ended 31 December 2013. On the same basis, we estimate that United States beer industry sales-to-retailers adjusted for the number of selling days declined by 0.6% compared to an estimated decline of 1.8% during 2013. We estimate that market share was down approximately 50 bps during 2014 compared to 2013, largely due to Budweiser.

In Canada, we began distributing our Grupo Modelo brands which we assumed from Molson Coors at the beginning of March 2014. Excluding the effect of the distribution of Grupo Modelo brands in Canada, our beer volumes decreased by 0.7% during the year ended 31 December 2014 compared to the year ended 31 December 2013, mainly driven by very cold weather during the first quarter 2014, partly offset by a better industry performance in the fourth quarter 2014.

Mexico

Our volumes in Mexico were 38.8 million hectoliters in the year ended 31 December 2014. Our combination with Grupo Modelo closed on 4 June 2013. Year-over-year, for the period Grupo Modelo was consolidated, Grupo Modelo volumes grew by 1.2%. We estimate that Mexican beer industry volumes grew by low single digits, driven primarily by a stronger economy.

On the same basis, we estimate that we lost some market share in 2014 driven by regional mix. Industry growth was weaker in the Central region, where we have a high market share, while growth was much stronger in the North, where we have a lower, but growing, market share, based on estimates. We estimate our focus brands grew, with the Corona family continuing to perform well despite supply shortages during the first half of the year, and Bud Light and Victoria volumes also increasing in 2014.

Latin America North

In the year ended 31 December 2014, our volumes in Latin America North increased by 5.0 million hectoliters, or 4.1%, compared to the year ended 31 December 2013, with our beer volumes and soft drinks increasing 4.7% and 2.3%, respectively.

In Brazil, beer volumes increased by 4.7% and soft drinks increased 1.4% during the year ended 31 December 2014 compared to the year ended 31 December 2013. On the same basis, we estimate that beer industry volumes grew by approximately 4.3% during 2014, benefiting from a strong summer and the FIFA World Cup. We estimate that our year-over-year market share increased by approximately 30 bps to 68.2%. Premium brands continued to outperform the rest of our portfolio, due to a strong performance by Budweiser.

The consumer environment in Brazil continues to be challenging, and our pack price, returnable package and innovation strategies remain major business priorities.

Latin America South

Latin America South volumes for the year ended 31 December 2014 decreased 0.2% compared to the year ended 31 December 2013, with beer volumes basically flat and non-beer volumes declining 0.6%. On the same basis, beer volumes in Argentina decreased 1.7%, with some market share loss, based on our estimates, due to competitive pressure.
Europe

Our volumes, including subcontracted volumes, for the year ended 31 December 2014 decreased by 2.0 million hectoliters, or 4.3%, compared to the year ended 31 December 2013. Excluding the acquisitions described above, own beer volumes for the year ended 31 December 2014 decreased 6.1% compared to the year ended 31 December 2013, mainly driven by a weak beer industry in Ukraine and Russia, as well as high promotional pressure in Germany. Volume decreases in Europe were partially offset by FIFA World Cup activations in Belgium, Germany and the United Kingdom. Own beer volumes were flat in Belgium, declined by 2.8% in Germany and grew by 2.4% in the United Kingdom.

Asia Pacific

For the year ended 31 December 2014, our volumes grew 16.7 million hectoliters, or 25.4%, compared to the year ended 31 December 2013. Excluding the acquisitions described above, our total volumes would have increased by 1.7% over the same period. On the same basis, we estimate that industry volumes in China declined by approximately 4%, while our volumes increased by 1.6%.

Our focus brands, Budweiser, Harbin and Sedrin, which represent nearly 73% of our portfolio in China, grew by 7.8% in the year ended 31 December 2014 compared to the year ended 31 December 2013. On the same basis, we estimate that we gained market share in 2014, reaching 15.9%.

Global Export & Holding Companies

For the year ended 31 December 2014, Global Export & Holding Companies volumes decreased by 2.3 million hectoliters, or 18.7%, compared to the year ended 31 December 2013. The volume performance mainly results from the combination with Grupo Modelo and by the discontinued reporting of the interim supply agreement volumes referred to above.

Revenue

Revenue refers to turnover less excise taxes and discounts. See “—A. Key Factors Affecting Results of Operations—Excise Taxes.”

The following table reflects changes in revenue across our business segments for the year ended 31 December 2014 as compared to our revenue for the year ended 31 December 2013.

<table>
<thead>
<tr>
<th></th>
<th>Year ended 31 December 2014 (USD million)</th>
<th>Year ended 31 December 2013 (1) (USD million)</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>16,093</td>
<td>16,023</td>
<td>0.4</td>
</tr>
<tr>
<td>Mexico</td>
<td>4,619</td>
<td>2,769</td>
<td>66.8</td>
</tr>
<tr>
<td>Latin America North</td>
<td>11,269</td>
<td>11,009</td>
<td>2.4</td>
</tr>
<tr>
<td>Latin America South</td>
<td>2,961</td>
<td>3,269</td>
<td>(9.4)</td>
</tr>
<tr>
<td>Europe</td>
<td>4,865</td>
<td>4,932</td>
<td>(1.4)</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>5,040</td>
<td>3,354</td>
<td>50.3</td>
</tr>
<tr>
<td>Global Export &amp; Holding Companies</td>
<td>2,216</td>
<td>1,839</td>
<td>20.5</td>
</tr>
<tr>
<td>Total</td>
<td><strong>47,063</strong></td>
<td><strong>43,195</strong></td>
<td><strong>9.0</strong></td>
</tr>
</tbody>
</table>

Notes:

(1) The percentage change reflects the improvement (or worsening) of results for the period as a result of the change in each item.
Our consolidated revenue was USD 47,063 million for the year ended 31 December 2014. This represented an increase of USD 3,868 million, or 9.0%, as compared to our consolidated revenue for the year ended 31 December 2013. The results for the year ended 31 December 2014 reflect the performance of our business after the completion of certain acquisitions and disposals we undertook in 2013 and 2014 and currency translation effects.

- The 2013 acquisition of four breweries in China, the 2014 acquisition of Oriental Brewery in South Korea, the acquisition of Siping Ginsber Draft Beer Co., Ltd. and three breweries in China, as well as the disposal of Comercio y Distribución Modelo (further referred to as “2013 and 2014 acquisitions and disposals”), positively impacted our consolidated revenue by USD 1,264 million for the year ended 31 December 2014 compared to year ended 31 December 2013.
- Our combination with Grupo Modelo closed on 4 June 2013 and was included in our consolidated financial reporting as from that date. In the first five months of 2014, Grupo Modelo contributed an increase of USD 2,384 million to our consolidated revenue.
- Our consolidated revenue for the year ended 31 December 2014 also reflects an unfavorable currency translation impact of USD 2,371 million mainly arising from currency translation effects in Europe, Latin America North and Latin America South.

Excluding the effects of the business acquisitions and disposals described above and currency translation effects, our revenue would have increased 6.0% in the year ended 31 December 2014 compared to the year ended 31 December 2013. Our consolidated revenue for the year ended 31 December 2014 was partly impacted by the developments in volumes discussed above. Our revenue per hectoliter for the year ended 31 December 2014 improved, driven by revenue management initiatives and brand mix improvements from our premiumization strategies.

The main business Zones contributing to growth in our consolidated revenues were (i) Latin America North, due to our revenue management initiatives, an increase in own distribution, premium brand mix and package mix; (ii) Latin America South, driven by price increases to offset inflation; and (iii) Asia Pacific, driven primarily by improved brand mix, with consumers trading up to our core plus and premium-priced brands, especially Budweiser and Harbin Ice.

Cost of Sales

The following table reflects changes in cost of sales across our Zones for the year ended 31 December 2014 as compared to the year ended 31 December 2013:

<table>
<thead>
<tr>
<th>Zone</th>
<th>Year ended 31 December 2014 (USD million)</th>
<th>Year ended 31 December 2013(1) (USD million)</th>
<th>Change (USD million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>(6,391)</td>
<td>(6,519)</td>
<td>2.0</td>
</tr>
<tr>
<td>Mexico</td>
<td>(1,374)</td>
<td>(869)</td>
<td>(58.1)</td>
</tr>
<tr>
<td>Latin America North</td>
<td>(3,741)</td>
<td>(3,576)</td>
<td>(4.6)</td>
</tr>
<tr>
<td>Latin America South</td>
<td>(1,081)</td>
<td>(1,185)</td>
<td>8.8</td>
</tr>
<tr>
<td>Europe</td>
<td>(2,081)</td>
<td>(2,238)</td>
<td>7.0</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>(2,552)</td>
<td>(1,885)</td>
<td>(35.4)</td>
</tr>
<tr>
<td>Global Export &amp; Holding Companies</td>
<td>(1,538)</td>
<td>(1,323)</td>
<td>(16.3)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>(18,756)</strong></td>
<td><strong>(17,594)</strong></td>
<td><strong>(6.6)</strong></td>
</tr>
</tbody>
</table>

Notes:

(1) The percentage change reflects the improvement (or worsening) of results for the period as a result of the change in each item.
(2) 2013 as reported, adjusted to reflect changes in the segment reporting. See “Item 5. Operating and Financial Review—B. Significant Accounting Policies.”
Our consolidated cost of sales was USD 18,756 million for the year ended 31 December 2014. This represented an increase of USD 1,162 million or 6.6%, as compared to our consolidated cost of sales for the year ended 31 December 2013. The results for the year ended 31 December 2014 reflect the performance of our business after the completion of certain acquisitions and disposals we undertook in 2013 and 2014 and currency translation effects.

- The 2013 and 2014 acquisitions and disposals negatively impacted our consolidated cost of sales by USD 553 million for the year ended 31 December 2014 compared to year ended 31 December 2013.
- Our combination with Grupo Modelo closed on 4 June 2013 and was included in our consolidated financial reporting as from that date. In the first five months of 2014, Grupo Modelo contributed an increase of USD 861 million to our consolidated cost of sales.
- Our consolidated cost of sales for the year ended 31 December 2014 also reflects a positive currency translation impact of USD 864 million mainly arising from currency translation effects in Europe, Latin America North and Latin America South.

Excluding the effects of the business acquisitions and disposals described above and currency translation effects, our cost of sales would have increased by 3.5%. Our consolidated cost of sales for the year ended 31 December 2014 was partly impacted by the developments in volumes discussed above. The increase in our cost of sales is also driven primarily by higher depreciation and packaging costs in Brazil, as well as additional bottle costs in Mexico related to higher than expected demand for Corona globally, partly mitigated by procurement savings and efficiency gains.

**Operating Expenses**

The discussion below relates to our operating expenses, which equal the sum of our distribution expenses, sales and marketing expenses, administrative expenses and other operating income and expenses (net), for the year ended 31 December 2014 as compared to the year ended 31 December 2013. Our operating expenses do not include exceptional charges, which are reported separately.

Our operating expenses for the year ended 31 December 2014 were USD 12,999 million, representing an increase of USD 1,601 million, or 14.0% compared to our operating expenses for 2013.

**Distribution Expenses**

The following table reflects changes in distribution expenses across our business segments for the year ended 31 December 2014 as compared to the year ended 31 December 2013:

<table>
<thead>
<tr>
<th></th>
<th>Year ended 31 December 2014 (USD million)</th>
<th>Year ended 31 December 2013(2)</th>
<th>Change (%)(3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>(1,324)</td>
<td>(1,235)</td>
<td>(7.2)</td>
</tr>
<tr>
<td>Mexico</td>
<td>(453)</td>
<td>(232)</td>
<td>(95.3)</td>
</tr>
<tr>
<td>Latin America North</td>
<td>(1,404)</td>
<td>(1,351)</td>
<td>(3.9)</td>
</tr>
<tr>
<td>Latin America South</td>
<td>(290)</td>
<td>(309)</td>
<td>6.1</td>
</tr>
<tr>
<td>Europe</td>
<td>(477)</td>
<td>(497)</td>
<td>4.0</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>(434)</td>
<td>(302)</td>
<td>(43.7)</td>
</tr>
<tr>
<td>Global Export &amp; Holding Companies</td>
<td>(175)</td>
<td>(135)</td>
<td>(29.6)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>(4,558)</strong></td>
<td><strong>(4,061)</strong></td>
<td><strong>(12.2)</strong></td>
</tr>
</tbody>
</table>

Notes:

(1) The percentage change reflects the improvement (or worsening) of results for the period as a result of the change in each item.
(2) 2013 as reported, adjusted to reflect changes in the segment reporting. See “Item 5. Operating and Financial Review—B. Significant Accounting Policies.”
Our consolidated distribution expenses were USD 4,558 million for the year ended 31 December 2014. This represented an increase of USD 497 million, or 12.2%, as compared to the year ended 31 December 2013. The results for the year ended 31 December 2014 reflect the performance of our business after the completion of certain acquisitions and disposals we undertook in 2013 and 2014 and currency translation effects.

- The 2013 and 2014 acquisitions and disposals negatively impacted our consolidated distribution expenses by USD 107 million for the year ended 31 December 2014 compared to the year ended 31 December 2013.
- Our combination with Grupo Modelo closed on 4 June 2013 and was included in our consolidated financial reporting as from that date. In the first five months of 2014, Grupo Modelo contributed an increase of USD 216 million to our consolidated distribution expenses.
- Our consolidated distribution expenses for the year ended 31 December 2014 also reflect a positive currency translation impact of USD 281 million.

Excluding the effects of the business acquisitions and disposals and the currency translation effects described above, the increase in distribution expenses would have increased 11.3%, mainly driven by increases in freight rates in the U.S., increased own distribution in Brazil, which is more than offset by the increase in net revenues, the growth of our premium brands in Brazil, and higher fuel costs and wage increases for unionized workers in Latin America South.

**Sales and Marketing Expenses**

Marketing expenses include all costs relating to the support and promotion of brands, including operating costs (such as payroll and office costs) of the marketing departments, advertising costs (such as agency costs and media costs), sponsoring and events and surveys and market research. Sales expenses include all costs relating to the selling of products, including operating costs (such as payroll and office costs) of the sales department and sales force.

The following table reflects changes in sales and marketing expenses across our business segments for the year ended 31 December 2014 as compared to the year ended 31 December 2013:

<table>
<thead>
<tr>
<th>Segment</th>
<th>Year ended 31 December 2014 (USD million)</th>
<th>Year ended 31 December 2013 (USD million)</th>
<th>Change (USD million)</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>(2,136)</td>
<td>(1,908)</td>
<td>(11.9)</td>
<td>6.1%</td>
</tr>
<tr>
<td>Mexico</td>
<td>(808)</td>
<td>(484)</td>
<td>(66.9)</td>
<td>3.4%</td>
</tr>
<tr>
<td>Latin America North</td>
<td>(1,253)</td>
<td>(1,147)</td>
<td>(9.2)</td>
<td>7.9%</td>
</tr>
<tr>
<td>Latin America South</td>
<td>(315)</td>
<td>(346)</td>
<td>9.0</td>
<td>-2.6%</td>
</tr>
<tr>
<td>Europe</td>
<td>(1,067)</td>
<td>(1,049)</td>
<td>(1.7)</td>
<td>2.3%</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>(1,227)</td>
<td>(833)</td>
<td>(47.3)</td>
<td>-6.2%</td>
</tr>
<tr>
<td>Global Export &amp; Holding Companies</td>
<td>(230)</td>
<td>(191)</td>
<td>(20.4)</td>
<td>16.7%</td>
</tr>
<tr>
<td>Total</td>
<td>(7,036)</td>
<td>(5,958)</td>
<td>(18.1)</td>
<td>21.1%</td>
</tr>
</tbody>
</table>

Notes:

1. The percentage change reflects the improvement (or worsening) of results for the period as a result of the change in each item.
2. 2013 as reported, adjusted to reflect changes in the segment reporting. See “Item 5. Operating and Financial Review—B. Significant Accounting Policies.”
Our consolidated sales and marketing expenses were USD 7,036 million for the year ended 31 December 2014. This represented an increase of USD 1,078 million, or 18.1%, as compared to our sales and marketing expenses for the year ended 31 December 2013. The results for the year ended 31 December 2014 reflect the performance of our business after the completion of certain acquisitions and disposals we undertook in 2013 and 2014 and currency translation effects.

- The 2013 and 2014 acquisitions and disposals negatively impacted our consolidated sales and marketing expenses by USD 274 million for the year ended 31 December 2014 compared to the year ended 31 December 2013.
- Our combination with Grupo Modelo closed on 4 June 2013 and was included in our consolidated financial reporting as from that date. In the first five months of 2014, Grupo Modelo contributed an increase of USD 352 million to our consolidated sales and marketing expenses.
- Our consolidated sales and marketing expenses for the year ended 31 December 2014 also reflect a positive currency translation impact of USD 288 million.

Excluding the effects of the business acquisitions and disposals described above and currency translation effects described above, our overall sales and marketing expenses for the year ended 31 December 2014 would have increased 12.5%, with increased support for our brands, innovations and sales activations in most Zones. The increased investments include the FIFA World Cup activations, particularly in Latin America North and South, Mexico and Europe, as well as investments behind proven trade marketing programs and new programs, such as the Bud Light summer campaign in the United States.

**Administrative Expenses**

The following table reflects changes in administrative expenses across our business segments for the year ended 31 December 2014 as compared to the year ended 31 December 2013:

<table>
<thead>
<tr>
<th>Segment</th>
<th>Year ended 31 December 2014 (USD million)</th>
<th>Year ended 31 December 2013 (USD million)</th>
<th>Change (%)(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>(473)</td>
<td>(497)</td>
<td>4.8</td>
</tr>
<tr>
<td>Mexico</td>
<td>(430)</td>
<td>(234)</td>
<td>(83.8)</td>
</tr>
<tr>
<td>Latin America North</td>
<td>(581)</td>
<td>(592)</td>
<td>1.9</td>
</tr>
<tr>
<td>Latin America South</td>
<td>(106)</td>
<td>(112)</td>
<td>5.4</td>
</tr>
<tr>
<td>Europe</td>
<td>(362)</td>
<td>(359)</td>
<td>(0.8)</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>(400)</td>
<td>(317)</td>
<td>(26.2)</td>
</tr>
<tr>
<td>Global Export &amp; Holding Companies</td>
<td>(440)</td>
<td>(429)</td>
<td>(2.6)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>(2,791)</strong></td>
<td><strong>(2,539)</strong></td>
<td><strong>(9.9)</strong></td>
</tr>
</tbody>
</table>

Notes:

1. The percentage change reflects the improvement (or worsening) of results for the period as a result of the change in each item.
2. 2013 as reported, adjusted to reflect changes in the segment reporting. See “Item 5. Operating and Financial Review—B. Significant Accounting Policies.”
Our consolidated administrative expenses were USD 2,791 million for the year ended 31 December 2014. This represented an increase of USD 252 million, or 9.9%, as compared to our consolidated administrative expenses for the year ended 31 December 2013. The results for the year ended 31 December 2014 reflect the performance of our business after the completion of certain acquisitions and disposals we undertook in 2013 and 2014 and currency translation effects.

- The 2013 and 2014 acquisitions and disposals negatively impacted our consolidated administrative expenses by USD 63 million for the year ended 31 December 2014 compared to the year ended 31 December 2013.
- Our combination with Grupo Modelo closed on 4 June 2013 and was included in our consolidated financial reporting as from that date. In the first five months of 2014, Grupo Modelo contributed an increase of USD 207 million to our consolidated administrative expenses.
- Our consolidated administrative expenses for the year ended 31 December 2014 also reflect a positive currency translation impact of USD 99 million.

Excluding the effects of the business acquisitions and disposals and the currency translation effects described above, administrative expenses would have increased by 3.2%.

Other Operating Income/(Expense)

The following table reflects changes in other operating income and expenses across our business segments for the year ended 31 December 2014 as compared to the year ended 31 December 2013:

<table>
<thead>
<tr>
<th>Region</th>
<th>Year ended 31 December 2014 (USD million)</th>
<th>Year ended 31 December 2013 (2)</th>
<th>Change (%)(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>299</td>
<td>67</td>
<td>346.3</td>
</tr>
<tr>
<td>Mexico</td>
<td>237</td>
<td>104</td>
<td>127.9</td>
</tr>
<tr>
<td>Latin America North</td>
<td>689</td>
<td>807</td>
<td>(14.6)</td>
</tr>
<tr>
<td>Latin America South</td>
<td>5</td>
<td>(5)</td>
<td>(200.0)</td>
</tr>
<tr>
<td>Europe</td>
<td>28</td>
<td>30</td>
<td>(6.7)</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>90</td>
<td>109</td>
<td>(17.4)</td>
</tr>
<tr>
<td>Global Export &amp; Holding Companies</td>
<td>39</td>
<td>48</td>
<td>(18.8)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,386</strong></td>
<td><strong>1,160</strong></td>
<td><strong>19.5</strong></td>
</tr>
</tbody>
</table>

Notes:

1. The percentage change reflects the improvement (or worsening) of results for the period as a result of the change in each item.
2. 2013 as reported, adjusted to reflect changes in the segment reporting. See “Item 5. Operating and Financial Review—B. Significant Accounting Policies.”

The net positive effect of our other operating income and expenses for the year ended 31 December 2014 was USD 1,386 million. This represented an increase of USD 226 million, or 19.5%, compared to the year ended 31 December 2013. The results for the year ended 31 December 2014 reflect a negative translation impact of USD 64 million.
The other operating income of USD 1,386 million includes a one-time positive accounting adjustment of USD 223 million, reported in North America, following an actuarial reassessment of future liabilities under our post-retirement healthcare benefit plans.

Excluding the effects of the business acquisitions and disposals, currency translation effects and the one-time accounting adjustment described above, our other operating income and expenses would have increased by 4.2% for the year ended 31 December 2014 as compared to the year ended 31 December 2013. This increase was mainly due to income from government incentives.

Exceptional Items

Exceptional items are items which, in our management’s judgment, need to be disclosed separately by virtue of their size and incidence in order to obtain a proper understanding of our financial information. We consider these items to be significant in nature, and accordingly, our management has excluded these items from their segment measure of performance.

For the year ended 31 December 2014, exceptional items consisted of restructuring charges, business and asset disposal and acquisition costs of business combinations. Exceptional items were as follows for the years ended 31 December 2014 and 2013:

### Notes:

(1) Reclassified to conform to the 2015 presentation.

**Restructuring**

Exceptional restructuring charges amounted to a net cost of USD 158 million for the year ended 31 December 2014 as compared to a net cost of USD 118 million for the year ended 31 December 2013. These charges relate mainly to the integration of Grupo Modelo, organizational alignments in Asia Pacific and Europe. These changes aim to eliminate overlap or duplicated processes, taking into account the right match of employee profiles with the new organizational requirements.

**Business and Asset Disposal**

Business and asset disposals (including impairment losses) amounted to a net benefit of USD 157 million for the year ended 31 December 2014 mainly attributable to additional proceeds from the sale of the Central European operations to CVC Capital Partners and the disposal of Comercio y Distribución Modelo and the glass plant located in Piedras Negras, Coahuila, Mexico. See note 6 to our audited consolidated financial statements as of 31 December 2014 and 2013, and for the three years ended 31 December 2014 included in our 2014 Annual Report on Form 20-F.

**Acquisitions Costs Business Combinations**

Acquisition costs of USD 77 million for the year ended 31 December 2014 primarily relate to cost incurred for the acquisition of Oriental Brewery that closed on 1 April 2014. See note 6 to our audited consolidated financial statements as of 31 December 2014 and 2013, and for the three years ended 31 December 2014 included in our 2014 Annual Report on Form 20-F.
Impairment of assets

Impairment of assets mainly relates to the closure of the Angarsk and Perm breweries in Russia.

Fair value adjustments

Fair value adjustments recognized during the year ended 31 December 2013 of USD 6,410 million mainly relate to the exceptional, non-cash impact of revaluing the initial investment held in Grupo Modelo and the recycling to the consolidated income statement of amounts related to the investment, previously recognized in the consolidated statement of comprehensive income in line with IFRS 3.

Profit from Operations

The following table reflects changes in profit from operations across our business segments for the year ended 31 December 2014 as compared to the year ended 31 December 2013:

<table>
<thead>
<tr>
<th>Region</th>
<th>Year ended 31 December 2014 (USD million)</th>
<th>Year ended 31 December 2013(2) (USD million)</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>6,063</td>
<td>5,927</td>
<td>2.3</td>
</tr>
<tr>
<td>Mexico</td>
<td>1,685</td>
<td>1,000</td>
<td>68.5</td>
</tr>
<tr>
<td>Latin America North</td>
<td>4,957</td>
<td>5,145</td>
<td>3.7</td>
</tr>
<tr>
<td>Latin America South</td>
<td>1,163</td>
<td>1,306</td>
<td>(10.9)</td>
</tr>
<tr>
<td>Europe</td>
<td>774</td>
<td>782</td>
<td>(1.0)</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>432</td>
<td>101</td>
<td>327.7</td>
</tr>
<tr>
<td>Global Export &amp; Holding Companies</td>
<td>37</td>
<td>6,181</td>
<td>—</td>
</tr>
<tr>
<td>Total</td>
<td><strong>15,111</strong></td>
<td><strong>20,443</strong></td>
<td><strong>26.1</strong></td>
</tr>
</tbody>
</table>

Notes:

(1) The percentage change reflects the improvement (or worsening) of results for the period as a result of the change in each item.
(2) 2013 as reported, adjusted to reflect changes in the segment reporting. See “Item 5. Operating and Financial Review—B. Significant Accounting Policies.”

Our profit from operations amounted to USD 15,111 million for the year ended 31 December 2014. This represented a decrease of USD 5,332 million, or 26.1%, as compared to our profit from operations for the year ended 31 December 2013. The results for the year ended 31 December 2014 reflect the performance of our business after the completion of certain acquisitions and disposals we undertook in 2013 and 2014, currency translation effects and the effects of certain exceptional items as described above.

• The 2013 and 2014 acquisitions and disposals positively impacted our consolidated profit from operations by USD 412 million for the year ended 31 December 2014 compared to the year ended 31 December 2013.
• Our combination with Grupo Modelo closed on 4 June 2013 and was included in our consolidated financial volumes as from that date. In the first five months of 2014, Grupo Modelo contributed an increase of USD 771 million to our consolidated profit from operations.
• Our consolidated profit from operations for the year ended 31 December 2014 also reflects a negative currency translation impact of USD 858 million.
EBITDA, as defined

The following table reflects changes in our EBITDA, as defined, for the year ended 31 December 2014 as compared to the year ended 31 December 2013:

<table>
<thead>
<tr>
<th></th>
<th>Year ended 31 December 2014 (USD million)</th>
<th>Year ended 31 December 2013 (USD million)</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit</td>
<td>11,302</td>
<td>16,518</td>
<td>(31.6)</td>
</tr>
<tr>
<td>Net finance cost</td>
<td>1,319</td>
<td>2,203</td>
<td>40.1</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>2,499</td>
<td>2,016</td>
<td>(24.0)</td>
</tr>
<tr>
<td>Share of result of associates</td>
<td>(9)</td>
<td>(294)</td>
<td>—</td>
</tr>
<tr>
<td><strong>Profit from operations</strong></td>
<td><strong>15,111</strong></td>
<td><strong>20,443</strong></td>
<td><strong>(26.1)</strong></td>
</tr>
<tr>
<td>Depreciation, amortization and impairment</td>
<td>3,353</td>
<td>2,985</td>
<td>(12.3)</td>
</tr>
<tr>
<td><strong>EBITDA, as defined</strong></td>
<td><strong>18,464</strong></td>
<td><strong>23,428</strong></td>
<td><strong>(21.2)</strong></td>
</tr>
</tbody>
</table>

Notes:

(1) The percentage change reflects the improvement (or worsening) of results for the period as a result of the change in each item.

See “—Year Ended 31 December 2015 Compared to the Year ended 31 December 2014—EBITDA, as defined” above for more information about our definition of EBITDA, as defined.

Our EBITDA, as defined, amounted to USD 18,464 million for the year ended 31 December 2014. This represented a decrease of USD 4,964 million, or 21.2%, as compared to our EBITDA, as defined, for the year ended 31 December 2013. The results for the year ended 31 December 2014 reflect the performance of our business after the completion of the acquisitions and disposals we undertook in 2013 and 2014 discussed above and currency translation effects. Furthermore, our EBITDA, as defined, was negatively impacted by USD 78 million (before impairment losses) of certain exceptional items in the year ended 31 December 2014, as compared to a positive impact of USD 6,240 million during the year ended 31 December 2013. See “—Exceptional Items” above for a description of the exceptional items during the year ended 31 December 2014 and 2013.

Net Finance Cost

Our net finance cost items were as follows for the years ended 31 December 2014 and 2013:

<table>
<thead>
<tr>
<th></th>
<th>Year ended 31 December 2014 (USD million)</th>
<th>Year ended 31 December 2013 (USD million)</th>
<th>Change (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net interest expense</td>
<td>(1,634)</td>
<td>(1,719)</td>
<td>4.9</td>
</tr>
<tr>
<td>Net interest on net defined benefit liabilities</td>
<td>(124)</td>
<td>(156)</td>
<td>20.5</td>
</tr>
<tr>
<td>Accretion expense</td>
<td>(364)</td>
<td>(360)</td>
<td>(1.1)</td>
</tr>
<tr>
<td>Other financial results</td>
<td>294</td>
<td>(251)</td>
<td>217.1</td>
</tr>
<tr>
<td><strong>Net finance cost before exceptional items</strong></td>
<td><strong>(1,828)</strong></td>
<td><strong>(2,486)</strong></td>
<td><strong>26.5</strong></td>
</tr>
<tr>
<td>Mark-to-market adjustment on derivatives</td>
<td>509</td>
<td>384</td>
<td>32.6</td>
</tr>
<tr>
<td>Other financial results</td>
<td>—</td>
<td>(101)</td>
<td>—</td>
</tr>
<tr>
<td><strong>Exceptional finance income/(cost)</strong></td>
<td><strong>509</strong></td>
<td><strong>283</strong></td>
<td><strong>79.9</strong></td>
</tr>
<tr>
<td><strong>Net finance costs</strong></td>
<td><strong>(1,319)</strong></td>
<td><strong>(2,203)</strong></td>
<td><strong>40.1</strong></td>
</tr>
</tbody>
</table>

Notes:

(1) The percentage change reflects the improvement (or worsening) of results for the period as a result of the change in each item.
Our net finance cost for the year ended 31 December 2014 was USD 1,319 million, as compared to USD 2,203 million for the year ended 31 December 2013, representing a decrease of USD 884 million. The decrease is mainly driven by lower interest expenses, currency gains reported in other financial results, and a mark-to-market gain of USD 711 million linked to the hedging of our share based payment programs, compared to a gain of USD 456 million during the year ended 31 December 2013. The number of shares included in the hedging of our share-based payment programs, and the share prices at the beginning and end of the 12-month period ended 31 December 2014 and 2013, are shown in the table below:

<table>
<thead>
<tr>
<th></th>
<th>Year ended 31 December 2014</th>
<th>Year ended 31 December 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share price at the start of the period (in euro)</td>
<td>77.26</td>
<td>65.74</td>
</tr>
<tr>
<td>Share price at the end of the period (in euro)</td>
<td>93.86</td>
<td>77.26</td>
</tr>
<tr>
<td>Number of derivative equity instruments at the end of the period (in millions)</td>
<td>33.7</td>
<td>28.3</td>
</tr>
</tbody>
</table>

Exceptional net finance income was USD 509 million resulting from gains related to mark-to-market adjustments on derivative instruments entered into to hedge the deferred share instrument issued in a transaction related to the combination with Grupo Modelo, compared to a gain of USD 283 million during the year ended 31 December 2013, of which USD 101 million cost related to commitment and utilization fees incurred for the 2012 Facility agreement entered into to fund the Grupo Modelo combination and USD 384 million gain related to gains on derivatives entered to hedge the deferred share instrument mentioned above. By 31 December 2014, 100% of the deferred share instrument had been hedged at an average price of approximately EUR 68 per share. The number of shares included in the hedging of the deferred share instrument, and the share prices at the beginning and end of the quarter, are shown in the table below:

<table>
<thead>
<tr>
<th></th>
<th>Year ended 31 December 2014</th>
<th>Year ended 31 December 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share price at the start of the period (in euro)</td>
<td>77.26</td>
<td>65.74</td>
</tr>
<tr>
<td>Share price of additional hedges in the period (in euro)</td>
<td>—</td>
<td>69.47</td>
</tr>
<tr>
<td>Share price at the end of the period (in euro)</td>
<td>93.86</td>
<td>77.26</td>
</tr>
<tr>
<td>Number of derivative equity instruments at the start of the period (in millions)</td>
<td>23.1</td>
<td>9.5</td>
</tr>
<tr>
<td>Number of derivative equity instruments at the end of the period (in millions)</td>
<td>23.1</td>
<td>23.1</td>
</tr>
</tbody>
</table>

**Share of Result of Associates**

Our share of result of associates for the year ended 31 December 2014 was USD 9 million as compared to USD 294 million for the year ended 31 December 2013. In 2013, the share of results of associates reflected our equity investment in Grupo Modelo. The results of Grupo Modelo have been fully consolidated since the combination with Grupo Modelo on 4 June 2013.
**Income Tax Expense**

Our total income tax expense for the year ended 31 December 2014 amounted to USD 2,499 million, with an effective tax rate of 18.1%, as compared to an income tax expense of USD 2,016 million and an effective tax rate of 11.1% for the year ended 31 December 2013. The increase in the effective tax rate mainly resulted from the 2013 non-taxable, exceptional gain related to the fair value adjustment on the initial investment held in Grupo Modelo, and changes in country profit mix, including the impact resulting from the combination with Grupo Modelo.

In 2014 and 2013, we recognized the benefit at the Ambev level from the impact of interest on equity payments and tax deductible goodwill resulting from the merger between InBev Holding Brasil S.A. and Ambev in July 2005 and the merger of Beverage Associates Holding Limited (“BAH”) into Ambev in August 2006. See “Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Ambev Special Goodwill Reserve.” The impact of the tax deductible goodwill resulting from the merger between InBev Holding Brasil S.A. and Ambev in July 2005 expired in 2013, and the impact of the tax deductible goodwill resulting from the merger of BAH into Ambev in August 2006 and other mergers was to reduce income tax expense for the year ended 31 December 2014 by USD 81 million. In December 2011, Ambev received a tax assessment related to the goodwill amortization resulting from the merger between InBev Holding Brasil S.A. and Ambev. In the event Ambev is required to pay these amounts, we shall reimburse Ambev the amount proportional to the benefit received by us pursuant to the merger protocol, as well as the respective costs. In October 2013, Ambev received a tax assessment related to the goodwill amortization resulting from the merger of BAH into Ambev. See “Item 8. Financial Information—A. Consolidated Financial Statements and Other Financial Information—Legal and Arbitration Proceedings—Ambev and its Subsidiaries—Special Goodwill Reserve” for further information.

We benefit from tax exempted income and tax credits that are expected to continue in the future, except for the tax deductibility of existing goodwill in Brazil, which will expire in 2017. We do not have significant benefits coming from low tax rates in any particular jurisdiction.

**Profit Attributable to Non-Controlling Interests**

The profit attributable to non-controlling interests was USD 2,086 million for the year ended 31 December 2014, a decrease of USD 38 million from USD 2,124 million for the year ended 31 December 2013, with improved operating performance in Ambev being offset by currency translation effects.

**Profit Attributable to Our Equity Holders**

Profit attributable to our equity holders for the year ended 31 December 2014 was USD 9,216 million (compared to USD 14,394 million for the year ended 31 December 2013) with basic earnings per share of USD 5.64, based on 1,634 million shares outstanding, representing the weighted average number of shares outstanding during the year ended 31 December 2014. For the definition of weighted average number of shares outstanding, see footnote 2 of the table in “Item 3. Key Information—A. Selected Financial Data.” The decrease in profit attributable to our equity holders during the year ended 31 December 2014 was mainly driven by the exceptional impact in 2013 of revaluing the initial investment held in Grupo Modelo (see “Exceptional Items” above), partially offset by higher profit from operations, including the results from Modelo for the year ended 31 December 2014 and the results of Oriental Brewery as from 1 April 2014 and lower net finance costs. Profit attributable to our equity holders for the year ended 31 December 2014 also includes the benefit of a one-time gain of USD 223 million following an actuarial reassessment of future liabilities under our post-retirement healthcare benefit plans.

Excluding the after-tax exceptional items discussed above, profit attributable to our equity holders for the year ended 31 December 2014 would have been USD 8,865 million and basic earnings per share would have been USD 5.43.
F. IMPACT OF CHANGES IN FOREIGN EXCHANGE RATES

Foreign exchange rates have a significant impact on our consolidated financial statements. The following table sets forth the percentage of our revenue realized by currency for the years ended 31 December 2015, 2014 and 2013:

<table>
<thead>
<tr>
<th>Currency</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>U.S. dollar</td>
<td>34.0%</td>
<td>32.4%</td>
<td>35.3%</td>
</tr>
<tr>
<td>Brazilian real</td>
<td>18.5%</td>
<td>22.1%</td>
<td>23.8%</td>
</tr>
<tr>
<td>Mexican peso</td>
<td>11.1%</td>
<td>11.9%</td>
<td>7.9%</td>
</tr>
<tr>
<td>Chinese yuan</td>
<td>9.6%</td>
<td>8.2%</td>
<td>7.7%</td>
</tr>
<tr>
<td>Euro</td>
<td>6.0%</td>
<td>6.6%</td>
<td>6.4%</td>
</tr>
<tr>
<td>Canadian dollar</td>
<td>4.1%</td>
<td>3.6%</td>
<td>4.6%</td>
</tr>
<tr>
<td>Argentine peso</td>
<td>4.8%</td>
<td>4.2%</td>
<td>4.6%</td>
</tr>
<tr>
<td>South Korean won</td>
<td>3.0%</td>
<td>2.4%</td>
<td>—</td>
</tr>
<tr>
<td>Russian ruble</td>
<td>1.2%</td>
<td>1.7%</td>
<td>2.4%</td>
</tr>
<tr>
<td>Other</td>
<td>7.7%</td>
<td>6.9%</td>
<td>7.3%</td>
</tr>
</tbody>
</table>

As a result of the fluctuation of foreign exchange rates for the years ended 31 December 2015, 2014 and 2013:

- We recorded a negative translation impact of USD 5,957 million on our revenue for the year ended 31 December 2015 (as compared to a negative impact of USD 2,371 million on our revenue in 2014 and 1,466 million on our revenue in 2013) and a negative translation impact of USD 2,111 million on our profit from operations for the year ended 31 December 2015 (as compared to a negative impact of USD 858 million on our profit from operations in 2014 and a negative impact of USD 491 million in 2013).
- Our reported profit (after tax) was negatively affected by a USD 1,492 million translation impact for the year ended 31 December 2015 (as compared to a negative translation impact of USD 534 million in 2014 and USD 389 million in 2013), while the negative translation impact on our earnings per share base for the year ended 31 December 2015 (profit attributable to our equity holders) was USD 1,109 million or USD 0.68 per share (as compared to a negative impact of USD 316 million or USD 0.19 per share in 2014 and USD 167 million or USD 0.10 per share in 2013).
- Our net debt decreased by USD 1,100 million in the year ended 31 December 2015 as a result of translation impacts (as compared to a decrease of USD 447 million in 2014, and an increase of USD 606 million in 2013).
- Equity attributable to our equity holders decreased by USD 6,157 million in the year ended 31 December 2015 as a result of translation impacts (as compared to a decrease of USD 4,374 million in 2014 and a decrease of USD 3,109 million in 2013).

G. LIQUIDITY AND CAPITAL RESOURCES

General

Our primary sources of cash flow have historically been cash flows from operating activities, the issuance of debt, bank borrowings and the issuance of equity securities. Our material cash requirements have included the following:

- Debt service;
We are of the opinion that our working capital, as an indicator of our ability to satisfy our short-term liabilities, is, based on our expected cash flow from operations for the coming 12 months, sufficient for the 12 months following the date of this Form 20-F. Over the longer term, we believe that our cash flows from operating activities, available cash and cash equivalents and short-term investments, along with our derivative instruments and our access to borrowing facilities, will be sufficient to fund our capital expenditures, debt service and dividend payments going forward. As part of our cash flow management, we manage capital expenditures by optimizing use of our existing brewery capacity and standardizing operational processes to make our capital investments more efficient. We are also attempting to improve operating cash flow through procurement initiatives designed to leverage economies of scale and improve terms of payment to suppliers.

Equity attributable to our equity holders and non-controlling interests amounted to USD 45.7 billion as of 31 December 2015 (USD 54.2 billion as of 31 December 2014 and USD 55.3 billion as of 31 December 2013) and our net debt amounted to USD 42.2 billion as of 31 December 2015 (USD 42.1 billion as of 31 December 2014 and USD 38.8 billion as of 31 December 2013). Our overriding objectives when managing capital resources are to safeguard the business as a going concern and to optimize our capital structure so as to maximize shareholder value while keeping the desired financial flexibility to execute strategic projects.

In connection with the proposed acquisition of SABMiller, we entered into a USD 75.0 billion senior facilities agreement (the “2015 Senior Facilities Agreement”) on 28 October 2015, consisting of a USD 15.0 billion 364-day bridge facility, a second USD 15.0 billion 364-day bridge facility (with an option to extend for an additional 12 months), a USD 10.0 billion 364-day disposals bridge facility, a USD 25.0 billion two-year term facility (with an option to extend for an additional 12 months) and a USD 10.0 billion five-year term facility. As of 31 December 2015, we had not made any drawdowns under the 2015 Senior Facilities Agreement.

In January 2016, we issued bonds in debt capital markets offerings resulting in aggregate net proceeds of approximately USD 47.0 billion (see “—Funding Sources—Borrowings.”). Upon receipt of these proceeds, we were required to cancel the two USD 15.0 billion bridge facilities under the 2015 Senior Facilities Agreement, and in addition, we elected to cancel USD 12.5 billion of the two-year term facility. As a result of such cancellations, as of the date of this Form 20-F, the total committed amount under the 2015 Senior Facilities Agreement comprised USD 22.5 billion under the term facilities and USD 10.0 billion under the disposals bridge facility.

We also have a revolving facility under our 2010 Senior Facilities Agreement, with a total commitment of USD 9.0 billion, maturing in August 2020. As of 31 December 2015, the revolving facility was fully undrawn.

Our ability to manage the maturity profile of our debt and repay our outstanding indebtedness in line with management plans will nevertheless depend upon market conditions. If such uncertain market conditions as experienced in the period between late 2007 and early 2009 and again in 2011 continue in the future, our financing costs could increase beyond what is currently anticipated. Such costs could have a material adverse impact on our cash flows, results of operations or both. In addition, an inability to refinance all or a substantial amount of our debt obligations when they become due would have a material adverse effect on our financial condition and results of operations. See “Item 3. Key Information—D. Risk Factors—Risks Relating to Our Existing Business—We may not be able to obtain the necessary funding for our future capital or refinancing needs and we face financial risks due to our level of debt and uncertain market conditions.”
Our cash, cash equivalents and short-term investments in debt securities less bank overdrafts as of 31 December 2015 amounted to USD 6,965 million.

As of 31 December 2015, we had total liquidity of USD 15,965 million, which consisted of USD 9.0 billion available under committed long-term credit facilities and USD 6,965 million of cash, cash equivalents and short-term investments in debt securities less bank overdrafts. Although we may borrow such amounts to meet our liquidity needs, we principally rely on cash flows from operating activities to fund our continuing operations.

Cash Flow

The following table sets forth our consolidated cash flows for the years ended 31 December 2015, 2014 and 2013:

<table>
<thead>
<tr>
<th>Year ended 31 December (audited)</th>
<th>2015 (USD million)</th>
<th>2014 (USD million)</th>
<th>2013 (USD million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash flow from operating activities</td>
<td>14,121</td>
<td>14,144</td>
<td>13,864</td>
</tr>
<tr>
<td>Cash flow from (used in) investing activities(^{(1)})</td>
<td>(4,930)</td>
<td>(11,060)</td>
<td>(10,182)</td>
</tr>
<tr>
<td>Cash flow from (used in) financing activities(^{(1)})</td>
<td>(9,281)</td>
<td>(3,947)</td>
<td>242</td>
</tr>
<tr>
<td>Net increase/(decrease) in cash and cash equivalents</td>
<td>(90)</td>
<td>(863)</td>
<td>3,924</td>
</tr>
</tbody>
</table>

Notes:

(1) Reclassified to conform to the 2015 presentation.

Cash Flow from Operating Activities

Our cash flows from operating activities for the years ended 31 December 2015, 2014 and 2013 were as follows:

<table>
<thead>
<tr>
<th>Year ended 31 December (audited)</th>
<th>2015 (USD million)</th>
<th>2014 (USD million)</th>
<th>2013 (USD million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit (including non-controlling interests)</td>
<td>9,867</td>
<td>11,302</td>
<td>16,518</td>
</tr>
<tr>
<td>Revaluation of initial investment Grupo Modelo</td>
<td>—</td>
<td>—</td>
<td>(6,415)</td>
</tr>
<tr>
<td>Interest, taxes and non-cash items included in profit</td>
<td>6,859</td>
<td>7,029</td>
<td>7,135</td>
</tr>
<tr>
<td>Cash flow from operating activities before changes in working capital and provisions</td>
<td>16,726</td>
<td>18,331</td>
<td>17,238</td>
</tr>
<tr>
<td>Change in working capital(^{(1)})</td>
<td>1,786</td>
<td>815</td>
<td>866</td>
</tr>
<tr>
<td>Pension contributions and use of provisions</td>
<td>(449)</td>
<td>(458)</td>
<td>(653)</td>
</tr>
<tr>
<td>Interest and taxes (paid)/received</td>
<td>(3,964)</td>
<td>(4,574)</td>
<td>(4,193)</td>
</tr>
<tr>
<td>Dividends received</td>
<td>22</td>
<td>30</td>
<td>606</td>
</tr>
<tr>
<td>Cash flow from operating activities</td>
<td>14,121</td>
<td>14,144</td>
<td>13,864</td>
</tr>
</tbody>
</table>

Notes:

(1) For purposes of the table above, working capital includes inventories, trade and other receivables and trade and other payables, both current and non-current.

Non-cash items included in profit include: depreciation, amortization and impairments, including impairment losses on receivables and inventories; additions and reversals in provisions and employee benefits; losses and gains on sales of property, plant and equipment, intangible assets, subsidiaries and assets held for sale; equity share-based payment expenses; share of result of associates; net finance cost; income tax expense and other.

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non-cash items included in profit. Please refer to our consolidated cash flow statement in our audited consolidated financial
statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015 for a more comprehensive overview
of our cash flow from operating activities.

Our primary source of cash flow for our ongoing activities and operations is our cash flow from operating activities. For
extraordinary transactions (such as the 2008 Anheuser-Busch acquisition, the 2013 Grupo Modelo combination and the proposed
acquisition of SABMiller), we may, from time to time, also rely on cash flows from other sources. See “—Cash Flow from Investing
Activities” and “—Cash Flow from Financing Activities,” below.

Net cash from operating activities in 2015 decreased by USD 23 million, or 0.2%, from USD 14,144 million in 2014 to USD
14,121 million in 2015, mainly explained by unfavorable foreign exchange translational impacts, partly offset by strong working
capital management and increases of trade payables at year-end, related to the timing of our capital expenditures, these payables
having, on average, longer payment terms.

We devote substantial efforts to the efficient use of our working capital, especially those elements of working capital that are
perceived as “core” (including trade receivables, inventories and trade payables). The initiatives to improve our working capital
include the implementation of best practices on collection of receivables and inventory management, such as optimizing our
inventory levels per stock taking unit, improving the batch sizes in our production process and optimizing the duration of overhauls.
Similarly, we aim to efficiently manage our payables by reviewing our standard terms and conditions on payments and resolving,
where appropriate, the terms of payment within 120 days upon receipt of invoice. Changes in working capital contributed USD
1,786 million to operational cash flow in 2015. This contribution includes USD 300 million cash inflow from derivatives. By the end
of 2014, we had satisfied ahead of schedule our target of delivering USD 500 million of working capital improvements within two
years of the completion of the combination with Grupo Modelo.

Net cash from operating activities in 2014 increased by USD 280 million, or 2.0%, from USD 13,864 million in 2013 to USD
14,144 million in 2014. The increase mainly results from higher profits generated in 2013 following the combination with Grupo
Modelo.

Cash Flow from Investing Activities

Our cash flows from investing activities for the years ended 31 December 2015, 2014 and 2013 were as follows:

<table>
<thead>
<tr>
<th>Year ended 31 December (audited)</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net capital expenditure(1)</td>
<td>(4,337)</td>
<td>(4,122)</td>
<td>(3,612)</td>
</tr>
<tr>
<td>Acquisition and sale of subsidiaries and associates, net of cash acquired/disposed of</td>
<td>(918)</td>
<td>(6,700)</td>
<td>(17,397)</td>
</tr>
<tr>
<td>Proceeds from the sale of / (investment in) short-term debt securities</td>
<td>169</td>
<td>(187)</td>
<td>6,707</td>
</tr>
<tr>
<td>Net of tax proceeds from the sale of assets held for sale</td>
<td>397</td>
<td>(65)</td>
<td>4,002</td>
</tr>
<tr>
<td>Other(2)</td>
<td>(241)</td>
<td>14</td>
<td>118</td>
</tr>
<tr>
<td>Cash flow from (used in) investing activities</td>
<td>(4,930)</td>
<td>(11,060)</td>
<td>(10,182)</td>
</tr>
</tbody>
</table>

Notes:

(1) Net capital expenditure consists of acquisitions of plant, property and equipment and of intangible assets, minus proceeds from
sale.

(2) Reclassified to conform to the 2015 presentation.

Net cash used in investing activities was USD 4,930 million in 2015 as compared to USD 11,060 million in 2014.
Our net capital expenditures amounted to USD 4,337 million in 2015 and USD 4,122 million in 2014. Out of the total capital expenditures of 2015, approximately 52% was used to improve our production facilities while 36% was used for logistics and commercial investments. Approximately 12% was used for improving administrative capabilities and purchase of hardware and software.

Net cash used in investing activities was USD 11,060 million in 2014 as compared to USD 10,182 million in 2013. The evolution of the cash used in investment activities in 2014 mainly reflects the Oriental Brewery acquisition.

**Cash Flow from Financing Activities**

Our cash flows from financing activities for the years ended 31 December 2015, 2014 and 2013 were as follows:

<table>
<thead>
<tr>
<th>Year ended 31 December (audited)</th>
<th>2015 (USD million)</th>
<th>2014 (USD million)</th>
<th>2013 (USD million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dividends paid</td>
<td>(7,966)</td>
<td>(7,400)</td>
<td>(6,253)</td>
</tr>
<tr>
<td>Net (payments on) / proceeds from borrowings</td>
<td>457</td>
<td>3,223</td>
<td>4,458</td>
</tr>
<tr>
<td>Net proceeds from the issue of share capital</td>
<td>5</td>
<td>83</td>
<td>73</td>
</tr>
<tr>
<td>Share buyback</td>
<td>(1,000)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Cash received for deferred shares instrument</td>
<td>—</td>
<td>—</td>
<td>1,500</td>
</tr>
<tr>
<td>Other (including net financing costs other than interest)</td>
<td>(777)</td>
<td>147</td>
<td>464</td>
</tr>
</tbody>
</table>

**Cash flow from (used in) financing activities**

(9,281)  (3,947)  242

Notes:


2. Reclassified to conform to 2015 presentation.

Cash outflow from financing activities amounted to USD 9,281 million in 2015, as compared to a cash outflow of USD 3,947 million in 2014. The cash outflow from financing activities in 2015 reflects the share buyback and higher dividends paid.

See “—Borrowings” below for details of long-term debt we entered into during 2015.

Cash flows from financing activities amounted to USD 3,947 million in 2014, as compared to a cash inflow of USD 242 million in 2013. The cash flow from financing activities in 2014 reflects the funding of the Oriental Brewery acquisition and higher dividends paid.

**Transfers from Subsidiaries**

The amount of dividends payable by our operating subsidiaries to us is subject to, among other restrictions, general limitations imposed by the corporate laws, capital transfer restrictions and exchange control restrictions of the respective jurisdictions where those subsidiaries are organized and operate. For example, in Brazil, which accounted for 25.7% of our actual reported profit from operations for the year ended 31 December 2015, current legislation permits the Brazilian government to impose temporary restrictions on remittances of foreign capital abroad in the event of a serious imbalance or an anticipated serious imbalance in Brazil’s balance of payments. For approximately six months in 1989 and early 1990, the Brazilian government froze all dividend and capital repatriations held by the Central Bank that were owed to foreign equity investors in order to conserve Brazil’s foreign currency reserves.
Dividends paid to us by certain of our subsidiaries are also subject to withholding taxes. Withholding tax, if applicable, generally does not exceed 15%.

Capital transfer restrictions are also common in certain developing countries, and may affect our flexibility in implementing a capital structure we believe to be efficient. For example, China has very specific approval regulations for all capital transfers to or from the country and certain capital transfers to and from Ukraine are subject to obtaining specific permits.

**Funding Sources**

**Funding Policies**

We aim to secure committed credit lines with financial institutions to cover our liquidity risk on a 12-month and 24-month basis. Liquidity risk is identified using both the budget and strategic planning process input of the group on a consolidated basis. Depending on market circumstances and the availability of local debt capital markets, we may decide, based on liquidity forecasts, to secure funding on a medium- and long-term basis.

We also seek to continuously optimize our capital structure targeting to maximizing shareholder value while keeping desired financial flexibility to execute strategic projects. Our capital structure policy and framework aims to optimize shareholder value through cash flow distribution to us from our subsidiaries, while maintaining an investment-grade rating and minimizing investments with returns below our weighted average cost of capital.

**Cash and Cash Equivalents and Short-Term Investments**

Our cash and cash equivalents and short-term investments less bank overdrafts at each of 31 December 2015, 2014 and 2013 were as follows:

<table>
<thead>
<tr>
<th>Year ended 31 December (audited)</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>6,923</td>
<td>8,357</td>
<td>9,839</td>
</tr>
<tr>
<td>Bank overdrafts</td>
<td>(13)</td>
<td>(41)</td>
<td>(6)</td>
</tr>
<tr>
<td>Investment in short-term debt securities</td>
<td>55</td>
<td>301</td>
<td>123</td>
</tr>
<tr>
<td><strong>Cash and Cash Equivalents and Short-Term Investments</strong></td>
<td><strong>6,965</strong></td>
<td><strong>8,616</strong></td>
<td><strong>9,956</strong></td>
</tr>
</tbody>
</table>

**Borrowings**

In 2010, we entered into a senior facilities agreement (the “2010 Senior Facilities Agreement”). The 2010 Senior Facilities Agreement comprised a USD 5.0 billion term loan maturing in 2013, which was fully prepaid and terminated in April 2013, and a USD 8.0 billion multi-currency revolving credit facility maturing in 2015. In 2013, we amended the terms of the revolving facility, extending the provision of USD 7.2 billion to a revised maturity of July 2018. On 28 August 2015, we further amended the terms of the revolving facility to increase the total commitment to USD 9.0 billion and to extend the maturity to August 2020. As of 31 December 2015, the revolving facility was fully undrawn.

In connection with the proposed acquisition of SABMiller, we entered into a USD 75.0 billion senior facilities agreement on 28 October 2015, consisting of a USD 15.0 billion 364-day bridge facility, a second USD 15.0 billion 364-day bridge facility (with an option to extend for an additional 12 months), a USD 10.0 billion 364-day disposals bridge facility, a USD 25.0 billion two-year term facility (with an option to extend for an additional 12 months) and a USD 10.0 billion five-year term facility. As of 31 December 2015, we had not made any drawdowns.

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under the 2015 Senior Facilities Agreement and, on 27 January 2016, we cancelled USD 42.5 billion of the USD 75.0 billion available under the 2015 Senior Facilities Agreement. The terms of the Revolving Facility and the 2015 Senior Facilities Agreement, as well as their intended uses, are described under “Item 10. Additional Information—C. Material Contracts.”

Furthermore, in 2015 and in 2016 to date, we completed the following debt capital market offerings:

- On 20 April 2015, we issued EUR 3.0 billion aggregate principal amount of bonds, consisting of EUR 1.25 billion aggregate principal amount of fixed rate notes due 2030; EUR 1.0 billion aggregate principal amount of fixed rate notes due 2023; and EUR 0.75 billion aggregate principal amount of floating rate notes due 2018. The fixed rate notes bear interest at an annual rate of 1.500% for the 2030 notes and 0.800% for the 2023 notes. The floating rate notes bear interest at an annual rate of 25.00 basis points above the three-month EURIBOR.

- On 23 July 2015, we issued USD 565 million aggregate principal amount of fixed rate notes due 2045. The fixed rate notes bear interest at an annual rate of 4.600%. The use of the proceeds of such issuance was for general corporate purposes.

- On 25 January 2016, we issued USD 46.0 billion aggregate principal amount of notes, consisting of USD 500 million aggregate principal amount of floating rate notes due 2021; USD 4.0 billion aggregate principal amount of fixed rate notes due 2019; USD 7.5 billion aggregate principal amount of fixed rate notes due 2021; USD 6.0 billion aggregate principal amount of fixed rate notes due 2023; USD 11.0 billion aggregate principal amount of fixed rate notes due 2026; USD 6.0 billion aggregate principal amount of fixed rate notes due 2046. The floating rate notes bear interest at an annual rate of 126 basis points above three-month LIBOR. The fixed rate notes bear interest at an annual rate of 1.900% for the 2019 notes, 2.650% for the 2021 notes, 3.300% for the 2023 notes, 3.650% for the 2026 notes, 4.700% for the 2036 notes and 4.900% for the 2046 notes. Substantially all of the net proceeds of the offering will be used to fund a portion of the purchase price for the acquisition of SABMiller and related transactions. The remainder of the net proceeds will be used for general corporate purposes. The 2019 notes, the 2021 fixed and floating rate notes, the 2023 notes and the 2026 notes will be subject to a special mandatory redemption at a redemption price equal to 101% of the initial price of such notes, plus accrued and unpaid interest to, but not including, the special mandatory redemption date if the acquisition of SABMiller is not consummated on or prior to 11 November 2016 (which date is extendable at our option to 11 May 2017) or if, prior to such date, we announce the withdrawal or lapse of the acquisition of SABMiller and that we are no longer pursuing the acquisition of SABMiller.

- On 29 January 2016, we issued USD 1.47 billion aggregate principal amount of fixed rate notes due 2046. The fixed rate notes bear interest at an annual rate of 4.915%. Substantially all of the net proceeds of the offering are expected to be used to fund a portion of the purchase price for the acquisition of SABMiller and related transactions. The remainder of the net proceeds will be used for general corporate purposes.

Most of our other interest-bearing loans and borrowings are for general corporate purposes, based upon strategic capital structure concerns, although certain borrowings are incurred to fund significant acquisitions of subsidiaries, such as the borrowings to fund the combination with Grupo Modelo. Although seasonal factors affect the business, they have little effect on our borrowing requirements.

We have a Euro Medium-Term Notes Programme (the “EMTN Programme”) under which Anheuser-Busch InBev SA/NV may periodically issue and have outstanding debt denominated in any currency or currencies, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements, outside the U.S. to non-U.S. persons in reliance on Regulation S. The guarantors of payments of all amounts due in respect of notes issued under the EMTN Programme are Cobrew NV, Brandbrew SA, Brandbev S.à.R.L., Anheuser-Busch InBev Worldwide Inc., Anheuser-Busch InBev Finance Inc. and Anheuser-Busch Companies, LLC (subject to certain terms and conditions). Under the EMTN Programme, we may issue notes on a continuing basis up to a maximum
aggregate principal amount of EUR 40.0 billion (USD 43.4 billion) or its equivalent in other currencies. Such notes may be fixed, floating, zero coupon, or a combination of these. The proceeds from the issuance of any such notes may be used to repay short-term and/or long-term debt and to fund general corporate purposes of the AB InBev Group. If in respect of any particular issue of notes, there is a particular identified use of proceeds, this will be stated in the applicable final terms relating to the notes. As of 31 December 2015, the total outstanding debt under the EMTN Programme amounted to EUR 13.4 billion (USD 14.6 billion). Our ability to issue additional notes under the EMTN Programme is subject to market conditions.

We have a Belgian commercial paper program under which Anheuser-Busch InBev SA/NV and Cobrew NV may issue and have outstanding at any time commercial paper notes up to a maximum aggregate amount of EUR 1.0 billion (USD 1.1 billion) or its equivalent in alternative currencies. The proceeds from the issuance of any such notes may be used for general corporate purposes. The notes may be issued in two tranches: Tranche A has a maturity of not less than seven and not more than 364 days from and including the day of issue; Tranche B has a maturity of not less than one year. We also have established a U.S. commercial paper program for an aggregate outstanding amount not exceeding USD 3.0 billion. As of 31 December 2015, the total outstanding commercial paper under these programs amounted to USD 2.1 billion. Our ability to borrow additional amounts under the programs is subject to investor demand. If we are ever unable to refinance under this commercial programs as they becomes due, we have access to funding through the use of our committed lines of credit.

Our borrowings are linked to different interest rates, both variable and fixed. As of 31 December 2015, after certain hedging and fair value adjustments, USD 6.1 billion, or 12.4%, of our interest-bearing financial liabilities (which include loans, borrowings and bank overdrafts) bore a variable interest rate, while USD 43.3 billion, or 87.6%, bore a fixed interest rate. Our net debt is denominated in various currencies, though primarily in the U.S. dollar, the euro, the Brazilian real, the pound sterling and the Canadian dollar. Our policy is to proactively address and manage the relationship between our various borrowing currency liabilities and our functional currency cash flows, through long-term or short-term borrowing arrangements, either directly in their functional currencies or indirectly through hedging arrangements.

The currency of borrowing is driven by various factors in the different countries of operation, including a need to hedge against functional currency inflation, currency convertibility constraints, or restrictions imposed by exchange control or other regulations. In accordance with our policy aimed at achieving an optimal balance between cost of funding and volatility of financial results, we seek to proactively address and manage the relationship between borrowing liabilities and functional currency cash flow, and we may enter into certain financial instruments in order to mitigate currency risk.

We use a hybrid currency matching model pursuant to which we may (i) match net debt currency exposure to cash flows in such currency, measured on the basis of EBITDA, as defined, adjusted for exceptional items, by swapping a significant portion of U.S. dollar debt to other currencies, such as Brazilian real (with a higher coupon), although this would negatively impact our profit and earnings due to the higher Brazilian real interest coupon, and (ii) use U.S. dollar cash flows to service interest payments under our debt obligations. For our definition of EBITDA, as defined, see “Item 5. Operating and Financial Review—E. Results of Operations—Year Ended 31 December 2015 Compared to the Year Ended 31 December 2014—EBITDA, as defined.”

We have also entered into certain financial instruments in order to mitigate interest rate risks.

Please refer to note 27 of our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015, “Item 11. Quantitative and Qualitative Disclosures About Market Risk—Market Risk, Hedging and Financial Instruments.”

We were in compliance with all our debt covenants as of 31 December 2015. The 2010 Senior Facilities Agreement and the 2015 Senior Facilities Agreement do not include restrictive financial covenants. For further details regarding our total current and non-current liabilities, please refer to note 22 of our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015.
The following table sets forth the level of our current and non-current interest-bearing loans and borrowings as of 31 December 2015 and 2014:

<table>
<thead>
<tr>
<th></th>
<th>2015 (USD million)</th>
<th>2014 (USD million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secured bank loans</td>
<td>277</td>
<td>286</td>
</tr>
<tr>
<td>Commercial papers</td>
<td>2,087</td>
<td>2,211</td>
</tr>
<tr>
<td>Unsecured bank loans</td>
<td>1,469</td>
<td>820</td>
</tr>
<tr>
<td>Unsecured bond issues</td>
<td>45,442</td>
<td>47,549</td>
</tr>
<tr>
<td>Unsecured other loans</td>
<td>52</td>
<td>82</td>
</tr>
<tr>
<td>Finance lease liabilities</td>
<td>126</td>
<td>133</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>49,453</strong></td>
<td><strong>51,081</strong></td>
</tr>
</tbody>
</table>

The following table sets forth the contractual maturities of our interest-bearing liabilities as of 31 December 2015:

<table>
<thead>
<tr>
<th></th>
<th>Carrying Amount(1)</th>
<th>Less than 1 year</th>
<th>1-2 years</th>
<th>2-3 years</th>
<th>3-5 years</th>
<th>More than 5 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secured bank loans</td>
<td>277</td>
<td>102</td>
<td>72</td>
<td>20</td>
<td>28</td>
<td>55</td>
</tr>
<tr>
<td>Commercial papers</td>
<td>2,087</td>
<td>2,087</td>
<td>2,087</td>
<td>92</td>
<td>82</td>
<td>82</td>
</tr>
<tr>
<td>Unsecured bank loans</td>
<td>1,469</td>
<td>1,380</td>
<td>1,380</td>
<td>84</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Unsecured bond issues</td>
<td>45,442</td>
<td>2,330</td>
<td>2,330</td>
<td>6,415</td>
<td>4,613</td>
<td>10,163</td>
</tr>
<tr>
<td>Unsecured other loans</td>
<td>52</td>
<td>9</td>
<td>10</td>
<td>8</td>
<td>9</td>
<td>16</td>
</tr>
<tr>
<td>Finance lease liabilities</td>
<td>126</td>
<td>4</td>
<td>4</td>
<td>5</td>
<td>15</td>
<td>98</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>49,453</strong></td>
<td><strong>5,912</strong></td>
<td><strong>6,585</strong></td>
<td><strong>4,646</strong></td>
<td><strong>10,220</strong></td>
<td><strong>22,090</strong></td>
</tr>
</tbody>
</table>

Notes:
(1) “Carrying Amount” refers to net book value as recognized on the balance sheet at 31 December 2015.

Please refer to note 27 of our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015 for a description of the currencies of our financial liabilities and a description of the financial instruments we use to hedge our liabilities.

**Credit Rating**

As of 31 December 2015, our credit rating from Standard & Poor’s was A- for long-term obligations and A-2 for short-term obligations, with a stable outlook, and our credit rating from Moody’s Investors Service was A2 for long-term obligations and P-1 for short-term obligations, and was under review for downgrade. Credit ratings may be changed, suspended or withdrawn at any time and are not a recommendation to buy, hold or sell any of our or our subsidiaries’ securities. Any change in our credit ratings could have a significant impact on the cost of debt capital to us and/or our ability to raise capital in the debt markets.

**Capital Expenditures**

We spent USD 4,337 million during 2015 on acquiring capital assets (net of proceeds from the sale of property, plant, equipment and intangible assets). Out of the total capital expenditures of 2015, approximately 52% was used to improve our production facilities while 36% was used for logistics and commercial investments. Approximately 12% was used for improving administrative capabilities and purchase of hardware and software.

We spent USD 4,122 million during 2014 on acquiring capital assets (net of proceeds from the sale of property, plant, equipment and intangible assets). Out of the total capital expenditures of 2014, approximately 50% was used to improve our production facilities while 40% was used for logistics and commercial investments. Approximately 10% was used for improving administrative capabilities and purchase of hardware and software. Our capital expenditures are primarily funded through cash from operating activities.
We spent USD 3,612 million during 2013 on acquiring capital assets (net of proceeds from the sale of property, plant, equipment and intangible assets). Out of the total capital expenditures of 2013, approximately 57% was used to improve our production facilities while 34% was used for logistics and commercial investments. Approximately 9% was used for improving administrative capabilities and purchase of hardware and software.

Research and Development

In 2015, we spent USD 207 million (USD 217 million in 2014 and USD 185 million in 2013) on research and development. Part of this was spent in the area of market research, but the majority is related to innovation in the areas of process optimization and product development. For further information, see “Item 4. Information on the Company—B. Business Overview—10. Intellectual Property; Research and Development—Research and Development.”

Investments and Disposals

We regularly engage in acquisitions, divestitures and investments. We also engage in start-up or termination of activities and may transfer activities between business segments. Such events have had, and are expected to continue to have, a significant effect on our results of operations and the comparability of period-to-period results. See “Item 5. Operating and Financial Review—A. Key Factors Affecting Results of Operations—Acquisitions, Divestitures and Other Structural Changes” for further information on significant acquisitions, divestitures, investments, transfers of activities between business segments and other structural changes in the years ended 31 December 2015, 2014, and 2013. See also note 6 and note 8 to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015 included in this Form 20-F.

Net Debt and Equity

We define net debt as non-current and current interest-bearing loans and borrowings and bank overdrafts minus debt securities and cash. Net debt is a financial performance indicator that is used by our management to highlight changes in our overall liquidity position. We believe that net debt is meaningful for investors as it is one of the primary measures our management uses when evaluating our progress towards deleveraging.

The following table provides a reconciliation of our net debt to the sum of current and non-current interest bearing loans and borrowings as of the dates indicated:

<table>
<thead>
<tr>
<th></th>
<th>31 December (audited)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015 (USD million)</td>
</tr>
<tr>
<td>Non-current interest bearing loans and borrowings</td>
<td>43,541</td>
</tr>
<tr>
<td>Current interest bearing loans and borrowings</td>
<td>5,912</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>49,453</strong></td>
</tr>
<tr>
<td>Bank overdrafts</td>
<td>13</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>(6,923)</td>
</tr>
<tr>
<td>Interest-bearing loans granted (included within Trade and other receivables)</td>
<td>(286)</td>
</tr>
<tr>
<td>Debt securities (included within Investment securities) (1)</td>
<td>(72)</td>
</tr>
<tr>
<td><strong>Total net debt</strong></td>
<td><strong>42,185</strong></td>
</tr>
</tbody>
</table>

Notes:

(1) See note 22 to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015.
Net debt as of 31 December 2015 was USD 42.2 billion, an increase of USD 0.1 billion as compared to 31 December 2014. Apart from operating results net of capital expenditures, the net debt is mainly impacted by share buyback (USD 1.0 billion), dividend payments to shareholders of AB InBev and Ambev (USD 8.0 billion), the payment of interests and taxes (USD 4.0 billion) and the impact of changes in foreign exchange rates (USD 1.1 billion decrease of net debt).

Net debt as of 31 December 2014 was USD 42.1 billion, an increase of USD 3.3 billion as compared to 31 December 2013. Apart from operating results net of capital expenditures, the net debt was mainly impacted by the Oriental Brewery acquisition (USD 5.5 billion), dividends paid to shareholders of AB InBev and Ambev (USD 7.4 billion), the payment of interests and taxes (USD 4.6 billion) and the impacts of changes in foreign exchange rates (USD 447 million decrease of net debt).

Consolidated equity attributable to equity holders of AB InBev as at 31 December 2015 was USD 42,137 million, compared to USD 49,972 million as at 31 December 2014. The combined effect of the weakening of mainly the closing rates of the Argentine peso, the Brazilian real, the Canadian dollar, the Chinese yuan, the euro, the Mexican peso, the pound sterling, the Russian ruble and the South Korean won resulted in a negative foreign exchange translation adjustment of USD 6,157 million.

Consolidated equity attributable to equity holders of AB InBev as at 31 December 2014 was USD 49,972 million, compared to USD 50,365 million as at 31 December 2013. The combined effect of the weakening of mainly the closing rates of the euro, the Brazilian real, the Argentine peso, the Mexican peso, the pound sterling, the Russian ruble and the Chinese yuan resulted in a negative foreign exchange translation adjustment of USD 4,374 million.

Further details on equity movements can be found in our consolidated statement of changes in equity to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended, 31 December 2015.

Our optimal capital structure remains a net debt to EBITDA, as defined (adjusted for exceptional items), ratio of around 2x. We expect our net debt to EBITDA, as defined (adjusted for exceptional items) ratio to increase meaningfully in excess of 2x upon completion of the Transaction.

See “—Borrowings” above for details of long-term debt we entered into during 2015.

### H. CONTRACTUAL OBLIGATIONS AND CONTINGENCIES

#### Contractual Obligations

The following table reflects certain of our contractual obligations, and the effect such obligations are expected to have on our liquidity and cash flows in future periods, as of 31 December 2015:

<table>
<thead>
<tr>
<th>Contractual Obligations</th>
<th>Less than 1 year (USD million)</th>
<th>1-2 years (USD million)</th>
<th>2-3 years (USD million)</th>
<th>3-5 years (USD million)</th>
<th>More than 5 years (USD million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secured bank loans</td>
<td>(340)</td>
<td>(115)</td>
<td>(81)</td>
<td>(27)</td>
<td>(39)</td>
</tr>
<tr>
<td>Commercial papers</td>
<td>(2,089)</td>
<td>(2,089)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unsecured bank loans</td>
<td>(1,740)</td>
<td>(1,446)</td>
<td>(216)</td>
<td>(56)</td>
<td>(22)</td>
</tr>
<tr>
<td>Unsecured bond issues</td>
<td>(63,694)</td>
<td>(3,434)</td>
<td>(8,036)</td>
<td>(6,209)</td>
<td>(12,546)</td>
</tr>
<tr>
<td>Unsecured other loans</td>
<td>(114)</td>
<td>(15)</td>
<td>(16)</td>
<td>(14)</td>
<td>(15)</td>
</tr>
<tr>
<td>Finance lease liabilities</td>
<td>(218)</td>
<td>(13)</td>
<td>(14)</td>
<td>(14)</td>
<td>(32)</td>
</tr>
<tr>
<td>Bank overdraft</td>
<td>(13)</td>
<td>(13)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating lease liabilities</td>
<td>(1,099)</td>
<td>(108)</td>
<td>(105)</td>
<td>(103)</td>
<td>(190)</td>
</tr>
<tr>
<td>Purchase commitments</td>
<td>(8,830)</td>
<td>(4,902)</td>
<td>(2,056)</td>
<td>(1,261)</td>
<td>(303)</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>(19,082)</td>
<td>(17,616)</td>
<td>(454)</td>
<td>(184)</td>
<td>(392)</td>
</tr>
</tbody>
</table>

Notes:

1. “Total” amounts refer to non-derivative financial liabilities including interest payments.
2. The loan and bond issue contractual cash flow amounts presented above differ from the carrying amounts for these items in our financial statements in that they include our best estimates of future interest payable (not yet accrued) in order to better reflect our future cash flow position.

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Please refer to “—Item G. Liquidity and Capital Resources—Funding Sources—Borrowings” for further information regarding our short-term borrowings and long-term debt.

Please refer to note 27 to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015, and in particular to the discussions therein on “Liquidity Risk,” for more information regarding the maturity of our contractual obligations, including interest payments and derivative financial assets and liabilities.

Please refer to note 28 to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015 for more information regarding our operating lease obligations.

Information regarding our pension commitments and funding arrangements is described in our Significant Accounting Policies and in note 23 to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015. The level of contributions to funded pension plans is determined according to the relevant legislation in each jurisdiction in which we operate. In some countries there are statutory minimum funding requirements while in others we have developed our own policies, sometimes in agreement with the local trustee bodies. The size and timing of contributions will usually depend upon the performance of investment markets. Depending on the country and plan in question, the funding level will be monitored periodically and the contribution amount amended appropriately. Consequently, it is not possible to predict with any certainty the amounts that might become payable from 2016 onwards. In 2015, our employer contributions to defined benefit and defined contribution pension plans amounted to USD 365 million. Contributions to defined benefit pension plans for 2016 are estimated to be approximately USD 242 million for our funded defined benefit plans, and USD 61 million in benefit payments to our unfunded defined benefit plans and post-retirement medical plans. Please refer to note 23 to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015 for further information on our employee benefit obligations.

Collateral and Contractual Commitments

The following table reflects our collateral and contractual commitments for the acquisition of property, plant and equipment, loans to customers and other commitments, as of 31 December 2015 and 2014:

<table>
<thead>
<tr>
<th>Year ended 31 December (audited)</th>
<th>2015 (USD million)</th>
<th>2014 (USD million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collateral given for own liabilities</td>
<td>562</td>
<td>641</td>
</tr>
<tr>
<td>Collateral and financial guarantees received for own receivables and loans to customers</td>
<td>194</td>
<td>193</td>
</tr>
<tr>
<td>Contractual commitments to purchase property, plant and equipment</td>
<td>750</td>
<td>647</td>
</tr>
<tr>
<td>Contractual commitments to acquire loans to customers</td>
<td>14</td>
<td>13</td>
</tr>
<tr>
<td>Other commitments</td>
<td>1,713</td>
<td>1,801</td>
</tr>
</tbody>
</table>
On 23 July 2015, we entered into a subscription agreement for private placement of shares of Guangzhou Zhujiang Brewery Co., Ltd (“Zhujiang Brewery”), investing no less than RMB 1.6 billion (approximately USD 258 million) to increase its holdings in Zhujiang Brewery to 29.99%, subject to various regulatory approvals. This additional investment allows us to further deepen the strategic partnership with Zhujiang Brewery which started in the early 1980s.

On 11 November 2015, one of our indirect subsidiaries entered into an agreement to acquire the Canadian rights to a range of primarily spirit-based beers and ciders from Mark Anthony Group. In a separate transaction, Mark Anthony Group agreed to sell certain non-U.S. and non-Canadian trademark rights and other intellectual property to one of our subsidiaries. Mark Anthony Group retains full ownership of its U.S. business, as well as the Canadian wine, spirits and beer import and distribution business. The transaction closed on 20 January, 2016.

As at 31 December 2015, the following M&A related commitments existed with respect to the combination with Grupo Modelo:

• In a transaction related to the combination with Grupo Modelo, select Grupo Modelo shareholders purchased a deferred share entitlement to acquire the equivalent of approximately 23.1 million AB InBev shares, to be delivered within five years, for consideration of approximately USD 1.5 billion. This investment occurred on 5 June 2013. Pending the delivery of AB InBev shares, we will pay a coupon on each undelivered share, so that the Deferred Share Instrument holders are compensated on an after-tax basis, for dividends they would have received had AB InBev shares been delivered to them prior to the record date for such dividend.

• On 7 June 2013, in a transaction related to the combination with Grupo Modelo, we entered into a three-year transition services agreement with Constellation Brands, Inc. by virtue of which Grupo Modelo or its affiliates agreed to provide certain transition services to Constellation Brands, Inc. to ensure a smooth operational transition of the Piedras Negras brewery. We have also entered into an interim supply agreement with Constellation Brands, Inc. for an initial three-year term, whereby Constellation can purchase inventory from us or our affiliates under a specified pricing while the Piedras Negras brewery business acquires the necessary capacity to fulfill 100 percent of the U.S. demand.

As at 31 December 2015, the following M&A related commitments existed with respect to the proposed acquisition of SABMiller:

• On 11 November 2015, our board and the board of SABMiller announced that we had reached agreement on the terms of a recommended acquisition of the entire issued and to be issued share capital of SABMiller by us. Under the terms of the Transaction, each SABMiller shareholder will be entitled to receive GBP 44.00 in cash in respect of each SABMiller share, with a partial share alternative available for approximately 41.6% of the SABMiller shares. The board of SABMiller has unanimously recommended the cash offer of GBP 44.00 per SABMiller share to SABMiller shareholders. The Transaction is subject to regulatory and shareholder approvals and closing is expected to occur during the second half of 2016.

• On 11 November 2015, we also announced an agreement with Molson Coors Brewing Company, conditional on completion of the Transaction, regarding a complete divestiture of SABMiller’s interest in MillerCoors LLC (a joint venture in the U.S. and Puerto Rico between Molson Coors Brewing Company and SABMiller) and in the Miller Global Brand Business to Molson Coors Brewing Company. The total transaction is valued at USD 12 billion and is conditional on completion of the Transaction.

• On 10 February 2016, we announced that we had received a binding offer from Asahi to acquire SABMiller’s Peroni, Grolsch and Meantime brand families and their associated business (excluding certain rights in the U.S.). The offer values the Peroni, Grolsch, and Meantime brand families and associated businesses in Italy, the Netherlands and the UK and internationally at EUR 2,550 million on
a debt free/cash basis. The parties have commenced the relevant employee information and consultation processes, during which time we have agreed to a period of exclusivity with Asahi in respect of these brands and businesses. Asahi’s offer is conditional on the successful closing of the Transaction.

- On 2 March 2016, we announced that we had entered into an agreement to sell SABMiller’s 49% interest in CR Snow to China Resources Beer (Holdings) Co. Ltd., which currently owns 51% of CR Snow. The agreement values SABMiller’s 49% stake in CR Snow at USD 1.6 billion. The sale is conditional on the successful closing of the Transaction and is subject to any applicable regulatory approvals in China.

- There is no guarantee that the regulatory pre-conditions and conditions will be satisfied (or waived, if applicable). Failure to satisfy any of the conditions may result in the Transaction not being completed and, in certain circumstances, including if any regulatory pre-condition or condition is not satisfied by the specified long stop date of 11 May 2017 (unless extended), we may be required to pay or procure the payment to SABMiller of a break payment of USD 3.0 billion.

Please refer to note 29 to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015 for more information regarding collateral and contractual commitments for the acquisition of property, plant and equipment, loans to customers and others.

Contingencies

We are subject to various contingencies with respect to tax, labor, distributors and other claims. Due to their nature, such legal proceedings and tax matters involve inherent uncertainties including, but not limited to, court rulings, negotiations between affected parties and governmental actions. To the extent that we believe these contingencies will probably be realized, a provision has been recorded in our balance sheet.

To the extent that we believe that the realization of a contingency is possible (but not probable) and is above certain materiality thresholds, we have disclosed those items in note 30 to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015.

I. OFF-BALANCE SHEET ARRANGEMENTS

We do not have any off-balance sheet arrangements that have, or are reasonably likely to have, a material current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors. Please refer to “—H. Contractual Obligations and Contingencies—Collateral and Contractual Commitments” for a description of certain collateral and contractual commitments to which we are subject. Please also refer to note 29 to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015.

In order to fulfill our commitments under various outstanding stock option plans, we entered into stock lending arrangements for up to 15 million of our own ordinary shares. We shall pay the lenders any dividend equivalent, after tax in respect of the loaned securities. This payment will be reported through equity as dividend. As of 31 December 2015, 10.6 million loaned securities were used to fulfill our stock option plan commitments. Please also refer to note 29 to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015.

J. OUTLOOK AND TREND INFORMATION

We continue to expect the Transaction to complete in the second half of 2016, subject to the satisfaction or waiver of the conditions and pre-conditions thereto. However, given the uncertainty regarding the timing of completion, we present our outlook for 2016 excluding any impact from the Transaction except where specified.
In terms of our outlook for 2016, we expect revenue per hectoliter to grow organically ahead of inflation, on a constant geographic basis, as a result of our revenue management initiatives and continued improvements in mix.

In the United States, we expect industry volumes to continue to improve in 2016. We expect our own sales-to-wholesalers and sales-to-retailers to converge on a full-year basis. We expect further improvement in our net revenue per hectoliter performance, supported by favorable brand mix.

In Mexico, we expect another year of solid growth in industry volumes, driven by a favorable macro-environment and our own commercial initiatives.

In Brazil, we expect the economy to remain challenging in 2016. We expect our own net revenues to grow organically by mid to high single digits in 2016, after an expected weak first quarter due to a tough comparable.

In China, we expect industry volumes to remain under pressure in 2016. We expect our own volumes to perform better than the industry, driven by our premium and super premium brands.

We expect cost of sales per hectoliter to increase by mid-single digits on a constant geographic basis, driven by unfavorable foreign exchange transactional impacts and growth in our premium brands.

We expect distribution expenses per hectoliter to increase organically by high single digits, driven by the growth in our premium brands, as well as an increase in own distribution in Brazil, both of which we expect to be more than offset by the increase in net revenue.

We expect sales and marketing investments to grow by high single to low double digits, weighted towards the first half of the year, as we continue to invest behind our brands and global platforms for the long-term.

We expect the average rate of interest on net debt in 2016, excluding the impact of the Transaction, to be in the range of 3.5% to 4.0%. Net pension interest expense and accretion expenses are expected to be approximately USD 30 million and USD 85 million per quarter, respectively. Other financial results will continue to be impacted by any gains and losses related to the hedging of our share-based payment programs. The net cost of the pre-funding of the SABMiller purchase price will be accounted for in net interest expense and is expected to amount to approximately USD 400 million in a full quarter.

We expect net capital expenditure of approximately USD 4.0 billion in 2016. This represents a reduction of approximately USD 300 million compared to 2015, driven by favorable foreign exchange translation, which offsets increased investments in our consumer and commercial initiatives and capacity expansion.

Our optimal capital structure remains a net debt to EBITDA, as defined (adjusted for exceptional items), ratio of around 2x. Approximately one third of our gross debt is denominated in currencies other than the U.S. dollar, principally the euro.

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES
A. DIRECTORS AND SENIOR MANAGEMENT

On 11 November 2015, an announcement was made that an agreement had been reached on the terms of our recommended acquisition of the entire issued and to be issued share capital of SABMiller. The Transaction is expected to complete in the second half of 2016, subject to the satisfaction or waiver of the conditions and pre-conditions set out in the Rule 2.7 Announcement, which has been filed as Exhibit 15.3 to this Form 20-F.

The completion of the transaction will have a significant impact on our corporate governance structure. For example, the Combined Group’s shareholder structure, capital structure and composition and structure of its Board of directors will likely have significant differences from our present corporate governance structures. Reference is made to the full text of the announcement for more details on these changes, none of which have been included in this Form 20-F.
Administrative, Management, Supervisory Bodies and Senior Management Structure

Our management structure is a “one-tier” governance structure composed of our Board, a Chief Executive Officer responsible for our day-to-day management and an executive board of management chaired by our Chief Executive Officer. Our Board is assisted by five main committees: the Audit Committee, the Finance Committee, the Remuneration Committee, the Nomination Committee and, as of March 2015, the Strategy Committee. See “Item 6. Directors, Senior Management and Employees—C. Board Practices—Information about Our Committees.”

Board of Directors

Role and Responsibilities, Composition, Structure and Organization

The role and responsibilities of our Board and its composition, structure and organization are described in detail in our corporate governance charter (“Corporate Governance Charter”), which is available on our website: http://www.ab-inbev.com/corporate-governance/charter.html.

Our Board may be composed of a maximum of 14 members. There are currently 14 directors, all of whom are non-executives.

Pursuant to a shareholders’ agreement in which certain of our key shareholders agree to hold certain of their interests in us through Stichting Anheuser-Busch InBev, a foundation organized under the laws of the Netherlands (the “Stichting”), the holders of the class A Stichting certificates and the holders of the class B Stichting certificates each have the right to nominate four of our directors (see “Item 7. Major Shareholders and Related Party Transactions—A. Major Shareholders”). The Stichting board of directors (which consists of eight directors, four of whom are appointed by the holders of the class A certificates and four of whom are appointed by the holders of the class B certificates) may nominate three to six directors to our Board who are independent of shareholders, based on recommendations of our Nomination Committee.

As a consequence, our Board is currently composed of four members nominated by Eugénie Patri Sébastien S.A. (which represents Interbrew’s founding Belgian families and holds the class A Stichting certificates), four members nominated by BRC S.â.R.L. (which represents the Brazilian families that were previously the controlling shareholders of Ambev and holds the class B Stichting certificates), two non-executive directors who were appointed in accordance with the terms of the combination with Grupo Modelo and four independent directors. The independent directors are recommended by our Nomination Committee, nominated by the Stichting board and subsequently elected at our shareholders’ meeting (at which the Stichting, together with its related parties, has the majority of the votes). Directors are appointed for a maximum term of four years. The upper age limit for the directors is 70, although exceptions can be made in special circumstances.

Independent directors on our Board are required to meet the following requirements of independence pursuant to our current Corporate Governance Charter. Such requirements are derived from but not fully identical to the requirements of Belgian company law (when legally required, we shall apply the criteria of independence provided by Belgian company law). Based on the provisions of the Belgian Corporate Governance Code of March 2009 and the Belgian Company Code, the requirements of independence contained in our Corporate Governance Charter are the following:

- the director is not an executive or managing director of us or an associated company, and has not been in such a position for the previous five years;
- the director has not served for more than three successive terms as a non-executive director on our board, or for a total term of more than 12 years;
• the director is not an employee of us or an associated company and has not been in such a position for the previous three years;
• the director does not receive significant additional remuneration or benefits from us or an associated company apart from a fee received as non-executive director;
• the director is not the representative of a controlling shareholder or a shareholder with a shareholding of more than 10%, or a director or executive officer of such a shareholder;
• the director does not have or has not had within the financial reported year a significant business relationship with us or an associated company, either directly or as a partner, shareholder, director or senior employee of a body that has such a relationship;
• the director is not or has not been within the last three years a partner or an employee of our external auditor or the external auditor of an associated company; and
• the director is not a close family member of an executive or managing director or of persons in the situations described above.

When an independent director has served on the Board for three terms, any proposal to renew his mandate as independent director must expressly indicate why the Board considers that his independence as a director is preserved.

Independent directors on our Board who serve on our Audit Committee are also required to meet the criteria for independence set forth in Rule 10A-3 under the Exchange Act of 1934.

The appointment and renewal of all of our directors is based on a recommendation of the Nomination Committee, and is subject to approval by our shareholders’ meeting.

Our Board is our ultimate decision-making body, except for the powers reserved to our shareholders’ meeting by law, or as specified in the articles of association.

Our Board meets as frequently as our interests require. In addition, special meetings of our Board may be called and held at any time upon the call of either the chairman of our Board or at least two directors. Board meetings are based on a detailed agenda specifying the topics for decision and those for information. Board decisions are made by a simple majority of the votes cast.

The composition of our Board is currently as follows:

<table>
<thead>
<tr>
<th>Name</th>
<th>Principal function</th>
<th>Nature of directorship</th>
<th>Initially appointed</th>
<th>Term expires</th>
</tr>
</thead>
<tbody>
<tr>
<td>María Asuncion Aramburuzabala</td>
<td>Director</td>
<td>Non-executive</td>
<td>2014</td>
<td>2018</td>
</tr>
<tr>
<td>Alexandre Behring</td>
<td>Director</td>
<td>Non-executive, nominated by the holders of class B Stichting certificates</td>
<td>2014</td>
<td>2018</td>
</tr>
<tr>
<td>M. Michele Burns</td>
<td>Independent Director</td>
<td>Non-executive</td>
<td>2015</td>
<td>2019</td>
</tr>
<tr>
<td>Paul Cornet de Ways Ruart</td>
<td>Director</td>
<td>Non-executive, nominated by the holders of class A Stichting certificates</td>
<td>2011</td>
<td>2019</td>
</tr>
</tbody>
</table>
The mandates of Paul Cornet de Ways Ruart, Stéfan Descheemaeker, Olivier Goudet, Kees Storm and Mark Winkelman came to an end immediately after the annual shareholders’ meeting held on 29 April 2015. The annual shareholders’ meeting acknowledged the end of the mandates of Kees Storm and Mark Winkelman and renewed the mandates of Paul Cornet de Ways Ruart, Olivier Goudet and Stéfan Descheemaeker for a term of four years. The annual shareholders’ meeting appointed M. Michele Burns and Kasper Rorsted as new independent directors for a term of four years. Olivier Goudet succeeded to Kees Storm as Chairman of the Board. No mandates are scheduled to come to an end at the annual shareholders’ meeting to be held on 27 April 2016.

The business address for all of our directors is: Brouwerijplein 1, 3000 Leuven, Belgium.

No member of the Board has any conflicts of interest within the meaning of the Belgian Company Code between any duties he/she owes to us and any private interests and/or other duties.

Ms. Aramburuzabala is a non-executive Board member. Born in 1963, she is a citizen of Mexico and holds a degree in Accounting from ITAM (Instituto Tecnologico Autonomo de Mexico). She has served as CEO of Tresalia Capital since 1996. She is currently chairman of the Boards of Directors of Tresalia Capital, KIO Networks, Abilia and Red Universalia. She is also a member of the Advisory Board of Grupo Modelo and was formerly a
Mr. Behring is a representative of the main shareholders (nominated by BRC S.à.R.L., the holder of the class B Stichting certificates). Born in 1967, he is a Brazilian citizen and received a BS in Electrical Engineering from Pontificia Universidade Catolica in Rio de Janeiro and an MBA from Harvard Business School, having graduated as a Baker Scholar and Loeb Scholar. He is a co-founder and the Managing Partner of 3G Capital, a global investment firm with offices in New York and Rio de Janeiro, since 2004. Mr. Behring has served as Chairman of Restaurant Brands International since 3G Capital’s acquisition of Burger King in October 2010 and following Burger King’s subsequent acquisition of Tim Hortons in December 2014. Mr. Behring also serves as Chairman of the Kraft Heinz Company following the acquisition of H.J. Heinz Company by Berkshire Hathaway and 3G Capital in June 2013 and subsequent combination with Kraft Foods Group in July 2015. Additionally, Mr. Behring formerly served as a Director of CSX Corporation, a leading U.S. rail-based transportation company, from 2008 to 2011. Previously, Mr. Behring spent approximately ten years at GP Investments, one of Latin America’s premier private-equity firms, including eight years as a partner and member of the firm’s Investment Committee. He served for seven years, from 1998 through 2004, as a Director and CEO of one of Latin America’s largest railroads, ALL (America Latina Logistica).

Ms. Burns is an independent Board member. Born in 1958, she is an American citizen and graduated Summa Cum Laude from the University of Georgia with a Bachelor’s Degree in Business Administration and a Master’s Degree in Accountancy. Ms. Burns was the Chairman and Chief Executive Officer of Mercer LLC from 2006 until 2012. She currently serves on the Boards of Directors of The Goldman Sachs Group, where she chairs the Risk Committee, Alexion Pharmaceuticals, where she chairs the Strategy and Risk Committee and Cisco Systems, as well as two private companies, Etsy and Circle Online Financial. From 2003 until 2013, she served as a director of Wal-Mart Stores, where she chaired the Compensation and Nominating Committee and the Strategic Planning and Finance Committee. She also serves as the Center Fellow and Strategic Advisor to the Stanford Center on Longevity at Stanford University. Ms. Burns is on the Executive Board of the Elton John Aids Foundation, where she serves as Treasurer. Ms. Burns began her career in 1981 at Arthur Andersen, where she became a partner in 1991. In 1999, she joined Delta Air Lines, assuming the role of Chief Financial Officer from 2000 to 2004. From 2004 to 2006, Ms. Burns served as Chief Financial Officer and Chief Restructuring Officer of Mirant Corporation, an independent power producer. From March 2006 until September 2006, Ms. Burns served as the Chief Financial Officer of Marsh and McLennan Companies.

Mr. Cornet de Ways Ruart is a representative of the main shareholders (nominated by Eugénie Patri Sébastien S.A., the holder of the class A Stichting certificates). Born in 1968, he is a Belgian citizen and holds a Master’s Degree as a Commercial Engineer from the Catholic University of Louvain and an MBA from the University of Chicago. He has attended the Master Brewer program at the Catholic University of Louvain. From 2006 to 2011, he worked at Yahoo! and was in charge of Corporate Development for Europe before taking on additional responsibilities as Senior Financial Director for Audience and Chief of Staff. Prior to joining Yahoo!, Mr. Cornet was Director of Strategy for Orange UK and spent seven years with McKinsey & Company in London and Palo Alto, California. He is also a member of the Board of Directors of Bunge Limited, EPS, Rayvax, Adrien Invest, Floridienne S.A. and several privately held companies.

Mr. Descheemaeker is a representative of the main shareholders (nominated by Eugénie Patri Sébastien S.A., the holder of the class A Stichting certificates). Born in 1960, he is a Belgian citizen and graduated from Solvay Business School. He is the CEO of Nomad Food, a leader in the European frozen food sector. He joined Interbrew in 1996 as head of Strategy & External Growth, managing its M&A activities, culminating with the combination of Interbrew and Ambev. In 2004, he transitioned to operational management, first in charge of Interbrew’s operations in the United States and Mexico, and then as InBev’s Zone President Central and Eastern Europe and eventually, Western Europe. In 2008, Mr. Descheemaeker ended his operational responsibilities at AB InBev and joined our Board as a non-executive Director. He was appointed Chief Financial Officer of Delhaize Group in January 2009 and served as Chief Executive Officer of Delhaize Europe from January 2012 until October 2013. He is a professor in Business Strategy at the Solvay Business School.
Mr. **Diez Morodo** is a non-executive, non-independent Board member. Born in 1940, he is a citizen of Mexico. He holds a degree in Business Administration from the Universidad Iberoamericana and participated in postgraduate courses at the University of Michigan. He is currently President of Grupo Nevadi Internacional, Chairman of the Consejo Empresarial Mexicano de Comercio Exterior, Inversión y Tecnología, AC (COMCE) and Chairman of that organization’s Mexico-Spain Bilateral Committee. He is Vice President of Kimberly Clark de México and a member of the Advisory Board of Grupo Modelo and was formerly a member of the Grupo Modelo Board of Directors. He is a member of the Board of Directors of Grupo Aeroméxico, Grupo Financiero Banamex, Grupo KUO, Grupo Dine, Mexichem, Zara México, Telefónica Móviles México, Bodegas Vega Sicilia, Banco Nacional de Comercio Exterior, S.N.C. (Bancomext), ProMexico and the Instituto de Empresa, Madrid. He is member of the Consejo Mexicano de Negocios and Chairman of the Instituto Mexicano para la Competitividad, IMCO. He is Chairman of the Assembly of Associates of the Universidad Iberoamericana, and Founder and Chairman of the Diez Morodo Foundation, which encourages social, sporting, educational and philanthropic causes. Mr. Diez Morodo is also a member of the Board of the Museo Nacional de las Artes, MUNAL in Mexico and member of the International Trustees of the Museo del Prado in Madrid, Spain.

Mr. **Goudet** is an independent Board member. Born in 1964, he is a French citizen, holds a degree in Engineering from l’Ecole Centrale de Paris and graduated from the ESSEC Business School in Paris with a major in Finance. Mr. Goudet is Partner and CEO of JAB Holding Company, LLC, a position he has held since June 2012. He started his professional career in 1990 at Mars, Inc., serving on the finance team of the French business. After six years, he left Mars to join the VALEO Group, where he held several senior executive positions, including CFO. In 1998 he returned to Mars, where he became Chief Financial Officer in 2004. In 2008, his role was broadened to become the Executive Vice President as well as CFO. Between June 2012 and November 2015 he served as an Advisor to the Board of Mars. Mr. Goudet is also a Board member of Jacobs Douwe Egberts, the world’s leading pure play coffee and tea company; Chairman of Peet’s Coffee & Tea, a premier specialty coffee and tea company and of Caribou Einstein, a premium coffee and bagel restaurant chain; a Board member of Coty Inc., a global leader in beauty; a Board member of Espresso House Baresso, the largest branded coffee shop chains in Scandinavia; and a Board member of Jimmy Choo PLC, a luxury leather goods company.

Mr. **Lemann** is a representative of the main shareholders (nominated by BRC S.à.R.L., the holder of the class B Stichting certificates). Born in Brazil in 1968, he is a Brazilian citizen and graduated from Faculdade Candido Mendes in Rio de Janeiro, Brazil with a B.A. in Economics. Mr. Lemann interned at PriceWaterhouse in 1989 and was employed as an Analyst at Andersen Consulting from 1990 to 1991. Mr. Lemann also performed equity analysis while at Banco Marka and Dynamo Asset Management (both in Rio de Janeiro). From 1997 to 2004, he developed the hedge fund investment group at Tinicum Inc., a New York-based investment office that advised the Synergy Fund of Funds, where he served as Portfolio Manager. In May 2005, Mr. Lemann founded Pollux Capital and is currently the Portfolio Manager there. Mr. Lemann is a board member of Lojas Americanas, the Lemann Foundation and Ambev.

Mr. **Rorsted** is an independent Board member. Born in 1962, he is a Danish citizen and graduated from the International Business School in Copenhagen. Since April 2008, Mr. Rorsted has been Chief Executive Officer of Henkel AG & Company, KgaA, a fast-moving consumer goods company which operates brands in laundry and home care, beauty care and adhesive technologies. In January 2016, it was announced that adidas AG, a German sportswear company, had appointed Mr. Rorsted to its executive board, effective 1 August 2016, and as its chief executive officer, effective 1 October 2016, at which time Mr. Rorsted will stand down as Chief Executive Officer of Henkel. Prior to joining Henkel, Mr. Rorsted has held senior leadership roles at Oracle Corporation, Compaq Computer Corporation and Hewlett-Packard Company. Mr. Rorsted is also a Board member of Bertelsmann SE & Co., KGA and Danfoss A/S in Denmark.

Mr. **Leoni Sceti** is an independent Board member. Born in 1966, he is an Italian citizen who lives in the UK. He graduated Magna Cum Laude in Economics from LUISS in Rome, where he passed the Dottore Commercialista post-graduate bar exam. Mr. Leoni Sceti has over 25 years’ experience in the fast-moving consumer goods and media sectors. He was CEO of Iglo Group, a European food business whose brands are Birds Eye, Findus & Iglo. Iglo group was sold in May 2015 to Nomad Foods, of which Mr. Leoni Sceti remains a Board director. He previously served as CEO of EMI Music from 2008 to 2010. Prior to EMI, Mr. Leoni Sceti had an international career in marketing and held senior leadership roles at Procter & Gamble and Reckitt Benckiser. Mr. Leoni Sceti is a private early investor in Media & Tech, the Chairman of London based LSG holdings and a Counsellor at One Young World.
Mr. Sicupira is a representative of the main shareholders (nominated by BRC S.à.R.L., the holder of the class B Stichting certificates). Born in 1948, he is a Brazilian citizen and received a Bachelor of Business Administration from Universidade Federal do Rio de Janeiro and attended the Owners/Presidents Management Program at Harvard Business School. He has been Chairman of Lojas Americanas since 1981, where he also served as Chief Executive Officer until 1992. He is a member of the Board of Directors of Burger King Worldwide Holdings and the Harvard Business School’s Board of Dean’s Advisors and a co-founder and Board member of Fundação Estudar, a non-profit organization that provides scholarships for Brazilians.

Mr. de Spoelberch is a representative of the main shareholders (nominated by Eugénie Patri Sébastien S.A., the holder of the class A Stichting certificates). Born in 1966, he is a Belgian citizen and holds an MBA from INSEAD. Mr. de Spoelberch is an active private equity shareholder and his recent activities include shared Chief Executive Officer responsibilities for Lunch Garden, the leading Belgian self-service restaurant chain. He is a member of the board of several family-owned companies, such as Eugénie Patri Sébastien S.A., Verlinvest and Cobehold (Cobepa). He is also an administrator of the Baillet-Latour Fund, a foundation that encourages social, cultural, artistic, technical, sporting, educational and philanthropic achievements.

Mr. Telles is a representative of the main shareholders (nominated by BRC S.à.R.L., the holder of the class B Stichting certificates). Born in 1950, he is a Brazilian citizen and holds a degree in Economics from Universidade Federal do Rio de Janeiro and attended the Owners/Presidents Management Program at Harvard Business School. He was Chief Executive Officer of Brahma and Ambev and has been a member of the Board of Directors of Ambev since 2000. He served as member of the Board of Directors of H.J. Heinz Company and now serves as member of the Board of Directors of the Kraft Heinz Company and of the Board of associates of Insper. He is co-founder and Board member of Fundação Estudar, a non-profit organization that provides scholarships for Brazilians and a founder and Chairman of Ismart, a non-profit organization that provides scholarships to low-income students. He is also an ambassador for Endeavor, an international non-profit organization that supports entrepreneurs in developing markets.

Mr. Van Damme is a representative of the main shareholders (nominated by Eugénie Patri Sébastien S.A., the holder of the class A Stichting certificates). Born in 1962, he is a Belgian citizen and graduated from Solvay Business School, Brussels. Mr. Van Damme joined the beer industry early in his career and held various operational positions within Interbrew until 1991, including Head of Corporate Planning and Strategy. He has managed several private venture holding companies and is currently a director of Patri S.A. (Luxembourg), Restaurant Brands International (formerly Burger King Worldwide Holdings) and Jacobs Douwe Egberts (JDE). He is also an administrator of the Baillet-Latour Fund, a foundation that encourages social, cultural, artistic, technical, sporting, educational and philanthropic achievements, as well as a director of the charitable, non-profit organization DKMS, the largest bone marrow donor center in the world.

General Information on the Directors

In relation to each of the members of our Board, we are not aware of (i) any convictions in relation to fraudulent offenses in the last five years, (ii) any bankruptcies, receiverships or liquidations of any entities in which such members held any offices, directorships or partner or senior management positions in the last five years, or (iii) any official public incrimination and/or sanction of such members by statutory or regulatory authorities (including designated professional bodies), or disqualification by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years.

No member of our Board has a family relationship with any other member of our Board or any member of our executive board of management.
Over the five years preceding the date of this Form 20-F, the members of our Board hold or have held the following main directorships (apart from directorships they have held with us and our subsidiaries) or memberships of administrative, management or supervisory bodies and/or partnerships:

<table>
<thead>
<tr>
<th>Name</th>
<th>Current</th>
<th>Past</th>
</tr>
</thead>
<tbody>
<tr>
<td>María Asunción Aramburuzabala</td>
<td>Tresalia Capital, Grupo Modelo, KIO Networks, Abilia, Red Universalia, Consejo Mexicano de Negocios, Frennillo, plc, Médica Sur, Calidad de Vida Progreso y Desarrollo para la Ciudad de México and Instituto Tecnológico Autónomo de México (ITAM) School of Business,</td>
<td>Grupo Financiero Banamex, LLC, Banco Nacional de México, Telmex, América Móvil, Televiisa, Cablevisión, Empresas ICA, Aeroméxico, Siemens, Tory Burch, LLC, Artega Automobil, Diblo, Dirección de Fábricas, Filantropia Modelo, Consejo Asesor para las Negociaciones Comerciales Internacionales, Compromiso Social por la Calidad de la Educación and Latin America Conservation Council</td>
</tr>
<tr>
<td>Alexandre Behring</td>
<td>3G Capital Partners., Restaurant Brands International and The Kraft Heinz Company</td>
<td>CSX Corporation</td>
</tr>
<tr>
<td>Stéfan Descheemaeker</td>
<td>Eugénie Patri Sébastien S.A. and the Stichting</td>
<td>Telenet Group Holding NV, Delhaize Group</td>
</tr>
<tr>
<td>Paulo Alberto Lemann</td>
<td>Pollux Capital, Lojas Americanas S.A., Lemann Foundation and Ambev, Lone Pine Capital LLC</td>
<td></td>
</tr>
</tbody>
</table>
Our Chief Executive Officer is responsible for our day-to-day management. He has direct responsibility for our operations and oversees the organization and efficient day-to-day management of our subsidiaries, affiliates and joint ventures. Our Chief Executive Officer is responsible for the execution and management of the outcome of all of our Board decisions.

He is appointed and removed by our Board and reports directly to it.

Our Chief Executive Officer leads an executive board of management comprised of the Chief Executive Officer, nine global functional heads and six zone presidents.
Effective 1 January 2015, João Castro Neves became Zone President North America, following his previous role as Zone President Latin America North and CEO of Ambev. Effective 1 January 2015, Bernardo Pinto Paiva became Zone President Latin America North and CEO of Ambev, following his previous role as our Chief Sales Officer. Effective 1 January 2015, Luiz Fernando Edmond became our Chief Sales Officer, following his previous role as Zone President North America.

Effective 10 February 2015, Pedro Earp joined our executive board of management as Chief Disruptive Growth Officer, a newly created role within our executive board of management dedicated to accelerating new business development opportunities. In this role Pedro Earp will step up our initiatives in e-commerce, mobile, craft and branded experiences such as brew pubs.

Effective 1 September 2015, Jo Van Biesbroeck, Chief Strategy Officer and leader of AB InBev International, retired.

Effective 1 December 2015, David Almeida was appointed as Chief Integration Officer in light of the proposed Transaction. The role was created to lead the integration planning and follow-up during the first years of the SABMiller business integration once the transaction closes. Prior to closing, the role will ensure that any integration planning activities are conducted in compliance with all antitrust laws and clean team protocols. Most recently David Almeida has served as Vice President, U.S. Sales, a role he took on in 2011.

The other members of the executive board of management work with our Chief Executive Officer to enable our Chief Executive Officer to properly perform his duties of daily management.

Although exceptions can be made in special circumstances, the upper age limit for the members of our executive board of management is 65, unless their employment contract provides otherwise.

Our executive board of management currently consists of the following members:

<table>
<thead>
<tr>
<th>Name</th>
<th>Function</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carlos Brito</td>
<td>Chief Executive Officer</td>
</tr>
<tr>
<td>David Almeida</td>
<td>Chief Integration Officer</td>
</tr>
<tr>
<td>Claudio Braz Ferro</td>
<td>Chief Supply Officer</td>
</tr>
<tr>
<td>Sabine Chalmers</td>
<td>Chief Legal and Corporate Affairs Officer</td>
</tr>
<tr>
<td>Felipe Dutra</td>
<td>Chief Financial and Technology Officer</td>
</tr>
<tr>
<td>Pedro Earp</td>
<td>Chief Disruptive Growth Officer</td>
</tr>
<tr>
<td>Luiz Fernando Edmond</td>
<td>Chief Sales Officer</td>
</tr>
<tr>
<td>Claudio Garcia</td>
<td>Chief People Officer</td>
</tr>
<tr>
<td>Tony Milikin</td>
<td>Chief Procurement Officer</td>
</tr>
<tr>
<td>Miguel Patricio</td>
<td>Chief Marketing Officer</td>
</tr>
<tr>
<td>Michel Doukeris</td>
<td>Zone President Asia Pacific</td>
</tr>
<tr>
<td>Stuart MacFarlane</td>
<td>Zone President Europe</td>
</tr>
<tr>
<td>Marcio Froes</td>
<td>Zone President Latin America South</td>
</tr>
<tr>
<td>Bernardo Pinto Paiva</td>
<td>Zone President Latin America North</td>
</tr>
<tr>
<td>João Castro Neves</td>
<td>Zone President North America</td>
</tr>
<tr>
<td>Ricardo Tadeu</td>
<td>Zone President Mexico</td>
</tr>
</tbody>
</table>

The business address for all of these executives is: Brouwerijplein 1, 3000 Leuven, Belgium.

David Almeida is our Chief Integration Officer. Born in 1976, David is a dual citizen of the U.S. and Brazil and holds a Bachelor’s Degree in Economics from the University of Pennsylvania. Most recently, he served as Vice President, U.S. Sales, a role he took on in 2011, having previously held the position of Vice President, Finance for the North American organization. Prior to that, he served as InBev’s head of mergers and acquisitions, where he led the combination with Anheuser-Busch in 2008 and subsequent integration activities in the U.S. Before joining InBev in 1998, he worked at Salomon Brothers in New York as a financial analyst in the Investment Banking division.
Claudio Braz Ferro is our Chief Supply Officer. Born in 1955, Mr. Ferro is a Brazilian citizen and holds a Degree in Industrial Chemistry from the Universidade Federal de Santa Maria, RS, and has studied Brewing Science at the Catholic University of Leuven. Mr. Ferro joined Ambev in 1977, where he held several key positions, including plant manager of the Skol brewery, Industrial Director of Brahma operations in Brazil and later VP Operations at Ambev in Latin America. Mr. Ferro also played a key role in structuring the supply organization when Brahma and Antarctica combined to form Ambev in 2000. He was appointed our Chief Supply Officer in January 2007.

Carlos Brito is our Chief Executive Officer. Born in 1960, he is a Brazilian citizen and received a Degree in Mechanical Engineering from the Universidade Federal do Rio de Janeiro and an MBA from Stanford University. He held positions at Shell Oil and Daimler Benz prior to joining Ambev in 1989. At Ambev he had roles in Finance, Operations, and Sales, before being appointed Chief Executive Officer in January 2004. He was appointed Zone President North America at InBev in January 2005 and Chief Executive Officer in December 2005. He is also a member of the Board of Directors of Ambev and of the Advisory Board of Grupo Modelo and was formerly a member of the Grupo Modelo Board of Directors.

João Castro Neves is our Zone President North America. Born in 1967, Mr. Castro Neves is a Brazilian citizen and holds a Degree in Engineering from Pontifícia Universidade Católica do Rio de Janeiro and an MBA from the University of Illinois. He joined Ambev in 1996 and has held positions in various departments such as Mergers and Acquisitions, Treasury, Investor Relations, Business Development, Technology and Shared Services. He was Ambev’s Chief Financial Officer and Investor Relations Officer before being appointed Zone President Latin America South in January 2007. He took on the role of Zone President Latin America North and CEO of Ambev in January 2009 and was appointed Zone President North America effective 1 January 2015. He is also a member of the Board of Directors of Ambev.

Sabine Chalmers is our Chief Legal and Corporate Affairs Officer and Secretary to the Board of Directors. Born in 1965, Ms. Chalmers is a U.S. citizen of German and Indian origin and holds an LL.B. from the London School of Economics. She is qualified as a solicitor in England and is a member of the New York State Bar. Ms. Chalmers joined us in January 2005 after over 12 years with Diageo plc where she held a number of senior legal positions in various geographies across Europe, the Americas and Asia including as General Counsel of the Latin American and North American businesses. Prior to Diageo, she was an associate at the law firm of Lovells in London, specializing in mergers and acquisitions. Ms. Chalmers is a member of the Advisory Board of Grupo Modelo and was formerly a member of the Grupo Modelo Board of Directors. She also serves on several professional councils and not-for-profit boards, including the Association of Corporate Counsel and Legal Momentum, the United States’ oldest legal defense and education fund dedicated to advancing the rights of women and girls.

Michel Doukeris is our Zone President, Asia Pacific. Born in 1973, he is a Brazilian citizen and holds a Degree in Chemical Engineering from Federal University of Santa Catarina in Brazil and a Master’s Degree in Marketing from Fundação Getulio Vargas, also in Brazil. He has also completed post-graduate programs in Marketing and Marketing Strategy from the Kellogg School of Management and Wharton Business School in the United States. Mr. Doukeris joined our company in 1996 and held sales positions of increasing responsibility before becoming Vice President, Soft Drinks for our Latin America North zone in 2008. He was appointed President, AB InBev China in January 2010 and currently serves as Zone President, Asia Pacific, a position he has held since January 2013.

Felipe Dutra is our Chief Financial and Technology Officer. Born in 1965, Mr. Dutra is a Brazilian citizen and holds a Degree in Economics from Candido Mendes and an MBA in Controlling from Universidade de Sao Paulo. He joined Ambev in 1990 from Aracruz Celulose, a major Brazilian manufacturer of pulp and paper. At Ambev, he held various positions in Treasury and Finance before being appointed General Manager of one of our subsidiaries. Mr. Dutra was appointed Ambev’s Chief Financial Officer in 1999 and he became our Chief Financial Officer in January 2005. In 2014, Mr. Dutra became our Chief Financial and Technology Officer. He is also a member of the Board of Directors of Ambev and of the Advisory Board of Grupo Modelo and was formerly a member of the Grupo Modelo Board of Directors.
Pedro Earp is our Chief Disruptive Growth Officer. Born in 1977, he is a Brazilian citizen and holds a Bachelor of Science degree in Financial Economics from the London School of Economics. Mr. Earp joined us in 2000 as a Global Management Trainee in our Latin America North Zone. In 2002, he became responsible for the Zone’s M&A team and in 2005 he moved to our Global Headquarters in Leuven, Belgium to become Global Director, M&A. Later, he was appointed VP, Strategic Planning in Canada in 2006, Global VP, Insights and Innovation in 2007, Global VP, M&A in 2009 and VP, Marketing for the Latin America North Zone in 2013. He was appointed Chief Disruptive Growth Officer in February 2015.

Luiz Fernando Edmond is our Chief Sales Officer. Born in 1966, he is a Brazilian citizen and holds a Degree in Production Engineering from the Universidade Federal do Rio de Janeiro. Mr. Edmond joined Brahma, which later became Ambev, in 1990 as part of its first Management Trainee Program. At Ambev, he held various positions in the commercial, supply and distribution areas. He was appointed Zone President, Latin America North and Ambev’s Chief Executive Officer in January 2005 and held the position of Zone President, North America from November 2008 to December 2014. He was also a member of the Board of Directors of Ambev until December 2014. Effective 1 January 2015, he became our Chief Sales Officer.

Marcio Fros is our Zone President, Latin America South. Born in 1968, he is a Brazilian citizen and received a Degree in Chemical Engineering from the Universidade Federal do Rio de Janeiro and a Master’s Degree in Brewing from the University of Madrid, Spain, in Industrial Technology. He joined Ambev in 1993 as a Management Trainee and has held roles in Supply, People and Sales, before being appointed Vice President, People for our Canadian business in 2006. In Canada, he also served as Vice President, Supply and Sales prior to being appointed Business Unit President from 2008 to 2009. Most recently, he was Vice President, Supply in Latin America North and was appointed Zone President, Latin America South in January 2014.

Claudio Garcia is our Chief People Officer. Born in 1968, he is a Brazilian citizen and holds a degree in Economics from the Universidade Estadual do Rio de Janeiro. Mr. Garcia joined Ambev as a management trainee in 1991 and thereafter held various positions in Finance and Operations before being appointed Information Technology and Shared Services Director in 2002. Mr. Garcia was appointed InBev’s Chief Information and Services Officer in January 2005 and its Chief People and Technology Officer in September 2006. To ensure a greater focus on building the best people pipeline globally, Mr. Garcia was appointed Chief People Officer in 2014 focusing on our People organization globally. This includes the Global Management Trainee Program, Global MBA recruitment, executive education and training and engagement initiatives.

Stuart MacFarlane is our Zone President Europe. Born in 1967, he is a citizen of the UK and received a Degree in Business Studies from Sheffield University in the UK. He is also a qualified Chartered Management Accountant. He joined our company in 1992 and since then has held senior roles in Finance, Marketing and Sales and was Managing Director for our company’s business in Ireland. Mr. MacFarlane was appointed President of AB InBev UK & Ireland in January 2008, and, in January 2012, became our Zone President, Central & Eastern Europe. In January 2014, he was appointed as Zone President, Europe to lead our new single European zone.

Tony Milikin is our Chief Procurement Officer. Born in 1961, he is a U.S. citizen and holds an undergraduate Finance Degree from the University of Florida and an MBA in Marketing from Texas Christian University in Fort Worth, Texas. Mr. Milikin joined us in May 2009 from MeadWestvaco, where he was Vice President, Supply Chain and Chief Purchasing Officer, based in Richmond, Virginia, since 2004. Prior to joining MeadWestvaco, he held various purchasing and supply chain positions with increasing responsibilities at Monsanto and Alcon Laboratories.

Miguel Patricio is our Chief Marketing Officer. Born in 1966, he is a Portuguese citizen and holds a Degree in Business Administration from Fundação Getulio Vargas in São Paulo. Prior to joining Ambev in 1998, Mr. Patricio held several senior positions across the Americas at Philip Morris, the Coca-Cola Company and Johnson & Johnson. At Ambev, he was Vice President, Marketing before being appointed Vice President, Marketing of InBev’s North American zone based in Toronto in January 2005. In January 2006, he was promoted to Zone President, North America, and in January 2008 he moved to Shanghai to take on the role of Zone President, Asia Pacific. He became our Chief Marketing Officer in July 2012.
Bernardo Pinto Paiva is our Zone President, Latin America North. Born in 1968, he is a Brazilian citizen and holds a Degree in Engineering from Universidade Federal do Rio de Janeiro and an Executive MBA from Pontifícia Universidade Católica do Rio de Janeiro. Mr. Pinto Paiva joined Ambev in 1991 as a management trainee and during his career at our company has held leadership positions in Sales, Supply, Distribution and Finance. He was appointed Zone President, North America in January 2008 and Zone President, Latin America South in January 2009 before becoming Chief Sales Officer in January 2012. Effective 1 January 2015, he became Zone President, Latin America North and CEO of Ambev.

Ricardo Tadeu is our Zone President Mexico and Chief Executive Officer of Grupo Modelo. Born in 1976, he is a Brazilian citizen, and received a law degree from the Universidade Cândido Mendes in Brazil and a Master of Law from Harvard Law School in Cambridge, Massachusetts. He joined AB InBev in 1995 and has held various roles across the Commercial area. He was appointed Business Unit President for our operations in Hispanic Latin America in 2005, and served as Business Unit President, Brazil from 2008 to 2012. He is also a member of the Advisory Board of Grupo Modelo and was formerly a member of the Grupo Modelo Board of Directors.

General Information on the Members of the Executive Board of Management

In relation to each of the members of the executive board of management, other than as set out below, we are not aware of (i) any convictions in relation to fraudulent offenses in the last five years, (ii) any bankruptcies, receiverships or liquidations of any entities in which such members held any office, directorships or partner or senior management positions in the last five years, or (iii) any official public incrimination and/or sanctions of such members by statutory or regulatory authorities (including designated professional bodies), or disqualification by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years.

No member of our executive board of management has any conflicts of interests between any duties he/she owes to us and any private interests and/or other duties.

No member of our executive board of management has a family relationship with any director or member of executive management.

Over the five years preceding the date of this Form 20-F, the members of the executive board of management have held the following main directorships (apart from directorships they have held with us and our subsidiaries) or memberships of administrative, management or supervisory bodies and/or partnerships:

<table>
<thead>
<tr>
<th>Name</th>
<th>Current</th>
<th>Past</th>
</tr>
</thead>
<tbody>
<tr>
<td>David Almeida</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Claudio Braz Ferro</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Carlos Brito</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>João Castro Neves</td>
<td>Director of Fundaçao Antonio e</td>
<td>—</td>
</tr>
<tr>
<td>Sabine Chalmers</td>
<td>Director of the Association of</td>
<td>—</td>
</tr>
<tr>
<td>Michel Doukeris</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Felipe Dutra</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Pedro Earp</td>
<td>Voxus</td>
<td>—</td>
</tr>
<tr>
<td>Luiz Fernando Edmond</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Marcio Froes</td>
<td>—</td>
<td>—</td>
</tr>
</tbody>
</table>
B. COMPENSATION

Introduction

Our compensation system has been designed and approved to help motivate high performance. The goal is to deliver market-leading compensation, driven by both company and individual performance, and alignment with shareholders’ interests by encouraging ownership of our shares. Our focus is on annual and long-term variable pay, rather than on base salary or fees.

Share-Based Payment Plans

We currently have three primary share-based payment plans, namely our long-term incentive warrant plan (“LTI Warrant Plan”), established in 1999 and replaced by the long-term incentive stock option plan for directors (“LTI Stock Option Plan Directors”) in 2014, our share-based compensation plan (“Share-Based Compensation Plan”), established in 2006 (and amended as from 2010) and our long-term incentive stock option plan for executives (“LTI Stock Option Plan Executives”), established in 2009.

In addition, from time to time, we make exceptional grants to our employees and employees of our subsidiaries or grants of shares or options under plans established by us or by certain of our subsidiaries.

LTI Warrant Plan

Before 2014, we regularly issued warrants (droits de souscription/warrants, or rights to subscribe for newly issued shares) under our LTI Warrant Plan for the benefit of our directors and, until 2006, for the benefit of members of our executive board of management and other senior employees.

Each LTI warrant gives its holder the right to subscribe for one newly issued share. Shares subscribed for upon the exercise of LTI warrants are ordinary registered Anheuser-Busch InBev SA/NV shares. Holders of such shares have the same rights as any other registered shareholder. The exercise price of LTI warrants is equal to the average price of our shares on the regulated market of Euronext Brussels during the 30 days preceding their issue date. LTI warrants granted in the years prior to 2007 (except for 2003) have a duration of ten years. From 2007 onwards (and in 2003), LTI warrants have a duration of five years. LTI warrants are subject to a vesting period ranging from one to three years. Except as a result of the death of the holder, LTI warrants may not be transferred. Forfeiture of a warrant occurs in certain circumstances when the holder leaves our employment. At the annual shareholders’ meeting of 30 April 2014, all outstanding LTI warrants under our LTI Warrant Plan were converted into LTI stock options, i.e., the right to purchase existing shares of Anheuser-Busch InBev SA/NV instead of the right to subscribe to newly issued ordinary shares. All other terms and conditions of the existing grants under the LTI Warrant Plan remain unchanged.

Since 2007, members of our executive board of management and other employees are no longer eligible to receive warrants under the LTI Warrant Plan, but instead receive a portion of their compensation in the form of shares and options granted under our Share-Based Compensation Plan and LTI Stock Option Plan Executives. See

<table>
<thead>
<tr>
<th>Name</th>
<th>Current</th>
<th>Past</th>
</tr>
</thead>
<tbody>
<tr>
<td>Claudio Garcia</td>
<td>Director of Lojas Americanas</td>
<td>—</td>
</tr>
<tr>
<td>Stuart MacFarlane</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Tony Milikin</td>
<td>—</td>
<td>Director of the Institute of Supply Management and Director of Supply Chain Council</td>
</tr>
<tr>
<td>Miguel Patricio</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Bernardo Pinto Paiva</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Ricardo Tadeu</td>
<td>—</td>
<td>—</td>
</tr>
</tbody>
</table>
“—Share-Based Compensation Plan” and “—LTI Stock Option Plan Executives” below. Since 2014, our directors are no longer eligible to receive warrants under the LTI Warrant Plan. Instead, on 30 April 2014, the annual shareholders’ meeting decided to replace the LTI Warrant Plan with the LTI Stock Option Plan Directors. As a result, grants to our directors now consist of LTI stock options instead of LTI warrants, i.e., the right to purchase existing shares instead of the right to subscribe to newly issued shares. Grants are made annually at our shareholders’ meeting on a discretionary basis upon recommendation of our Remuneration Committee. See “—C. Board Practices—Information about Our Committees—The Remuneration Committee.”

LTI stock options have an exercise price that is set equal to the market price of our shares at the time of granting, with a maximum lifetime of ten years and an exercise period that starts after five years. The LTI stock options cliff vest after five years. Unvested options are subject to specific forfeiture provisions in the event that the directorship is not renewed upon the expiry of its term or is terminated in the course of its term, both due to a breach of duty by the director.

The table below provides an overview of all of the options outstanding under our LTI Warrant Plan as of 31 December 2015:

<table>
<thead>
<tr>
<th>LTI Plan</th>
<th>Issue date of Options</th>
<th>Expiry date of options</th>
<th>Number of options granted</th>
<th>Number of options outstanding (1)</th>
<th>Exercise price (2)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Unadjusted (3)</td>
<td>As adjusted as a result of rights offering (4)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>(in millions)</td>
<td>(in millions) (in EUR)</td>
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<tr>
<td>1</td>
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<td>28 June 2009</td>
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<td>3</td>
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<td>11.64</td>
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<td>5</td>
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<td>30.23</td>
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<td>6</td>
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<td>3 September 2011</td>
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<td>26 April 2017</td>
<td>0.200</td>
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<td>21</td>
<td>24 April 2013</td>
<td>23 April 2018</td>
<td>0.185</td>
<td>0.185</td>
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<tr>
<td><strong>Total</strong></td>
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<td><strong>20.812</strong></td>
<td><strong>0.534</strong></td>
<td><strong>0.004</strong></td>
</tr>
</tbody>
</table>

**Notes:**
(1) At the annual shareholders’ meeting of 30 April 2014, all outstanding LTI warrants under our LTI Warrant Plan (see “—Share-Based Payment Plans—LTI Warrant Plan”) were converted into LTI stock options, i.e., the right to purchase existing ordinary shares instead of the right to subscribe to newly issued ordinary shares. All other terms and conditions of the existing grants under the LTI Warrant Plan remained unchanged.
(2) The number of stock options granted reflects the number of warrants originally granted under the LTI Warrant Plan, plus the number of additional warrants granted to holders of those warrants as a result of the adjustment resulting from our rights offering in December 2008, as described in more detail below. The number of stock options remaining outstanding from such grants, and their respective exercise prices, are shown separately in the table based on whether or not the relevant warrants, which have subsequently been converted to stock options, were adjusted in connection with our rights offering in December 2008.
As of 31 December 2015, the total number of stock options and warrants granted under the LTI Warrant Plan, including the additional warrants granted to compensate for the effects of the December 2008 rights offering, is approximately 20.8 million. As of 31 December 2015, of the 0.538 million outstanding stock options, 0.349 million were vested.

The LTI Warrant Plan terms and conditions provide that, in the event that a corporate change decided by us and having an impact on our capital has an unfavorable effect on the exercise price of the LTI stock options, their exercise price and/or the number of our shares to which they give rights will be adjusted to protect the interests of their holders. Our rights offering in December 2008 constituted such a corporate change and triggered an adjustment. Pursuant to the LTI Warrant Plan terms and conditions, we determined that the most appropriate manner to account for the impact of the rights offering on the unexercised warrants was to apply the “ratio method” as set out in the NYSE Euronext “Liffe’s Harmonised Corporate Action Policy,” pursuant to which both the number of warrants and their exercise price were adjusted on the basis of a \((P-E)/P\) ratio where “E” represented the theoretical value of the December 2008 rights and “P” represented the closing price of our shares on Euronext Brussels on the day immediately preceding the beginning of the relevant rights subscription period. The unexercised warrants were adjusted on 17 December 2008, the day after the closing of the rights offering. Based on the above “ratio method,” we used an adjustment ratio of 0.6252. The adjusted exercise price of the warrants equals the original exercise price multiplied by the adjustment ratio. The adjusted number of warrants equals the original number of warrants divided by the adjustment ratio. In total, 1,615,453 new warrants were granted pursuant to the adjustment.

The adjustment was not applied to warrants owned by persons that were directors at the time the warrants were granted. In order to compensate such persons, an additional 984,203 warrants were granted under the LTI grant on 28 April 2009, as authorized by our 2009 shareholders’ meeting. The table above reflects the adjusted exercise price and adjusted number of warrants.

The table below provides an overview of all of the stock options outstanding under our new LTI Stock Option Plan Directors as of 31 December 2015:

<table>
<thead>
<tr>
<th>Grant date of stock options</th>
<th>Expiry date of stock options</th>
<th>Number of options granted (in millions)</th>
<th>Number of options outstanding (in millions)</th>
<th>Exercise price (in EUR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>30 April 2014</td>
<td>29 April 2024</td>
<td>0.185</td>
<td>0.185</td>
<td>80.83</td>
</tr>
<tr>
<td>29 April 2015</td>
<td>28 April 2025</td>
<td>0.236</td>
<td>0.236</td>
<td>113.10</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>0.421</strong></td>
<td><strong>0.421</strong></td>
<td></td>
</tr>
</tbody>
</table>

As of 31 December 2015, the total number of stock options granted under the LTI Stock Option Plan Directors is 0.421 million. As of 31 December 2015, of the 0.421 million outstanding options, none were vested.

For additional information on the LTI stock options held by members of our Board of Directors and members of our executive board of management, see “—Compensation of Directors and Executives.”
Share-Based Compensation Plan

Since 2006, members of our executive board of management and certain other senior employees are granted variable compensation under our Share-Based Compensation Plan. On 5 March 2010, the general structure of the compensation under the plan was modified.

Share-Based Compensation Plan through 2009

Pursuant to the Share-Based Compensation Plan through 2009, half of each eligible employee’s variable compensation was settled in our shares. These shares must be held for three years (that is, the shares are fully owned by the employee from the date of grant but are subject to a lock-up of three years, and failure to comply with the lock-up results in forfeiture of any matching options granted under the plan as described below).

Through 2009, pursuant to the Share-Based Compensation Plan, eligible employees could elect to receive the other half of their variable compensation in cash or invest all or half of it in our shares. These shares must be held for five years. If an eligible employee voluntarily agreed to defer receiving part of their variable compensation by electing to invest in such shares, they would receive matching options (that is, rights to acquire existing shares) that will become vested after five years, provided that certain pre-defined financial targets are met or exceeded. These targets which required our return on invested capital less our weighted average cost of capital over a period of three to five years to exceed certain pre-agreed thresholds were met for all matching options granted. The number of matching options received was determined based on the proportion of the remaining 50% of the eligible employee’s variable compensation that he invested in such shares. For instance, if an eligible employee invested all of the remaining 50% of his variable compensation in our shares, he received a number of options equal to 4.6 times the number of shares he purchased, based on the gross amount of the variable compensation invested. If the eligible employee instead chose to receive 25% of his total variable compensation in cash and invests the remaining 25% in our shares, he would receive a number of options equal to 2.3 times the number of shares he purchased, based on the gross amount of the variable compensation invested.

The shares granted and purchased under the Share-Based Compensation Plan through 2009 were ordinary registered Anheuser-Busch InBev SA/NV shares. Holders of such shares have the same rights as any other registered shareholder, subject, however, to a three-year or five-year lock-up period, as described above.

In addition, the shares granted and purchased under the Share-Based Compensation Plan through 2009 are:

- entitled to dividends paid as from the date of granting; and
- granted and purchased at the market price at the time of granting. Nevertheless, our Board of Directors could, at its sole discretion, grant a discount on the market price.

The matching options granted under the Share-Based Compensation Plan have the following features:

- the exercise price is set equal to the market price of our shares at the time of granting;
- options have a maximum life of ten years and an exercise period that starts after five years, subject to financial performance conditions to be met at the end of the second, third or fourth year following the granting;
- upon exercise, each option entitles the option holder to purchase one share; and
- specific restrictions or forfeiture provisions apply in case the grantee leaves our employment.
The table below gives an overview of the matching options that were granted under the Share-Based Compensation Plan that were outstanding as of 31 December 2015:

<table>
<thead>
<tr>
<th>Issue Date</th>
<th>Number of shares granted (in millions)</th>
<th>Number of matching Options granted (in millions)</th>
<th>Number of matching options outstanding (in millions)</th>
<th>Exercise price (in EUR)</th>
<th>Expiry date of options</th>
</tr>
</thead>
<tbody>
<tr>
<td>27 April 2006</td>
<td>0.28</td>
<td>0.98</td>
<td>0.005</td>
<td>24.78</td>
<td>26 April 2016</td>
</tr>
<tr>
<td>2 April 2007(1)</td>
<td>0.44</td>
<td>1.42</td>
<td>0.009</td>
<td>33.59</td>
<td>1 April 2017</td>
</tr>
<tr>
<td>3 March 2008</td>
<td>0.42</td>
<td>1.66</td>
<td>0.105</td>
<td>34.34</td>
<td>2 March 2018</td>
</tr>
<tr>
<td>6 March 2009</td>
<td>0.16</td>
<td>0.40</td>
<td>0.135</td>
<td>20.49</td>
<td>5 March 2019</td>
</tr>
<tr>
<td>14 August 2009</td>
<td>1.10</td>
<td>3.76</td>
<td>0.787</td>
<td>27.06</td>
<td>13 August 2019</td>
</tr>
<tr>
<td>1 December 2009(2)</td>
<td>—</td>
<td>0.23</td>
<td>0.002</td>
<td>33.24</td>
<td>26 April 2016</td>
</tr>
<tr>
<td>1 December 2009(2)</td>
<td>—</td>
<td>0.39</td>
<td>0</td>
<td>33.24</td>
<td>1 April 2017</td>
</tr>
<tr>
<td>1 December 2009(2)</td>
<td>—</td>
<td>0.46</td>
<td>0.004</td>
<td>33.24</td>
<td>2 March 2018</td>
</tr>
<tr>
<td>1 December 2009(2)</td>
<td>—</td>
<td>0.02</td>
<td>0</td>
<td>33.24</td>
<td>5 March 2019</td>
</tr>
<tr>
<td>5 March 2010</td>
<td>0.28</td>
<td>0.70</td>
<td>0.305</td>
<td>36.52</td>
<td>4 March 2020</td>
</tr>
<tr>
<td>30 November 2010(2)</td>
<td>—</td>
<td>0.03</td>
<td>0</td>
<td>42.41</td>
<td>26 April 2016</td>
</tr>
<tr>
<td>30 November 2010(2)</td>
<td>—</td>
<td>0.02</td>
<td>0</td>
<td>42.41</td>
<td>1 April 2017</td>
</tr>
<tr>
<td>30 November 2010(2)</td>
<td>—</td>
<td>0.02</td>
<td>0.002</td>
<td>42.41</td>
<td>2 March 2018</td>
</tr>
<tr>
<td>30 November 2010(2)</td>
<td>—</td>
<td>0.03</td>
<td>0.003</td>
<td>42.41</td>
<td>13 August 2019</td>
</tr>
<tr>
<td>30 November 2010(2)</td>
<td>—</td>
<td>0.03</td>
<td>0.025</td>
<td>42.41</td>
<td>4 March 2020</td>
</tr>
<tr>
<td>30 November 2011(2)</td>
<td>—</td>
<td>0.01</td>
<td>0</td>
<td>44.00</td>
<td>26 April 2016</td>
</tr>
<tr>
<td>30 November 2011(2)</td>
<td>—</td>
<td>0.01</td>
<td>0</td>
<td>44.00</td>
<td>1 April 2017</td>
</tr>
<tr>
<td>30 November 2011(2)</td>
<td>—</td>
<td>0.01</td>
<td>0</td>
<td>44.00</td>
<td>2 March 2018</td>
</tr>
<tr>
<td>30 November 2011(2)</td>
<td>—</td>
<td>0.01</td>
<td>0</td>
<td>44.00</td>
<td>5 March 2019</td>
</tr>
<tr>
<td>30 November 2011(2)</td>
<td>—</td>
<td>0.03</td>
<td>0.002</td>
<td>44.00</td>
<td>13 August 2019</td>
</tr>
<tr>
<td>30 November 2011(2)</td>
<td>—</td>
<td>0.01</td>
<td>0.006</td>
<td>44.00</td>
<td>4 March 2020</td>
</tr>
<tr>
<td>25 January 2013(2)</td>
<td>—</td>
<td>0.01</td>
<td>0.005</td>
<td>67.60</td>
<td>2 March 2018</td>
</tr>
<tr>
<td>25 January 2013(2)</td>
<td>—</td>
<td>0.01</td>
<td>0.008</td>
<td>67.60</td>
<td>13 August 2019</td>
</tr>
<tr>
<td>25 January 2013(2)</td>
<td>—</td>
<td>0.01</td>
<td>0.009</td>
<td>67.60</td>
<td>4 March 2020</td>
</tr>
<tr>
<td>15 May 2013(2)</td>
<td>—</td>
<td>0.05</td>
<td>0.049</td>
<td>75.82</td>
<td>2 March 2018</td>
</tr>
<tr>
<td>15 May 2013(2)</td>
<td>—</td>
<td>0.04</td>
<td>0.042</td>
<td>75.82</td>
<td>5 March 2019</td>
</tr>
<tr>
<td>15 May 2013(2)</td>
<td>—</td>
<td>0.08</td>
<td>0.078</td>
<td>75.82</td>
<td>13 August 2019</td>
</tr>
<tr>
<td>15 May 2013(2)</td>
<td>—</td>
<td>0.01</td>
<td>0</td>
<td>75.82</td>
<td>4 March 2020</td>
</tr>
<tr>
<td>15 January 2014(2)</td>
<td>—</td>
<td>0.002</td>
<td>0.002</td>
<td>75.29</td>
<td>2 March 2018</td>
</tr>
<tr>
<td>15 January 2014(2)</td>
<td>—</td>
<td>0.005</td>
<td>0.003</td>
<td>75.29</td>
<td>5 March 2019</td>
</tr>
<tr>
<td>15 January 2014(2)</td>
<td>—</td>
<td>0.005</td>
<td>0.005</td>
<td>75.29</td>
<td>13 August 2019</td>
</tr>
<tr>
<td>15 January 2014(2)</td>
<td>—</td>
<td>0.007</td>
<td>0.007</td>
<td>75.29</td>
<td>4 March 2020</td>
</tr>
<tr>
<td>12 June 2014(2)</td>
<td>—</td>
<td>0.006</td>
<td>0.006</td>
<td>83.29</td>
<td>13 August 2019</td>
</tr>
<tr>
<td>12 June 2014(2)</td>
<td>—</td>
<td>0.002</td>
<td>0.002</td>
<td>83.29</td>
<td>4 March 2020</td>
</tr>
<tr>
<td>1 December 2014(2)</td>
<td>—</td>
<td>0.002</td>
<td>0.002</td>
<td>94.46</td>
<td>4 March 2020</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2.68</strong></td>
<td><strong>10.469</strong></td>
<td><strong>1.608</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Notes:

(1) Certain matching options granted in April 2007 have an exercise price of EUR 33.79 (USD 41.02).
(2) Further to the establishment of our New York functional support office, we have established a “dividend waiver” program, which aims at encouraging the international mobility of executives while complying with all legal and tax obligations. According to this program, where applicable, the dividend protection feature of the outstanding matching options owned by executives who moved to the United States, has been cancelled. In order to compensate for the economic loss which results from this cancellation, a number of new matching options have been granted to these executives with a value equal to this economic loss. The new options have a strike price equal to the share price on the day preceding the grant date of the options. All other terms and conditions, in particular with respect to vesting, exercise limitations and forfeiture rules of the new options, are identical to the outstanding matching options for which the dividend protection feature was cancelled. The table above includes the new options.
(3) The Share-Based Compensation Plan terms and conditions provide that, in the event that a corporate change decided by us and having an impact on our capital has an unfavorable effect on the exercise price of the
As of 31 December 2015, of the 1.61 million outstanding matching options, all were vested.

**Share-Based Compensation Plan from 2010**

On 5 March 2010, we modified the structure of the Share-Based Compensation Plan for certain executives, including members of our executive board of management and other senior management in our general headquarters. These executives receive their variable compensation in cash but have the choice to invest some or all of the value of their variable compensation in our shares to be held for a five-year period, referred to as voluntary shares. Such voluntary investment leads to a 10% discount to the market price of the shares. Further, we will match such voluntary investment by granting three matching shares for each voluntary share invested, up to a limited total percentage of each executive’s variable compensation. The matching is based on the gross amount of the variable compensation invested. The percentage of the variable compensation that is entitled to get matching shares varies depending on the position of the executive. The Chief Executive Officer and members of our executive board of management currently may take up to a maximum of 60% of their variable compensation with matching shares. The current maximum for executives below the executive board of management is 40% or less. From 1 January 2011, the new plan structure applies to all other senior management.

Voluntary shares are:
- our existing ordinary shares;
- entitled to dividends paid as from the date of granting;
- subject to a lock-up period of five years; and
- granted at market price. The discount is at the discretion of our Board of Directors. Currently, the discount is 10%, which is delivered as restricted stock units subject to specific restrictions or forfeiture provisions in case of termination of service.

Matching shares and discounted shares are granted in the form of restricted stock units which will be vested after five years. In case of termination of service before the vesting date, special forfeiture rules will apply. No performance conditions apply to the vesting of the restricted stock units. However, restricted stock units will only be granted under the double condition that the executive:
- has earned a bonus, which is subject to the successful achievement of total company, business unit and individual performance targets (performance condition); and
- has agreed to reinvest all or part of his or her bonus in company shares that are locked for a five-year period (ownership condition).

Depending on local regulations, the cash element in the variable compensation may be replaced by options which are linked to a stock market index or an investment fund of listed European blue-chip companies.
In accordance with the authorization granted in our bylaws, as amended by the general shareholders’ meeting of 26 April 2011, the variable compensation system deviates from article 520 of the Belgian Company Code, as it allows:

1. for the variable remuneration to be paid out based on the achievement of annual targets without staggering its grant or payment over a three-year period. However, executives are encouraged to invest some or all of their variable compensation in voluntary shares, which are blocked for five years. Such voluntary investment also leads to a grant of matching shares in the form of restricted stock units which only vest after five years, ensuring sustainable long-term performance; and

2. for the voluntary shares granted under the share-based compensation plan to vest at their grant, instead of applying a vesting period of a minimum of three years. Nonetheless, as indicated above, the voluntary shares remain blocked for five years. On the other hand, any matching shares that are granted will only vest after five years.

During 2015, we issued 0.36 million of matching restricted stock units pursuant to the new Share-Based Compensation Plan as described above, in relation to the 2014 bonus. These matching restricted stock units are valued at the share price at the day of grant, representing a fair value of approximately USD 45.41 million.

During 2015, we also issued 0.07 million of matching restricted stock units pursuant to the new Share-Based Compensation Plan as described above, in relation to the 2015 half-year bonus for the North American Zone. These matching restricted stock units are valued at the share price at the day of grant, representing a fair value of approximately USD 8.83 million.

**LTI Stock Option Plan Executives**

As from 1 July 2009, senior employees are eligible for an annual long-term incentive to be paid out in LTI stock options (or, in the future, similar share-based instruments), depending on management’s assessment of the employee’s performance and future potential.

LTI stock options have the following features:

- upon exercise, each LTI stock option entitles the option holder to one share. As of 2010, we have also issued LTI stock options entitling the holder to one American Depository Share;
- an exercise price that is set equal to the market price of our share or our American Depository Share at the time of granting;
- a maximum lifetime of ten years and an exercise period that starts after five years; and
- the LTI stock options cliff vest after five years. Unvested options are subject to specific forfeiture provisions in case of termination of service before the end of the five-year vesting period.

The table below gives an overview of the LTI stock options on our shares that have been granted under the LTI Stock Option Plan outstanding as of 31 December 2015:

<table>
<thead>
<tr>
<th>Issue Date</th>
<th>Number of LTI stock options granted (in millions)</th>
<th>Number of LTI stock options outstanding (in millions)</th>
<th>Exercise price (in EUR)</th>
<th>Expiry date of options</th>
</tr>
</thead>
<tbody>
<tr>
<td>18 December 2009</td>
<td>1.54</td>
<td>0.80</td>
<td>35.90</td>
<td>17 December 2019</td>
</tr>
<tr>
<td>30 November 2010</td>
<td>2.80</td>
<td>1.76</td>
<td>42.41</td>
<td>29 November 2020</td>
</tr>
<tr>
<td>30 November 2011</td>
<td>2.85</td>
<td>2.29</td>
<td>44.00</td>
<td>29 November 2021</td>
</tr>
<tr>
<td>30 November 2012</td>
<td>2.75</td>
<td>2.45</td>
<td>66.56</td>
<td>29 November 2022</td>
</tr>
</tbody>
</table>
The table below gives an overview of the LTI stock options on our American Depositary Shares that have been granted under the LTI Stock Option Plan outstanding as of 31 December 2015:

<table>
<thead>
<tr>
<th>Issue Date</th>
<th>Number of LTI stock options granted (in millions)</th>
<th>Number of LTI stock options outstanding (in millions)</th>
<th>Exercise price (in EUR)</th>
<th>Expiry date of options</th>
</tr>
</thead>
<tbody>
<tr>
<td>14 December 2012</td>
<td>0.22</td>
<td>0.18</td>
<td>66.88</td>
<td>13 December 2022</td>
</tr>
<tr>
<td>2 December 2013</td>
<td>2.48</td>
<td>2.32</td>
<td>75.15</td>
<td>1 December 2023</td>
</tr>
<tr>
<td>19 December 2013</td>
<td>0.37</td>
<td>0.34</td>
<td>74.49</td>
<td>18 December 2023</td>
</tr>
<tr>
<td>1 December 2014</td>
<td>2.48</td>
<td>2.41</td>
<td>94.46</td>
<td>30 November 2024</td>
</tr>
<tr>
<td>17 December 2014</td>
<td>0.53</td>
<td>0.53</td>
<td>88.53</td>
<td>16 December 2024</td>
</tr>
<tr>
<td>1 December 2015</td>
<td>1.70</td>
<td>1.70</td>
<td>121.95</td>
<td>30 November 2025</td>
</tr>
<tr>
<td>22 December 2015</td>
<td>1.90</td>
<td>1.90</td>
<td>113.00</td>
<td>21 December 2025</td>
</tr>
</tbody>
</table>

The table below gives an overview of the LTI stock options on our American Depositary Shares that have been granted under the LTI Stock Option Plan outstanding as of 31 December 2015:

<table>
<thead>
<tr>
<th>Issue Date</th>
<th>Number of LTI stock options granted (in millions)</th>
<th>Number of LTI stock options outstanding (in millions)</th>
<th>Exercise price (in USD)</th>
<th>Expiry date of options</th>
</tr>
</thead>
<tbody>
<tr>
<td>30 November 2010</td>
<td>1.23</td>
<td>0.71</td>
<td>56.02</td>
<td>29 November 2020</td>
</tr>
<tr>
<td>30 November 2011</td>
<td>1.17</td>
<td>0.91</td>
<td>58.44</td>
<td>29 November 2021</td>
</tr>
<tr>
<td>30 November 2012</td>
<td>1.16</td>
<td>0.92</td>
<td>86.43</td>
<td>29 November 2022</td>
</tr>
<tr>
<td>14 December 2012</td>
<td>0.17</td>
<td>0.15</td>
<td>87.34</td>
<td>13 December 2022</td>
</tr>
<tr>
<td>2 December 2013</td>
<td>1.05</td>
<td>0.89</td>
<td>102.11</td>
<td>1 December 2023</td>
</tr>
<tr>
<td>19 December 2013</td>
<td>0.09</td>
<td>0.09</td>
<td>103.39</td>
<td>18 December 2023</td>
</tr>
<tr>
<td>1 December 2014</td>
<td>1.04</td>
<td>0.95</td>
<td>116.99</td>
<td>30 November 2024</td>
</tr>
<tr>
<td>17 December 2014</td>
<td>0.22</td>
<td>0.21</td>
<td>108.93</td>
<td>16 December 2024</td>
</tr>
<tr>
<td>1 December 2015</td>
<td>1.00</td>
<td>1.00</td>
<td>128.46</td>
<td>30 November 2025</td>
</tr>
<tr>
<td>22 December 2015</td>
<td>0.14</td>
<td>0.14</td>
<td>123.81</td>
<td>21 December 2025</td>
</tr>
</tbody>
</table>

**Long-Term Restricted Stock Unit Programs**

As of 2010, we have in place three Restricted Stock Unit Programs.

**Restricted Stock Units Program:** This program allows for the offer of restricted stock units to certain employees in certain specific circumstances. Grants are made at the discretion of our Chief Executive Officer. For example, grants may be made to compensate for assignments of expatriates in countries with difficult living conditions. The characteristics of the restricted stock units are identical to the characteristics of the Matching Shares that are granted as part of the Share-Based Compensation Plan. See “— Share-Based Compensation Plan—Share-Based Compensation Plan from 2010.” The restricted stock units vest after five years and in the case of termination of service before the vesting date, specific forfeiture rules apply. In 2015, 0.12 million restricted stock units were granted under the program to our senior management.

**Exceptional Incentive Restricted Stock Units Program:** This program allows for the exceptional offer of restricted stock units to certain employees at the discretion of our Remuneration Committee as a long-term retention incentive for our key employees. Employees eligible to receive a grant under the program will receive two series of restricted stock units. The first half of the restricted stock units vests after five years. The second half of the restricted stock units vests after ten years. In case of termination of service before the vesting date, specific forfeiture rules apply. In 2015, 0.21 million restricted stock units were granted under the program to our senior management.

**Share Purchase Program:** This program allows certain employees to purchase our shares at a discount. This program is a long-term retention incentive (i) for high-potential employees who are at a mid-manager level (“People Bet Share Purchase Program”) or (ii) for newly hired employees. A voluntary investment in our shares by the participating employee is matched with a grant of three matching shares for each share invested. The discount
and matching shares are granted in the form of restricted stock units which vest after five years. In case of termination before the vesting date, special forfeiture rules apply. In 2015, our employees purchased 0.01 million shares under the program.

**Ambev Exchange of Share-Ownership Program**

The combination with Ambev in 2004 provided us with a unique opportunity to share best practices within our group and from time to time involves the transfer of certain members of Ambev’s senior management to us. As a result, the Board approved a Program that allows for the exchange by these managers of their Ambev shares for our shares. Under the ABI/Ambev Exchange Program, Ambev shares can be exchanged for our shares based on the average share price of both the Ambev and our shares on the date the exchange is requested. A discount of 16.66% is granted in exchange for a five-year lock-up period for the shares and provided that the manager remains in service during this period.

In total, members of our senior management exchanged 5.3 million Ambev shares for a total of 0.28 million of our shares in 2015 (0.62 million in 2014 and 0.13 million in 2013). The fair value of these transactions amounted to approximately USD 5.90 million in 2015 (USD 12.01 million in 2014 and USD 2.2 million in 2013).

**Programs for Maintaining Consistency of Benefits Granted and for Encouraging Global Mobility of Executives**

Our Board of Directors recommended to our shareholders for approval two programs that are aimed at maintaining consistency of benefits granted to executives and at encouraging the international mobility of executives while complying with all legal and tax obligations, which were approved at the annual shareholders’ meeting of 27 April 2010.

*The Exchange Program*: Under this program, the vesting and transferability restrictions of the Series A Options granted under the November 2008 Exceptional Grant and of the Options granted under the April 2009 Exceptional Grant could be released, e.g., for executives who moved to the United States. These executives were then offered the opportunity to exchange their options against a number of our shares that remain locked up until 31 December 2018.

Because the Series A Options granted under the November 2008 Exceptional Grant and the Options granted under the April 2009 Exceptional Grant vested on 1 January 2014, the Exchange program is no longer relevant for these options. Instead, the Exchange program has now become applicable to the Series B Options granted under the November 2008 Exceptional Grant. Under the extended program, executives who are relocated, e.g., to the United States, can elect to exchange their options against a number of our ordinary shares that remain locked up until 31 December 2023.

---

1 The Series A Options have a duration of ten years from granting and vested on 1 January 2014. The Series B Options have a duration of 15 years from granting and vest on 1 January 2019. The exercise of the stock options is subject, among other things, to us meeting a performance test. This performance test has been met as the net debt/EBITDA, as defined (adjusted for exceptional items) ratio fell below 2.5 before 31 December 2013. Specific forfeiture rules apply in the case of termination of employment. The exercise price of the options is EUR 10.32 (USD 12.53) or EUR 10.50 (USD 12.75), which corresponds to the fair market value of the shares at the time of the option grant, as adjusted for the rights offering that took place in December 2008.

2 The options have a duration of ten years from granting and vested on 1 January 2014. The exercise of the stock options is subject, among other things, to us meeting a performance test. This performance test has been met as the net debt/EBITDA, as defined (adjusted for exceptional items) ratio fell below 2.5 before 31 December 2013. Specific forfeiture rules apply in the case of termination of employment. The exercise price of the options is EUR 21.94 (USD 26.64) or EUR 23.28 (USD 28.26), which corresponds to the fair market value of the shares at the time of the option grant.
In 2015, no exchanges were executed under this program.

The Remuneration Committee has also approved a variant of the Exchange program, which allows the early release of the vesting conditions of the Series B Options granted under the November 2008 Exceptional Grant for executives who are relocated, e.g. to the United States. The shares that result from the exercise of these options will remain blocked until 31 December 2023. In accordance with this approval, Pedro Earp, a member of the executive board of management, exercised 0.30 million options in 2015. Other members of the senior management have exercised approximately 0.66 million options.

**The Dividend Waiver Program**: The dividend protection feature of the outstanding options, where applicable, owned by executives who move to the United States will be cancelled. In order to compensate for the economic loss which results from this cancellation, a number of new options is granted to these executives with a value equal to this economic loss. The new options have a strike price equal to the share price on the day preceding the grant date of the options. All other terms and conditions, in particular with respect to vesting, exercise limitations and forfeiture rules of the new options are identical to the outstanding options for which the dividend protection feature is cancelled. As a consequence, the grant of these new options does not result in the grant of any additional economic benefit to the executives concerned. In 2015, no new options were granted under this program.

All other terms and conditions of the options are identical to the outstanding options for which the dividend protection was cancelled.

**Exceptional Incentive Stock Options**

On 22 December 2015, approximately 4.8 million options were granted to a select group of approximately 65 members of our senior management, who are considered to be instrumental in helping us achieve our ambitious growth target. Each option gives the grantee the right to purchase one existing share. The exercise price of the options is EUR 113.00, which corresponds to the closing share price on the day preceding the grant date.

The options have a duration of ten years from granting and vest after five years. The exercise of the exceptional incentive stock options is subject to a performance test under which we must meet an absolute net revenue target by 2022 at the latest.

No exceptional incentive stock options were granted to members of the executive board of management.

**New Performance Related Incentive Plan for Disruptive Growth Function**

In 2016 we will implement a new performance related incentive plan, which will substitute the long-term incentive stock option plan for those executives in the Disruptive Growth Function. The Disruptive Growth Function was created in 2015 to accelerate new business development opportunities, focusing on initiatives in e-commerce, mobile, craft and branded experiences, such as brew pubs, and is headed by Pedro Earp, Chief Disruptive Growth Officer.

The new incentive plan, which is inspired by compensation models in technology and start-up businesses, aims at specifically linking compensation to the value creation and success of the disruptive growth business within the AB InBev Group.

Executives will be granted performance share units whose value will depend on the internal rate of return of their business area. The units will vest after 5 years, provided a performance test is met, which is based on a minimal growth rate of the internal rate of return. At vesting, the performance share units may be settled in cash or in our ordinary shares. Specific forfeiture rules apply if the executive leaves the AB InBev Group.

**Compensation of Directors and Executives**

Unless otherwise specified, all compensation amounts in this section are gross of tax.
**Board of Directors**

Our directors receive fixed compensation in the form of annual fees and supplemental fees for physical attendance at Board committee meetings or supplemental Board meetings, and variable compensation in the form of LTI stock options. Our Remuneration Committee recommends the level of remuneration for directors, including the Chairman of the Board. These recommendations are subject to approval by our Board and, subsequently, by our shareholders at the annual general meeting. The Remuneration Committee benchmarks directors’ compensation against peer companies to ensure that it is competitive. In addition, the Board sets and revises, from time to time, the rules and level of compensation for directors carrying out a special mandate or sitting on one or more of the Board committees and the rules for reimbursement of directors’ business-related out-of-pocket expenses. See “—C. Board Practices—Information about Our Committees—The Remuneration Committee.”

**Board Compensation in 2015**

The base annual fee for our directors in 2015 amounted to EUR 75,000 (USD 83,417) based on attendance at ten Board meetings. The base supplement for each additional physical Board meeting or for each Committee meeting attended amounted to EUR 1,500 (USD 1,668).

The fees received by the Chairman of our Board in 2015 were double the respective base amounts. The annual shareholders’ meeting on 29 April 2015 decided to increase the fixed annual fee for the Chairman of the Audit Committee from 30% to 70% of the respective base amounts, which is higher than the fixed annual fee for the other directors. In practice, this means that the fixed annual remuneration of the Chairman of the Audit Committee increased from EUR 97,500 to EUR 127,500 as of 1 May 2015. The increase was motivated by the importance of the role, its risk exposure and the increasing responsibilities entrusted to the Chairman of the Audit Committee.

All other directors received the base amount of fees. We do not provide pensions, medical benefits, benefits upon termination or end of service or other benefit programs to directors.

On 29 April 2015, the annual shareholders’ meeting granted each director 15,000 LTI stock options. The Chairman of the Board was granted 30,000 LTI stock options and the Chairman of the Audit Committee was granted 25,500 LTI stock options. The LTI stock options have an exercise price of EUR 113.10 per share, which is the closing price of our shares on the day preceding the grant date, i.e., on 28 April 2015. The LTI stock options have a lifetime of ten years and cliff vest after five years, i.e., on 29 April 2020. See “—Share-Based Payment Plans—LTI Warrant Plan” for a description of the LTI Stock Option Plan Directors.

The table below provides an overview of the fixed and variable compensation that our directors received in 2015.

<table>
<thead>
<tr>
<th>Name</th>
<th>Number of Board meetings attended</th>
<th>Annual fee for Board meetings (EUR)</th>
<th>Fees for Committee meetings (EUR)</th>
<th>Total fee (EUR)</th>
<th>Number of stock options granted(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>María Asuncion Aramburuzabala</td>
<td>10</td>
<td>75,000</td>
<td>0</td>
<td>75,000</td>
<td>15,000</td>
</tr>
<tr>
<td>Alexandre Behring</td>
<td>13</td>
<td>75,000</td>
<td>6,000</td>
<td>81,000</td>
<td>15,000</td>
</tr>
<tr>
<td>M. Michele Burns (as of 29 April 2015)</td>
<td>9</td>
<td>85,000</td>
<td>22,500</td>
<td>107,500</td>
<td>0</td>
</tr>
<tr>
<td>Paul Cornet de Ways Ruart</td>
<td>13</td>
<td>75,000</td>
<td>0</td>
<td>75,000</td>
<td>15,000</td>
</tr>
<tr>
<td>Stéfan Descheemaeker</td>
<td>13</td>
<td>75,000</td>
<td>6,000</td>
<td>81,000</td>
<td>15,000</td>
</tr>
<tr>
<td>Valentín Diez Morodo</td>
<td>13</td>
<td>75,000</td>
<td>0</td>
<td>75,000</td>
<td>15,000</td>
</tr>
<tr>
<td>Olivier Goudet (Chairman as of 29 April 2015)</td>
<td>13</td>
<td>132,500</td>
<td>33,000</td>
<td>165,500</td>
<td>25,500</td>
</tr>
<tr>
<td>Paulo Alberto Lemann</td>
<td>13</td>
<td>75,000</td>
<td>6,000</td>
<td>81,000</td>
<td>15,000</td>
</tr>
<tr>
<td>Kasper Rorsted (as of 29 April 2015)</td>
<td>7</td>
<td>50,000</td>
<td>9,000</td>
<td>59,000</td>
<td>0</td>
</tr>
<tr>
<td>Elío Leoni Sceti</td>
<td>13</td>
<td>75,000</td>
<td>6,000</td>
<td>81,000</td>
<td>15,000</td>
</tr>
<tr>
<td>Carlos Alberto da Veiga Sicupira</td>
<td>13</td>
<td>75,000</td>
<td>6,000</td>
<td>81,000</td>
<td>15,000</td>
</tr>
<tr>
<td>Grégoire de Spoelberch</td>
<td>13</td>
<td>75,000</td>
<td>6,000</td>
<td>81,000</td>
<td>15,000</td>
</tr>
</tbody>
</table>
Stock Options Held by Directors

The table below sets forth, for each of our current directors, the number of LTI stock options they owned as of 31 December 2015:

<table>
<thead>
<tr>
<th>Name</th>
<th>Number of Board meetings attended</th>
<th>Annual fee for Board meetings (EUR)</th>
<th>Fees for Committee meetings (EUR)</th>
<th>Total fee (EUR)</th>
<th>Number of stock options granted(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kees Storm (until 29 April 2015)</td>
<td>3</td>
<td>50,000</td>
<td>6,000</td>
<td>56,000</td>
<td>30,000</td>
</tr>
<tr>
<td>Marcel Herrmann Telles</td>
<td>13</td>
<td>75,000</td>
<td>27,000</td>
<td>102,000</td>
<td>15,000</td>
</tr>
<tr>
<td>Alexandre Van Damme</td>
<td>13</td>
<td>75,000</td>
<td>24,000</td>
<td>99,000</td>
<td>15,000</td>
</tr>
<tr>
<td>Mark Winkelman (until 29 April 2015)</td>
<td>3</td>
<td>25,000</td>
<td>9,000</td>
<td>34,000</td>
<td>15,000</td>
</tr>
<tr>
<td>All directors as group</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1,167,500</td>
<td>166,500</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1,334,000</td>
<td>235,500</td>
</tr>
</tbody>
</table>

Notes:

(1) Stock options were granted under the LTI Stock Option Plan Directors on 29 April 2015. See “—Share-Based Payment Plans—LTI Warrant Plan.” The stock options have an exercise price of EUR 113.10 (USD 125.79) per share, have a term of ten years and cliff vest after five years.

Stock Options Held by Directors

The table below sets forth, for each of our current directors, the number of LTI stock options they owned as of 31 December 2015: (1)(3)

<table>
<thead>
<tr>
<th>Grant date</th>
<th>LTI 23(2) 29 April 2015</th>
<th>LTI 22(3) 28 April 2015</th>
<th>LTI 21 29 April 2014</th>
<th>LTI 20 24 April 2013</th>
<th>LTI 19(3) 26 April 2012</th>
<th>LTI 18(3) 26 April 2011</th>
<th>LTI 17 25 April 2010</th>
<th>Rights-Offering Compensation</th>
<th>LTI 14(3) 28 April 2009</th>
<th>LTI 13(3) 25 April 2006</th>
<th>LTI 12(3) 26 April 2005</th>
<th>Total options</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maria Asuncion Aramburuzabala</td>
<td>15,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>15,000</td>
</tr>
<tr>
<td>Alexandre Behring</td>
<td>15,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>15,000</td>
</tr>
<tr>
<td>M. Michele Burns</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Paul Cornet de Ways Ruart</td>
<td>15,000</td>
<td>15,000</td>
<td>15,000</td>
<td>15,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>60,000</td>
</tr>
<tr>
<td>Stéfan Descheemaeker</td>
<td>15,000</td>
<td>15,000</td>
<td>15,000</td>
<td>15,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>60,000</td>
</tr>
<tr>
<td>Valentín Díez Morodo</td>
<td>15,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>15,000</td>
</tr>
<tr>
<td>Olivier Goudet</td>
<td>25,500</td>
<td>20,000</td>
<td>20,000</td>
<td>15,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>80,500</td>
</tr>
<tr>
<td>Paulo Alberto Lemann</td>
<td>15,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>15,000</td>
</tr>
<tr>
<td>Kasper Ronstel</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Elio Leoni Sceti</td>
<td>15,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>15,000</td>
</tr>
<tr>
<td>Marcel Herrmann Telles</td>
<td>15,000</td>
<td>15,000</td>
<td>15,000</td>
<td>15,000</td>
<td>15,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>8,269</td>
<td>0</td>
<td>83,269</td>
<td></td>
</tr>
<tr>
<td>Grégoire de Spoelberch</td>
<td>15,000</td>
<td>15,000</td>
<td>15,000</td>
<td>15,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>60,000</td>
</tr>
<tr>
<td>Alexandre Van Damme</td>
<td>15,000</td>
<td>15,000</td>
<td>15,000</td>
<td>15,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>60,000</td>
</tr>
<tr>
<td>Carlos Alberto da Veiga Sicupira</td>
<td>15,000</td>
<td>15,000</td>
<td>15,000</td>
<td>15,000</td>
<td>15,000</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>8,269</td>
<td>0</td>
<td>83,269</td>
<td></td>
</tr>
</tbody>
</table>

Strike price (EUR) 113.10 80.83 76.20 54.51 40.92 37.51 21.72 21.72 38.70 27.08 —

Notes:

(1) At the annual shareholders’ meeting of 30 April 2014, all outstanding LTI warrants under our LTI Warrant Plan (see “—Share-Based Payment Plans—LTI Warrant Plan”) were converted into LTI stock options, i.e., the right to purchase existing ordinary shares instead of the right to subscribe to newly issued ordinary shares. All other terms and conditions of the existing grants under the LTI Warrant Plan remained unchanged.
Board Share Ownership

The table below sets forth the number of our shares owned by our directors as of 15 February 2016:

<table>
<thead>
<tr>
<th>Name</th>
<th>Number of our shares held</th>
<th>% of our outstanding shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>María Asuncion Aramburuzabala</td>
<td>(*)</td>
<td>(*)</td>
</tr>
<tr>
<td>Alexandre Behring</td>
<td>(*)</td>
<td>(*)</td>
</tr>
<tr>
<td>M. Michele Burns</td>
<td>(*)</td>
<td>(*)</td>
</tr>
<tr>
<td>Paul Cornet de Waey Ruart</td>
<td>(*)</td>
<td>(*)</td>
</tr>
<tr>
<td>Stéfan Descheemaeker</td>
<td>(*)</td>
<td>(*)</td>
</tr>
<tr>
<td>Valentín Diez Morodo</td>
<td>(*)</td>
<td>(*)</td>
</tr>
<tr>
<td>Olivier Goudet</td>
<td>(*)</td>
<td>(*)</td>
</tr>
<tr>
<td>Paulo Alberto Lemann</td>
<td>(*)</td>
<td>(*)</td>
</tr>
<tr>
<td>Kasper Rorsted</td>
<td>(*)</td>
<td>(*)</td>
</tr>
<tr>
<td>Elio Leoni Sceti</td>
<td>(*)</td>
<td>(*)</td>
</tr>
<tr>
<td>Grégoire de Spoelberch</td>
<td>(*)</td>
<td>(*)</td>
</tr>
<tr>
<td>Marcel Herrmann Telles</td>
<td>(*)</td>
<td>(*)</td>
</tr>
<tr>
<td>Alexandre Van Damme</td>
<td>(*)</td>
<td>(*)</td>
</tr>
<tr>
<td>Carlos Alberto da Veiga Sicupira</td>
<td>(*)</td>
<td>(*)</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>(<strong>5,421,680</strong>)</td>
<td><strong>&lt;1%</strong></td>
</tr>
</tbody>
</table>

Notes:

(*) Each director owns less than 1% of our outstanding shares as of 15 February 2016.

Executive Board of Management

The main elements of our executive remuneration are (i) a fixed base salary, (ii) variable performance-related compensation, (iii) long-term incentive stock options, (iv) post-employment benefits and (v) other compensation.

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Figures in this section may differ from the figures in the notes to our consolidated financial statements for the following reasons: (i) figures in this section are figures gross of tax, while figures in the notes to our consolidated financial statements are reported as “cost for the Company”; (ii) the split “short-term employee benefits” vs. “share-based compensation” in the notes to our consolidated financial statements does not necessarily correspond to the split “base salary” vs. “variable compensation” in this section. Short-term employee benefits in the notes to our consolidated financial statements include the base salary and the portion of the variable compensation paid in cash. Share-based compensation includes the portion of the variable compensation paid in shares and certain non-cash elements, such as the fair value of the options granted, which is based on financial pricing models; and (iii) the scope for the reporting is different as the figures in the notes to our consolidated financial statements also contain the remuneration of executives who left during the year, while figures in this section only contain the remuneration of executives who were in service at the end of the reporting year.

1
Our executive compensation and reward programs are overseen by our Remuneration Committee. It submits recommendations on the compensation of our Chief Executive Officer to the Board for approval. Upon the recommendation of our Chief Executive Officer, the Remuneration Committee also submits recommendations on the compensation of the other members of our executive board of management to our Board for approval. Such submissions to our Board include recommendations on the annual targets and corresponding variable compensation scheme. Further, in certain exceptional circumstances, the Remuneration Committee or its appointed designees may grant limited waivers from lock-up requirements provided that adequate protections are implemented to ensure that the commitment to hold shares remains respected until the original termination date. The Nomination Committee approves our targets and individual annual targets and the Remuneration Committee approves the target achievement and corresponding annual and long-term incentives of members of our executive board of management. See “C. Board Practices—Information about Our Committees—The Remuneration Committee.” The remuneration policy and any schemes that grant shares or rights to acquire shares are submitted to our annual shareholders’ meeting for approval.

Our compensation system is designed to support our high-performance culture and the creation of long-term sustainable value for our shareholders. The goal of the system is to reward executives with market-leading compensation, which is conditional upon both our overall success and individual performance. It ensures alignment with shareholders’ interests by strongly encouraging executive ownership of shares in our company and enables us to attract and retain the industry’s best talent at global levels.

Through our Share-Based Compensation Plan, executives who demonstrate personal financial commitment to us by investing (all or part of) their annual variable compensation in our shares will be rewarded with the potential for significantly higher long-term compensation.

Base Salary

In order to ensure alignment with market practice, base salaries are reviewed against benchmarks on an annual basis. These benchmarks are collated by independent compensation consultants, in relevant industries and geographies. For benchmarking, a custom sample of Fast Moving Consumer Goods peer companies (“Peer Group”) is used when available. The Peer Group consists, among others, of British American Tobacco, Cargill Europe, Coca Cola Enterprises, Kimberly Clark, PepsiCo International, Phillip Morris and Unilever. If Peer Group data are not available for a given level in certain geographies, data from Fortune 100 companies are used. Our executives’ base salaries are intended to be aligned to mid-market levels for the appropriate market. Mid-market means that for a similar job in the market, 50% of companies in that market pay more and 50% of companies pay less. Executives’ total compensation is intended to be 10% above the 3rd quartile.

In 2015, based on his employment contract, our Chief Executive Officer earned a fixed salary of EUR 1.47 million (USD 1.64 million). The other members of our executive board of management earned an aggregate base salary of EUR 9.92 million (USD 11.04 million).

Variable Performance-Related Compensation – Share-Based Compensation Plan

The variable performance-related compensation element of remuneration for members of our executive board of management is aimed at rewarding executives for driving our short- and long-term performance.

The target variable compensation is expressed as a percentage of the annual market reference salary applicable to the executive based on Peer Group or other data (as described above).

The effective pay-out of variable compensation is directly correlated with performance, i.e., linked to the achievement of total company, business unit and individual targets, all of which are based on performance metrics.

Total company and business unit targets are based on four key performance metrics which focus on top-line growth, profitability and value creation. For 2015, these key performance metrics are market share, total revenue growth, EBITDA and cash flow.
Below a hurdle of achievement for total company and business unit targets, no bonus is earned.

In addition, the final individual bonus pay-out percentage also depends on each executive’s personal achievement of their individual performance targets. Individual performance targets of the CEO and the executive board of management may consist of financial and non-financial targets, such as sustainability and other elements of corporate social responsibility as well as compliance- and ethics-related targets. Typical performance measures in this area can relate to employee management, talent pipeline, Better World goals and compliance dashboards, among other metrics that are also important for sustainable financial performance.

Targets achievement is assessed by the Remuneration Committee on the basis of accounting and financial data.

Variable compensation is generally paid annually in arrears after publication of our full-year results. The variable compensation may be paid out semi-annually at the discretion of the Board based on the achievement of semi-annual targets. In such cases, the first half of the variable compensation is paid immediately after publication of the half-year results, and the second half of the variable compensation is paid after publication of the full-year results. In 2015, in order to align the U.S. organization against the delivery of specific targets for this market, the Board decided to apply semi-annual targets which resulted in a semi-annual payment of 50% of the annual incentive in August 2015 and in March 2016, respectively. The variable compensation for the remainder of Executives will be paid in arrears after publication of our full-year results in or around March 2016.

Variable Compensation for Performance in 2015 – Expected to Be Paid in March 2016

For the full year 2015, the Chief Executive Officer earned variable compensation of EUR 2.96 million (USD 3.29 million). The other members of the executive board of management earned aggregate variable compensation of EUR 13.19 million (USD 14.67 million).

The amount of variable compensation is based on our company’s performance during the year 2015 and the executives’ individual target achievement. The variable compensation is expected to be paid in March 2016. No variable compensation was paid to members of the executive board of management in August 2015 for performance in the first half of 2015.

Variable Compensation for Performance in 2014 – Paid in March 2015

For the full year 2014, the Chief Executive Officer earned variable compensation of EUR 1 million (USD 1.34 million). The other members of the executive board of management earned aggregate variable compensation of EUR 4.86 million (USD 6.50 million).

The amount of variable compensation is based on our company’s performance during the year 2014 and the executives’ individual target achievements. The variable compensation was paid in March 2015.

Long-Term Incentive Stock Options

The following table sets forth information regarding the number of stock options granted in 2015 under the 2009 Long-Term Incentive Stock Option Plan to our Chief Executive Officer and the other members of our executive board of management. See “— Share-Based Payment Plans—LTI Stock Option Plan Executives” above.

The options were granted on 22 December 2015, have an exercise price of EUR 113.00 (USD 125.68) and become exercisable after five years:

<table>
<thead>
<tr>
<th>Name</th>
<th>Long-Term Incentive options granted(2)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carlos Brito – CEO</td>
<td>487,804</td>
</tr>
<tr>
<td>David Almeida</td>
<td>12,977</td>
</tr>
<tr>
<td>Miguel Patricio</td>
<td>55,005</td>
</tr>
<tr>
<td>Sabine Chalmers</td>
<td>68,756</td>
</tr>
</tbody>
</table>
Programs for Maintaining Consistency of Benefits Granted and for Encouraging Global Mobility of Executives

In 2015, in accordance with the decision of the Remuneration Committee to approve a variant of the Exchange Program and to allow the early release of the vesting conditions of the Series B Options granted under the November 2008 Exceptional Grant for executives who are relocated, e.g. to the United States, Pedro Earp, a member of the executive board of management, has exercised 0.30 million Series B Options. The shares that resulted from the exercise of these options will remain blocked until 31 December 2023.

None of the members of our executive board of management participated in the Dividend Waiver Program in 2015.

See “—Share-Based Payment Plans” above.

Post-Employment Benefits

We sponsor various post-employment benefit plans worldwide. These include pension plans, both defined contribution plans and defined benefit plans, and other post-employment benefits. See note 23 to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015 for further details on our employee benefits.

Defined Contribution Plans: For defined contribution plans, we pay contributions to publicly or privately administered pension funds or insurance contracts. Once the contributions have been paid, we have no further payment obligation. The regular contribution expenses constitute an expense for the year in which they are due. For 2015, our defined contribution expenses amounted to USD 90 million compared to USD 145 million for 2014.

Defined Benefit Plans: We contribute to 62 defined benefit plans, of which 50 are retirement plans and 12 are medical cost plans. Most plans provide benefits related to pay and years of service. In 2015, the deficit under our post-employment and long-term employee benefit plans decreased to USD 689 million. In 2016, we expect to contribute approximately USD 242 million to our funded defined benefit plans and USD 61 million to our unfunded defined benefit plans and post-retirement medical plans.

<table>
<thead>
<tr>
<th>Name</th>
<th>Long-Term Incentive options granted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Michel Doukeris</td>
<td>45,837</td>
</tr>
<tr>
<td>Felipe Dutra</td>
<td>123,761</td>
</tr>
<tr>
<td>Pedro Earp</td>
<td>18,335</td>
</tr>
<tr>
<td>Luiz Fernando Edmond</td>
<td>82,507</td>
</tr>
<tr>
<td>Claudio Braz Ferro</td>
<td>45,837</td>
</tr>
<tr>
<td>Marcio Froes(1)</td>
<td>0</td>
</tr>
<tr>
<td>Claudio Garcia</td>
<td>32,086</td>
</tr>
<tr>
<td>Stuart MacFarlane</td>
<td>36,670</td>
</tr>
<tr>
<td>Tony Milikin</td>
<td>22,918</td>
</tr>
<tr>
<td>João Castro Neves</td>
<td>82,507</td>
</tr>
<tr>
<td><strong>Bernardo Pinto Paiva(1)</strong></td>
<td>0</td>
</tr>
<tr>
<td>Ricardo Tadeu</td>
<td>34,378</td>
</tr>
</tbody>
</table>

Notes:

(1) Bernardo Pinto Paiva, Zone President Latin America North, and Marcio Froes, Zone President Latin America South, participated in 2015 in the incentive plans of Ambev S.A. that are disclosed separately by Ambev.

(2) The options were granted on 1 December 2015, have an exercise price of EUR 121.95 (USD 135.63) and become exercisable after five years.
Our executives participate in our pension schemes in either Belgium or their home country. These schemes are in line with predominant market practices in the respective geographic environments.

Our Chief Executive Officer participates in a defined contribution plan. Our annual contribution to his plan amounts to approximately USD 0.21 million. The total amount we had set aside to provide pension, retirement or similar benefits for members of our executive board of management in the aggregate was USD 2 million as of both 31 December 2015 and 31 December 2014. See note 31 to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015.

**Other Compensation**

We also provide executives with life and medical insurance and perquisites and other benefits that are competitive with market practice in the markets where such executives are employed. In addition to life and medical insurance, our Chief Executive Officer enjoys a schooling allowance in accordance with local market practice for a limited period of time.

**Employment Agreements and Termination Arrangements**

Terms of hiring of our executive board of management are included in individual employment agreements. Executives are also required to comply with our policies and codes such as the Code of Business Conduct and Code of Dealing and are subject to exclusivity, confidentiality and non-compete obligations.

The employment agreement typically provides that the executive’s eligibility for payment of variable compensation is determined exclusively on the basis of the achievement of corporate and individual targets to be set by us. The specific conditions and modalities of the variable compensation are fixed by us in a separate plan which is approved by the Remuneration Committee.

Termination arrangements are in line with legal requirements and/or jurisprudential practice. The termination arrangements for the members of the executive board of management provide for a termination indemnity of 12 months of remuneration including variable compensation in case of termination without cause. The variable compensation for purposes of the termination indemnity shall be calculated as the average of the variable compensation paid to the executive for the last two years of employment prior to the year of termination. In addition, if we decide to impose upon the executive a non-compete restriction of 12 months, the executive shall be entitled to receive an additional indemnity of six months.

During the year 2015, Jo Van Biesbroeck, former Chief Strategy Officer, retired from the AB InBev Group. No termination indemnity was granted.

Carlos Brito was appointed to serve as our Chief Executive Officer starting as of 1 March 2006. In the event of termination of his employment other than on the grounds of serious cause, he is entitled to a termination indemnity of 12 months of remuneration including variable compensation as described above. There is no “claw-back” provision in case of misstated financial statements.

**Options Owned by Executives**

The table below sets forth the number of LTI stock options and matching options owned by the members of our executive board of management in aggregate as of 31 December 2015 under the LTI Stock Option Plan Executives, the Share-Based Compensation Plans and the 2008 Exceptional Grant. Our executive board of management does not hold any warrants or stock options relating to our shares under our other incentive plans.

<table>
<thead>
<tr>
<th>Program</th>
<th>Options held in aggregate by our executive board of management</th>
<th>Strike price (EUR)</th>
<th>Grant date</th>
<th>Expiry date</th>
</tr>
</thead>
<tbody>
<tr>
<td>LTI Stock Option Plan 2009</td>
<td>457,467</td>
<td>35.90</td>
<td>18 December 2009</td>
<td>17 December 2019</td>
</tr>
<tr>
<td>LTI Stock Option Plan 2009</td>
<td>838,215</td>
<td>42.41</td>
<td>30 November 2010</td>
<td>29 November 2020</td>
</tr>
</tbody>
</table>
The table below sets forth the number of our shares owned by the members of the executive board of management as of 15 February 2016:

<table>
<thead>
<tr>
<th>Program</th>
<th>Options held in aggregate by our executive board of management</th>
<th>Strike price (EUR)</th>
<th>Grant date</th>
<th>Expiry date</th>
</tr>
</thead>
<tbody>
<tr>
<td>LTI Stock Option Plan 2009</td>
<td>897,430</td>
<td>44.00</td>
<td>30 November 2011</td>
<td>29 November 2021</td>
</tr>
<tr>
<td>LTI Stock Option Plan 2009</td>
<td>1,129,639</td>
<td>66.56</td>
<td>30 November 2012</td>
<td>29 November 2022</td>
</tr>
<tr>
<td>LTI Stock Option Plan 2009</td>
<td>903,782</td>
<td>75.15</td>
<td>2 December 2013</td>
<td>1 December 2023</td>
</tr>
<tr>
<td>LTI Stock Option Plan 2009</td>
<td>717,679</td>
<td>94.46</td>
<td>1 December 2014</td>
<td>30 November 2024</td>
</tr>
<tr>
<td>LTI Stock Option Plan 2009</td>
<td>12,977</td>
<td>121.95</td>
<td>1 December 2015</td>
<td>30 November 2025</td>
</tr>
<tr>
<td>LTI Stock Option Plan 2009</td>
<td>1,136,401</td>
<td>113.00</td>
<td>22 December 2015</td>
<td>21 December 2025</td>
</tr>
<tr>
<td>Matching options 2007</td>
<td>0</td>
<td>33.59</td>
<td>2 April 2007</td>
<td>1 April 2017</td>
</tr>
<tr>
<td>Matching options 2008</td>
<td>61,974</td>
<td>34.34</td>
<td>3 March 2008</td>
<td>2 March 2018</td>
</tr>
<tr>
<td>Matching options 2009</td>
<td>80,765</td>
<td>20.49</td>
<td>6 March 2009</td>
<td>5 March 2019</td>
</tr>
<tr>
<td>Matching options 2009</td>
<td>414,431</td>
<td>27.06</td>
<td>14 August 2009</td>
<td>13 August 2019</td>
</tr>
<tr>
<td>Matching options 2010</td>
<td>15,296</td>
<td>36.52</td>
<td>5 March 2010</td>
<td>4 March 2020</td>
</tr>
<tr>
<td>November 2008 Exceptional Grant Options Series A</td>
<td>361,484</td>
<td>10.32</td>
<td>25 November 2008</td>
<td>24 November 2018</td>
</tr>
<tr>
<td>November 2008 Exceptional Grant Options Series A</td>
<td>542,226</td>
<td>10.50</td>
<td>25 November 2008</td>
<td>24 November 2018</td>
</tr>
<tr>
<td>November 2008 Exceptional Grant Options Series A – Dividend Waiver 09(1)</td>
<td>0</td>
<td>33.24</td>
<td>1 December 2009</td>
<td>24 November 2018</td>
</tr>
<tr>
<td>November 2008 Exceptional Grant Options Series B</td>
<td>1,265,194</td>
<td>10.50</td>
<td>25 November 2008</td>
<td>24 November 2023</td>
</tr>
<tr>
<td>November 2008 Exceptional Grant Options Series B</td>
<td>4,337,809</td>
<td>10.32</td>
<td>25 November 2008</td>
<td>24 November 2023</td>
</tr>
<tr>
<td>November 2008 Exceptional Grant Options Series B – Dividend Waiver 09(1)</td>
<td>2,635,349</td>
<td>33.24</td>
<td>1 December 2009</td>
<td>24 November 2023</td>
</tr>
<tr>
<td>November 2008 Exceptional Grant Options Series B – Dividend Waiver 11(1)</td>
<td>243,901</td>
<td>40.35</td>
<td>11 July 2011</td>
<td>24 November 2023</td>
</tr>
<tr>
<td>November 2008 Exceptional Grant Options Series B – Dividend Waiver 13(1)</td>
<td>286,977</td>
<td>75.82</td>
<td>15 May 2013</td>
<td>24 November 2023</td>
</tr>
<tr>
<td>Matching options 2007 – Dividend Waiver 09(1)</td>
<td>0</td>
<td>33.24</td>
<td>1 December 2009</td>
<td>1 April 2017</td>
</tr>
<tr>
<td>Matching options 2008 – Dividend Waiver 09(1)</td>
<td>0</td>
<td>33.24</td>
<td>1 December 2009</td>
<td>2 March 2018</td>
</tr>
<tr>
<td>Matching options 2008 – Dividend Waiver 13(1)</td>
<td>49,468</td>
<td>75.82</td>
<td>15 May 2013</td>
<td>2 March 2018</td>
</tr>
<tr>
<td>Matching options 2009 – Dividend Waiver 13(1)</td>
<td>74,869</td>
<td>75.82</td>
<td>15 May 2013</td>
<td>5 March 2019</td>
</tr>
<tr>
<td>Matching options 2009 – Dividend Waiver 13(1)</td>
<td>37,131</td>
<td>75.82</td>
<td>15 May 2013</td>
<td>13 August 2019</td>
</tr>
</tbody>
</table>

Notes:

(1) Options granted under the dividend waiver program. See “—Share-Based Payment Plans.”

**Executive Share Ownership**

The table below sets forth the number of our shares owned by the members of the executive board of management as of 15 February 2016:

<table>
<thead>
<tr>
<th>Name</th>
<th>Number of our shares held</th>
<th>% of our outstanding shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carlos Brito</td>
<td>(*)</td>
<td>(*)</td>
</tr>
<tr>
<td>David Almeida</td>
<td>(*)</td>
<td>(*)</td>
</tr>
<tr>
<td>João Castro Neves</td>
<td>(*)</td>
<td>(*)</td>
</tr>
<tr>
<td>Sabine Chalmers</td>
<td>(*)</td>
<td>(*)</td>
</tr>
<tr>
<td>Michel Doukeris</td>
<td>(*)</td>
<td>(*)</td>
</tr>
<tr>
<td>Felipe Dutra</td>
<td>(*)</td>
<td>(*)</td>
</tr>
<tr>
<td>Pedro Earp</td>
<td>(*)</td>
<td>(*)</td>
</tr>
<tr>
<td>Luiz Fernando Edmond</td>
<td>(* )</td>
<td>(*)</td>
</tr>
<tr>
<td>Claudio Ferro</td>
<td>(*)</td>
<td>(*)</td>
</tr>
<tr>
<td>Marcio Froes</td>
<td>(*)</td>
<td>(*)</td>
</tr>
</tbody>
</table>
C. BOARD PRACTICES

General

Our directors are appointed by our shareholders’ meeting, which sets their remuneration and term of mandate. Their appointment is published in the Belgian Official Gazette (Moniteur belge). No service contract is concluded between us and our directors with respect to their Board mandate. Our Board also may request a director to carry out a special mandate or assignment. In such case a special contract may be entered into between us and the respective director. For details of the current directors’ terms of office, see “—A. Directors and Senior Management—Board of Directors.” We do not provide pensions, medical benefits or other benefit programs to directors.

Information about Our Committees

General

Our Board is assisted by five committees: the Audit Committee, the Finance Committee, the Remuneration Committee, the Nomination Committee and, as of March 2015, the Strategy Committee.

In addition, further to the agreement that has been reached on the terms of our recommended acquisition of the entire issued and to-be-issued share capital of SABMiller, the Board set up a temporary ad hoc Convergence Committee in November 2015.

The existence of the Committees does not affect the responsibility of our Board. Board committees meet to prepare matters for consideration by our Board. By exception to this principle, (i) the Remuneration Committee may make decisions on individual compensation packages, other than with respect to our Chief Executive Officer and our executive board of management (which are submitted to our Board for approval) and on performance against targets and (ii) the Finance Committee may make decisions on matters specifically delegated to it under our Corporate Governance Charter, in each case without having to refer to an additional Board decision. Each of our Committees operates under typical rules for such committees under Belgian law, including the requirement that a majority of the members must be present for a valid quorum and decisions are taken by a majority of members present.

The Audit Committee

The Audit Committee consists of a minimum of three voting members. The Audit Committee’s Chairman and the Committee members are appointed by the Board from among the non-executive directors. The Chairman of the Audit Committee is not the Chairman of the Board. The Chief Executive Officer, Chief Legal and Corporate Affairs Officer and Chief Financial and Technology Officer are invited to the meetings of the Audit Committee, unless the Chairman or a majority of the members decide to meet in closed session.

Notes:

(*) Each member of our executive board of management owns less than 1% of our outstanding shares as of 15 February 2016.

<table>
<thead>
<tr>
<th>Name</th>
<th>Number of our shares held</th>
<th>% of our outstanding shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>Claudio Garcia</td>
<td>(*)</td>
<td>(*)</td>
</tr>
<tr>
<td>Stuart MacFarlane</td>
<td>(*)</td>
<td>(*)</td>
</tr>
<tr>
<td>Tony Milikin</td>
<td>(*)</td>
<td>(*)</td>
</tr>
<tr>
<td>Miguel Patricio</td>
<td>(*)</td>
<td>(*)</td>
</tr>
<tr>
<td>Bernardo Pinto Paiva</td>
<td>(*)</td>
<td>(*)</td>
</tr>
<tr>
<td>Ricardo Tadeu</td>
<td>(*)</td>
<td>(*)</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>13,816,097</strong></td>
<td><strong>&lt;1%</strong></td>
</tr>
</tbody>
</table>
The current members of the Audit Committee are M. Michele Burns (Chairman), Olivier Goudet and Kasper Rorsted. Each member of our Audit Committee is an independent director according to our Corporate Governance Charter (see “—A. Directors and Senior Management—Board of Directors—Role and Responsibilities, Composition, Structure and Organization”) and under Rule 10A-3 under the Exchange Act.

Our Board of Directors has determined that M. Michele Burns and Olivier Goudet are each “audit committee financial experts” as defined in Item 16A of Form 20-F under the Exchange Act.

The Audit Committee assists our Board in its responsibility for oversight of (i) the integrity of our financial statements, (ii) our compliance with legal and regulatory requirements and environmental and social responsibilities, (iii) the statutory auditors’ qualification and independence, and (iv) the performance of the statutory auditors and our internal audit function. The Audit Committee is entitled to review information on any point it wishes to verify, and is authorized to acquire such information from any of our employees. The Audit Committee is directly responsible for the appointment, compensation, retention and oversight of the statutory auditor. It also establishes procedures for confidential complaints regarding questionable accounting or auditing matters. It is also authorized to obtain independent advice, including legal advice, if this is necessary for an inquiry into any matter under its responsibility. It is entitled to call on the resources that will be needed for this task. It is entitled to receive reports directly from the statutory auditor, including reports with recommendations on how to improve our control processes.

The Audit Committee holds as many meetings as necessary with a minimum of four per year. The Committee holds the majority of its physical meetings each year in Belgium. Paul Cornet attends Audit Committee meetings as a non-voting observer.

**The Finance Committee**

The Finance Committee consists of at least three, but no more than six, members appointed by the Board. The Board appoints a Chairman and, if deemed appropriate, a Vice-Chairman from among the Finance Committee members. The Chief Executive Officer and the Chief Financial and Technology Officer are invited *ex officio* to the Finance Committee meetings unless explicitly decided otherwise. Other employees are invited on an ad hoc basis as deemed useful.

The current members of the Finance Committee are Alexandre Van Damme (Chairman), Stéfan Descheemaeker, Paulo Alberto Lemann, Alexandre Behring and M. Michele Burns.

The Corporate Governance Charter requires the Finance Committee to meet at least four times a year and as often as deemed necessary by its Chairman or at least two of its members. The Committee holds the majority of its physical meetings each year in Belgium.

The Finance Committee assists the Board in fulfilling its oversight responsibilities in the areas of corporate finance, risk management, treasury controls, mergers and acquisitions, tax and legal, pension plans, financial communication and stock market policies and all other related areas as deemed appropriate.

**The Remuneration Committee**

The Remuneration Committee consists of three members appointed by the Board, all of whom will be non-executive directors. The Chairman of the Committee will be a representative of the controlling shareholders and the other two members will meet the requirements of independence as established in our Corporate Governance Charter and by the Belgian Company Law. The Chairman of our Remuneration Committee would not be considered independent under NYSE rules, and therefore our Remuneration Committee would not be in compliance with the NYSE Corporate Governance Standards for domestic issuers in respect of independence of compensation committees. The Chief Executive Officer and the Chief People Officer are invited *ex officio* to the meetings of the Committee unless explicitly decided otherwise.

The current members of the Remuneration Committee are Marcel Herrmann Telles (Chairman), Olivier Goudet and Elio Leoni Sceti.
The Committee meets at least four times a year, and more often if required, and can be convoked by its Chairman or at the request of at least two of its members. The Committee holds the majority of its physical meetings each year in Belgium.

The Remuneration Committee’s principal role is to guide the Board with respect to all its decisions relating to the remuneration policies for the Board, the Chief Executive Officer and the executive board of management and on their individual remuneration packages. The Committee ensures that the Chief Executive Officer and members of the executive board of management are incentivized to achieve, and are compensated for, exceptional performance. The Committee also ensures the maintenance and continuous improvement of our company’s compensation policy which is to be based on meritocracy with a view to aligning the interests of its employees with the interests of all shareholders. In certain exceptional circumstances, the Remuneration Committee or its appointed designees may grant limited waivers from lock-up requirements provided that adequate protections are implemented to ensure that the commitment to hold shares remains respected until the original termination date.

**The Nomination Committee**

The Nomination Committee consists of five members appointed by the Board. The five members include the Chairman of the Board and the Chairman of the Remuneration Committee. Four of the five Committee members are representatives of the controlling shareholders. These four members of our Nomination Committee would not be considered independent under NYSE rules, and therefore our Nomination Committee would not be in compliance with the NYSE Corporate Governance Standards for domestic issuers in respect of independence of nominating committees. The Chief Executive Officer, the Chief People Officer and the Chief Legal and Corporate Affairs Officer are invited *ex officio* to attend the meetings of the Nomination Committee unless explicitly decided otherwise.

The current members of the Nomination Committee are Marcel Herrmann Telles (Chairman), Carlos Alberto Sicupira, Grégoire de Spoelberch, Olivier Goudet and Alexandre Van Damme.

The Nomination Committee’s principal role is to guide the Board succession process. The Committee identifies persons qualified to become Board members and recommends director candidates for nomination by the Board and election at the shareholders’ meeting. The Committee also guides the Board with respect to all its decisions relating to the appointment and retention of key talent within our company.

**The Strategy Committee**

The Strategy Committee consists of three members, two of which are appointed by the Board. The Chairman of the Board is the third member. The Chairman of the Strategy Committee is a representative of the controlling shareholders. The Chief Executive Officer and the Chief Financial and Technology Officer are invited *ex officio* to the Committee meetings unless specifically decided otherwise.

The current members of the Strategy Committee are Alexandre Van Damme (Chairman), Olivier Goudet and Marcel Herrmann Telles.

The Strategy Committee assists the Board in providing strategic direction in the areas of corporate strategy, external growth, organic growth, divestments and new business opportunities. It identifies critical strategic issues facing the AB InBev Group and/or the industry, as well as major risks for the long-term sustainable development of the company’s business, and analyzes alternative strategic options.

**The Convergence Committee**

The Convergence Committee is not a formal Board committee and should be considered as a temporary mixed (comprised of both Board and executive membership) taskforce that will monitor the progress of the completion of the proposed acquisition and the subsequent integration of AB InBev and SABMiller. It is to be dissolved once the integration of both companies is deemed completed.

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The Committee is composed of Alexandre Van Damme, Marcel Telles, Carlos Brito, David Almeida and Sabine Chalmers.

D. EMPLOYEES

As of 31 December 2015, we employed more than 150,000 people.

Overview of Employees per Business Segment

The table below sets out the number of full-time employees at the end of each relevant period in our business segments.

<table>
<thead>
<tr>
<th>Business Segment</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America(1)</td>
<td>16,844</td>
<td>15,348</td>
<td>16,852</td>
</tr>
<tr>
<td>Mexico(2)</td>
<td>31,034</td>
<td>30,927</td>
<td>34,203</td>
</tr>
<tr>
<td>Latin America North(3)</td>
<td>39,359</td>
<td>38,381</td>
<td>38,338</td>
</tr>
<tr>
<td>Latin America South</td>
<td>10,782</td>
<td>10,872</td>
<td>10,482</td>
</tr>
<tr>
<td>Europe(3)(4)</td>
<td>11,749</td>
<td>13,865</td>
<td>15,096</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>40,101</td>
<td>42,727</td>
<td>37,680</td>
</tr>
<tr>
<td>Global Export &amp; Holding Companies</td>
<td>2,454</td>
<td>1,910</td>
<td>1,936</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>152,321</td>
<td>154,029</td>
<td>154,587</td>
</tr>
</tbody>
</table>

Notes:

(1) Effective 1 January 2014, we ceased the proportional consolidation of certain operations we have in Canada and started to apply equity reporting as of that date without a material impact on our audited consolidated financial statements as of 31 December 2014.

(2) Mexico became a separate business segment on 4 June 2013 upon completion of the combination with Grupo Modelo.

(3) As part of the creation of a single Europe zone, our interest in a joint venture in Cuba through our subsidiary Ambev was moved from the Western Europe zone to the Latin America North zone. The figures for both Zones reflect this allocation from 1 January 2014.

(4) Effective 1 January 2014, we created a single Europe zone by combining two preexisting Zones: Western Europe and Central & Eastern Europe.

Employee Compensation and Benefits

To support our culture that recognizes and values results, we offer employees competitive salaries benchmarked to fixed mid-market local salaries, combined with variable incentive schemes based on individual performance and performance of the business entity in which they work. Senior employees above a certain level are eligible for the Share-Based Compensation Plan. See “B. Compensation—Share-Based Payment Plans—Share-Based Compensation Plan” and “B. Compensation—Compensation of Directors and Executives—Executive Board of Management.” Depending on local practices, we offer employees and their family members pension plans, life insurance, medical, dental and optical insurance, death-in-service insurance and illness and disability insurance. Some of our countries have tuition reimbursement plans and employee assistance programs.

Labor Unions

Many of our hourly employees across our business segments are represented by unions. Generally, relationships between us and the unions that represent our employees are good. See “D. Risk Factors—Risks Relating to Our Existing Business—We are exposed to labor strikes and disputes that could lead to a negative impact on our costs and production level.”
In Europe, collective bargaining occurs at the local and/or national level in all countries with union representation for our employees. The degree of membership in unions varies from country to country, with a low proportion of membership in the United Kingdom and the Netherlands, and a high proportion of membership in Belgium and Germany. A European Workers Council has been established since 1996 to promote social dialogue and to exchange opinions at a European level.

In Mexico, approximately half of our employees are union members. Our collective bargaining agreements are negotiated and executed separately for each facility or distribution center. They are periodically reviewed with the unions as mandated by Mexican Labor Law (i.e., yearly revisions of salary, benefits and salary revisions every two years).

All of our employees in Brazil are represented by labor unions, but less than 5% of our employees in Brazil are actually members of labor unions. The number of administrative and distribution employees who are members of labor unions is not significant. Salary negotiations are conducted annually between the workers’ unions and us. Collective bargaining agreements are negotiated separately for each facility or distribution center. Our Brazilian collective bargaining agreements have a term of one or two years, and we usually enter into new collective bargaining agreements on or prior to the expiration of the existing agreements.

In Canada, nearly two-thirds of the total workforce within brewery operations, logistics, office administration and sales is unionized with collective bargaining agreements ranging in duration from three to seven years.

Our United States organization has approximately 5,500 hourly brewery workers represented by the International Brotherhood of Teamsters. Their compensation and other terms of employment are governed by collective bargaining agreements negotiated between us and the Teamsters, which expire on 28 February 2019. Approximately 2,000 hourly employees at certain company-owned distributorships and packaging plants also are represented by the Teamsters and other unions, with local bargaining agreements ranging in duration from three to five years.

E. SHARE OWNERSHIP

For a discussion of the share ownership of our directors and executives, as well as arrangements involving our employees in our capital, see “Item 6. Directors, Senior Management and Employees—B. Compensation.”

ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

A. MAJOR SHAREHOLDERS

Shareholding Structure

The following table shows our shareholding structure on the date specified below based on the notifications made to us and to the Belgian Financial Services and Markets Authority (the “FSMA”) by the shareholders specified below in accordance with Article 6 of the Belgian Law of 2 May 2007 on the disclosure of significant shareholdings in listed companies and in accordance with Article 74 of the Belgian Law of 1 April 2007 on public takeover bids or information based on public filings with the SEC.
The first twelve entities mentioned in the table act in concert (it being understood that (i) the first ten entities act in concert within the meaning of Article 3, 13° of the Belgian Law of 2 May 2007 on disclosure of significant holdings in listed companies and (ii) the eleventh and twelfth entities act in concert with the first ten entities within the meaning of Article 3, §2 of the Belgian Law of 1 April 2007 on public takeover bids) (see “—Shareholders’ Arrangements”) and hold 847,648,483 of our shares, representing 52.77% of the voting rights attached to our shares outstanding as of 31 December 2015 excluding the 1,859,625 treasury shares held by us and our subsidiaries Brandbrew S.A., Brandbev S.à.R.L. and Mexbrew S.à.R.L. Pursuant to our articles of association, shareholders are required to notify us as soon as the amount of securities held giving voting right exceeds or falls below a 3% threshold.

All of our shares have the same voting rights.

<table>
<thead>
<tr>
<th>Major shareholders</th>
<th>Number of our shares held</th>
<th>% of the voting rights attached to our outstanding shares held</th>
<th>As of date in notification or SEC filing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stichting Anheuser-Busch InBev, a <em>stichting</em> incorporated under Dutch law</td>
<td>663,074,832</td>
<td>41.28%</td>
<td>31 December 2015</td>
</tr>
<tr>
<td>(the “Stichting”)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>EPS Participations S.à.R.L., a company incorporated under Luxembourg law,</td>
<td>130,257,459</td>
<td>8.11%</td>
<td>31 December 2015</td>
</tr>
<tr>
<td>affiliated to Eugénie Patri Sébastien (EPS) S.A., its parent company</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Eugénie Patri Sébastien (EPS) S.A., a company incorporated under Luxembourg</td>
<td>99,999</td>
<td>0.01%</td>
<td>31 December 2015</td>
</tr>
<tr>
<td>law, affiliated to the Stichting that it jointly controls with</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BRC S.à.R.L.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rayvax Société d’Investissement S.A., a company incorporated under</td>
<td>484,794</td>
<td>0.03%</td>
<td>31 December 2015</td>
</tr>
<tr>
<td>Belgian law</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fonds Verhelst SPRL, a company with a social purpose incorporated under</td>
<td>0</td>
<td>0%</td>
<td>31 December 2015</td>
</tr>
<tr>
<td>Belgian law</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fonds Voorzitter Verhelst SPRL, a company with a social purpose</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>incorporated under Belgian law, affiliated to Fonds Verhelst SPRL with social</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>purpose, that controls it</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stichting Fonds Baillet Latour, a <em>stichting</em> incorporated under Dutch law</td>
<td>6,997,665</td>
<td>0.44%</td>
<td>31 December 2015</td>
</tr>
<tr>
<td>Fonds Baillet Latour SPRL, a company with a social purpose incorporated under</td>
<td>0</td>
<td>0%</td>
<td>31 December 2015</td>
</tr>
<tr>
<td>Belgian law, affiliated to Stichting Fonds Baillet Latour under Dutch law,</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>that controls it</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>BRC S.à.R.L., a company incorporated under Luxembourg law, affiliated to</td>
<td>37,598,236</td>
<td>2.34%</td>
<td>31 December 2015</td>
</tr>
<tr>
<td>the Stichting that it jointly controls with Eugénie Patri Sébastien (EPS)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>S.A.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sébastien Holding NV/SA, a company incorporated under Belgian law,</td>
<td>10</td>
<td>&lt;0.01%</td>
<td>31 December 2015</td>
</tr>
<tr>
<td>affiliated to Rayvax Société d’Investissement S.A., its parent company</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MHT Benefit Holding Company Ltd, a company incorporated under the law of the</td>
<td>3,645,605</td>
<td>0.23%</td>
<td>31 December 2015</td>
</tr>
<tr>
<td>Bahamas, acting in concert with Marcel Herrmann Telles within the meaning of</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Article 3, §2 of the Belgian Law of 1 April 2007 on public takeover bids</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LTS Trading Company LLC, a company incorporated under Delaware law,</td>
<td>4,468</td>
<td>&lt;0.01%</td>
<td>31 December 2015</td>
</tr>
<tr>
<td>acting in concert with Marcel Herrmann Telles, Jorge Paulo Lemann and Carlos Alberto Sicupira within the meaning of Article 3, §2 of the Belgian Law of 1 April 2007 on public takeover bids</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fidelity Management &amp; Research LLC, Massachusetts, USA</td>
<td>48,561,873</td>
<td>3.02%</td>
<td>16 September 2009</td>
</tr>
</tbody>
</table>

Notes:

(1) See section “—Controlling Shareholder.” By virtue of their responsibilities as directors of the Stichting, Stéfan Descheemaeker, Paul Cornet de Ways Ruart, Grégoire de Spoelberch, Alexandre Van Damme, Marcel Herrmann Telles, Jorge Paulo Lemann, Roberto Moses Thompson Motta and Carlos Alberto Sicupira may be deemed, under the rules of the SEC, to be beneficial owners of our ordinary shares held by the Stichting. However, each of these individuals disclaims such beneficial ownership in such capacity.
Since 1 January 2010 and until 31 December 2015, there have been no significant changes for the first ten entities mentioned in the table above. On 26 August 2015, MHT Benefit Holding Company Ltd notified us that it held 3,645,605 of our shares. On the same day, LTS Trading Company LLC notified us that it held 4,468 of our shares.

U.S. Holders of Record

As a number of our shares are held in dematerialized form, we are not aware of the identity of all our shareholders. As of 31 December 2015, we had 1,608,242,156 registered shares held by 212 record holders in the United States, representing approximately 11.2 million of the voting rights attached to our shares outstanding as of such date. As of 31 December 2015, we also had 116,714,207 ADSs outstanding, each representing one ordinary share.

Controlling Shareholder

Our controlling shareholder is the Stichting, a foundation organized under the laws of the Netherlands which represents an important part of the interests of the founding Belgian families of Interbrew (mainly represented by Eugénie Patri Sébastien S.A.) and the interests of the Brazilian families which were previously the controlling shareholders of Ambev (represented by BRC S.à.R.L.).

As of 31 December 2015 the Stichting owned 663,074,832 of our shares, which represented a 41.28% voting interest based on the number of our shares outstanding as of 31 December 2015 excluding the 1,859,625 treasury shares held by us and our subsidiaries Brandbrew S.A., Brandbev S.à.R.L. and Mexbrew S.à.R.L. The Stichting and certain other entities acting in concert (within the meaning of Article 3, 13° of the Belgian Law of 2 May on disclosure of significant holdings in listed companies and/or within the meaning of Article 3, §2 of the Belgian Law of 1 April 2007 on public takeover bids) with it (see “—Shareholders’ Arrangements” below) held, in the aggregate, 52.77% of our shares based on the number of our shares outstanding as of 31 December 2015 excluding the 1,859,625 treasury shares held by us and our subsidiaries Brandbrew S.A., Brandbev S.à.R.L. and Mexbrew
S.à.R.L. As of 31 December 2015, BRC S.à.R.L. held 331,537,416 class B Stichting certificates (indirectly representing 20.64% of our shares), Eugénie Patri Sébastien S.A. held 1 class A Stichting certificate and EPS Participations S.à.R.L. held 331,537,415 class A Stichting certificates (together indirectly representing 20.64% of our shares). The Stichting is governed by its bylaws and its conditions of administration.

Shareholders’ Arrangements

In connection with the combination of Interbrew with Ambev in 2004, BRC S.à.R.L., Eugénie Patri Sébastien S.A., Rayvax Société d’Investissement S.A. and the Stichting entered into a shareholders’ agreement on 2 March 2004 which provides for BRC S.à.R.L. and Eugénie Patri Sébastien S.A. to hold their interests in us through the Stichting (except for approximately 130 million of our shares that are held directly or indirectly by Eugénie Patri Sébastien S.A. and approximately 37 million of our shares that are held directly by BRC S.à.R.L. as of 31 December 2015 (see “—Shareholding Structure”). The shareholders’ agreement was amended and restated on 9 September 2009. On 18 December 2013, Eugénie Patri Sébastien S.A. contributed to EPS Participations S.à.R.L. its certificates in the Stichting and the shares it held in Anheuser-Busch InBev SA/NV, except for 100,000 shares. Immediately thereafter, EPS Participations S.à.R.L. joined the concert constituted by BRC S.à.R.L., Eugénie Patri Sébastien S.A., Rayvax Société d’Investissement S.A. and the Stichting and adhered to the shareholders’ agreement. On 18 December 2014, the Stichting, Eugénie Patri Sébastien S.A., EPS Participations S.à.R.L., BRC S.à.R.L. and Rayvax Société d’Investissement S.A. entered into a new shareholders’ agreement that replaced the previous shareholders’ agreement of 2009 and has been filed as Exhibit 3.2 to this Form 20-F.

The shareholders’ agreement addresses, among other things, certain matters relating to our governance and management and to the governance and management of the Stichting, as well as (i) the transfer of the Stichting certificates and (ii) the decertification and re-certification process of our shares and the circumstances in which our shares held by the Stichting may be de-certified and/or pledged at the request of BRC S.à.R.L., Eugénie Patri Sébastien S.A. or EPS Participations S.à.R.L. Pursuant to the terms of the shareholders’ agreement, BRC S.à.R.L. and Eugénie Patri Sébastien S.A. jointly and equally exercise control over the Stichting and those of our shares held by the Stichting. Among other things, BRC S.à.R.L. and Eugénie Patri Sébastien S.A. have agreed that the Stichting will be managed by an eight-member board of directors and that each of BRC S.à.R.L. and Eugénie Patri Sébastien S.A. will have the right to appoint four directors to the Stichting board of directors. At least seven of the eight Stichting directors must be present or represented in order to constitute a quorum of the Stichting board, and any action to be taken by the Stichting board of directors will, subject to certain qualified majority conditions, require the approval of a majority of the directors present or represented, including at least two directors appointed by BRC S.à.R.L. and two directors appointed by Eugénie Patri Sébastien S.A. Subject to certain exceptions, all decisions of the Stichting with respect to our shares held by it, including how such shares will be voted at our shareholders’ meetings, will be made by the Stichting board of directors.

The shareholders’ agreement requires the Stichting board of directors to meet prior to each of our shareholders’ meetings to determine how those of our shares held by the Stichting will be voted.

The shareholders’ agreement provides for restrictions on the ability of BRC S.à.R.L. and EPS Participations S.à.R.L. to transfer their Stichting certificates (and consequently their shares in us held through the Stichting).

In addition, the shareholders’ agreement also requires Eugénie Patri Sébastien S.A., EPS Participations S.à.R.L., BRC S.à.R.L. and Rayvax Société d’Investissement SA, as well as any other potential holder of certificates issued by the Stichting, to vote their shares in the same manner as our shares held by the Stichting. The abovementioned persons are also required to use their best efforts so that their permitted transferees under the shareholders’ agreement whose shares in us are not held through the Stichting, and who have decided to attend any of our shareholders’ meetings, vote their shares in us in the same manner as our shares held by the Stichting and to effect any free transfers of their shares in us in an orderly manner of disposal that does not disrupt the market for our shares and in accordance with any conditions established by us to ensure such orderly disposal. In addition, under the shareholders’ agreement, Eugénie Patri Sébastien S.A., EPS Participations S.à.R.L. and BRC S.à.R.L. agree not to acquire any shares of Ambev’s capital stock, subject to limited exceptions.
Pursuant to the shareholders’ agreement, the Stichting board of directors proposes to our shareholders’ meeting for approval the nomination of eight directors to our Board of Directors, among which each of BRC S.à.R.L. and Eugénie Patri Sébastien S.A. have the right to nominate four directors. In addition, the Stichting board of directors proposes the nomination of three to six directors to our Board who are independent of shareholders.

The shareholders’ agreement will remain in effect for an initial term until 27 August 2024. Thereafter, it will be automatically renewed for successive terms of ten years each unless, not later than two years prior to the expiration of the initial or any successive ten-year term, either party notifies the other of its intention to terminate the shareholders’ agreement.

In addition, the Stichting has entered into a voting agreement with Fonds Baillet Latour SPRL with a social purpose and Fonds Voorzitter Verhelst SPRL with a social purpose. This agreement provides for consultations between the three bodies before any of our shareholders’ meetings to decide how they will exercise the voting rights attached to our shares. Under this voting agreement, consensus is required for all items that are submitted to the approval of any of our shareholders’ meetings. If the parties fail to reach a consensus, Fonds Baillet Latour SPRL with a social purpose and Fonds Voorzitter Verhelst SPRL with a social purpose will vote their shares in the same manner as the Stichting. This agreement, which was to expire on 16 October 2016, has been extended until 1 November 2034. A copy of this agreement has been filed as Exhibit 3.2 to this Form 20-F.

Upon the completion of the Transaction, the Stichting will remain the controlling shareholder of the Combined Group. Assuming no further issuances of our shares, that Newbelco issues 316,999,695 restricted shares (as described under “Item 5. Operating and Financial Review—A. Key Factors Affecting Results of Operations—Acquisitions, Divestitures and Other Structural Changes—Proposed Acquisition of SABMiller”) and based on our outstanding treasury shares as of 31 December 2015, it is expected that the Stichting will own Newbelco new ordinary shares representing 34.5% of the Combined Group’s voting rights. Furthermore, it is expected that the shareholders’ agreement and the voting agreement (or successors thereto) will continue to apply in respect of the Newbelco new ordinary shares upon completion of the Transaction, and that the first twelve entities listed in the table above would hold on the same basis, in aggregate, approximately 44.1% of the Combined Group’s voting rights.

B. RELATED PARTY TRANSACTIONS
AB InBev Group and Consolidated Entities

We engage in various transactions with affiliated entities which form part of the consolidated AB InBev Group. These transactions include, but are not limited to: (i) the purchase and sale of raw material with affiliated entities, (ii) entering into distribution, cross-licensing, transfer pricing, indemnification, service and other agreements with affiliated entities, (iii) intercompany loans and guarantees, with affiliated entities, (iv) import agreements with affiliated entities, such as the import agreement under which Anheuser-Busch imports our European brands into the United States, and (v) royalty agreements with affiliated entities, such as our royalty agreement with one of our United Kingdom subsidiaries related to the production and sale of our Stella Artois brand in the United Kingdom. Such transactions between Anheuser-Busch InBev SA/NV and our subsidiaries are not disclosed in our consolidated financial statements as related party transactions because they are eliminated on consolidation. A list of our principal subsidiaries is shown in note 34 “AB InBev Companies” to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015.

Unrealized gains arising from transactions with associates and jointly controlled entities are eliminated to the extent of our interest in the entity. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment. Transactions with associates and jointly controlled entities are discussed further below.
Transactions with Directors and Executive Board of Management Members (Key Management Personnel)

Total compensation of our directors and executive board of management included in our income statement for 2015 set out below can be detailed as follows:

<table>
<thead>
<tr>
<th></th>
<th>Year ended 31 December 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Directors (USD million)</td>
</tr>
<tr>
<td>Short-term employee benefits</td>
<td>3</td>
</tr>
<tr>
<td>Post-employment benefits</td>
<td>---</td>
</tr>
<tr>
<td>Other long-term employee benefits</td>
<td>---</td>
</tr>
<tr>
<td>Share-based payments</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5</strong></td>
</tr>
</tbody>
</table>

In addition to short-term employee benefits (primarily salaries), our executive board of management members are entitled to post-employment benefits. More particularly, members of the executive board of management participate in the pension plan of their respective country. See also note 23 “Employee benefits” and note 31 “Related parties” to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015. In addition, key management personnel are eligible for our Share-Based Payment Plan and/or our exchange of share ownership program. See also “Item 6. Directors, Senior Management and Employees—B. Compensation” and note 24 “Share-based payments” to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015.

Directors’ compensation consists mainly of directors’ fees. Key management personnel did not have any significant outstanding balances with our company. During 2015, no payments were made to key management personnel except in the transactions listed below.

**Deferred Share Entitlements**

In a transaction related to the combination with Grupo Modelo, two Grupo Modelo shareholders, María Asuncion Aramburuzabala and Valentín Diez Morodo purchased a deferred share entitlement to acquire the equivalent of approximately 23.1 million AB InBev shares, to be delivered within five years, for consideration of approximately USD 1.5 billion. This investment occurred on 5 June 2013. María Asuncion Aramburuzabala and Valentín Diez Morodo have agreed to serve on our Board of Directors for a term of at least four years. They have also agreed to a non-competition provision for three years following the completion of the combination with Grupo Modelo.

**Other Transactions**

Gruppo Modelo paid MXN 67.3 million (USD 4.3 million) to a company of which María Asuncion Aramburuzabala, a member of our Board of Directors, is Chairman of the Board. The payments were made for information technology infrastructure services provided by that company to Grupo Modelo in 2015.

On 7 April 2014, Valentin Diez Morodo, also a member of our Board of Directors, purchased real estate located in Toluca, Mexico from Modelo Museum of Technology, a non-consolidated, non-profit affiliate of Grupo Modelo for USD 28 million, a price corresponding to the average of two independent external valuation reports. Mr. Diez has agreed to lease part of the premises back to another affiliate of Grupo Modelo pursuant to a sublease contract entered into in June 2015 at a rate of MXN 6 million (USD 0.4 million) per year. In addition, in 2015, Grupo Modelo entered into a sponsorship agreement with a sports team owned by Mr. Diez. The sponsorship agreement provides for payments of MXN 66.7 million (USD 4.2 million) per year for three years.
Jointly Controlled Entities

Significant interests we hold in joint ventures include two distribution entities in Canada, two entities in Brazil, two in China, one in Mexico and one in the United Kingdom. None of these joint ventures are material to us. Aggregate amounts of our interests in such entities are as follows:

<table>
<thead>
<tr>
<th></th>
<th>As of 31 December 2015 (USD million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-current assets</td>
<td>2</td>
</tr>
<tr>
<td>Current assets</td>
<td>5</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td>2</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>5</td>
</tr>
<tr>
<td>Result from operations</td>
<td>(1)</td>
</tr>
<tr>
<td>Profit attributable to equity holders</td>
<td>—</td>
</tr>
</tbody>
</table>

Transactions with Associates

Our transactions with associates were as follows:

<table>
<thead>
<tr>
<th></th>
<th>Year ended 31 December 2015 (USD million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross profit</td>
<td>(77)</td>
</tr>
<tr>
<td>Current assets</td>
<td>2</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>25</td>
</tr>
</tbody>
</table>

Our transactions with associates primarily consist of sales to distributors in which we have a non-controlling interest.

Transactions with Pension Plans

Our transactions with pension plans mainly consisted of USD 12 million other income from pension plans in the United States and USD 1 million other income from pension plans in Brazil.

Transactions with Government-Related Entities

We have no material transactions with government-related entities.

Ambev Special Goodwill Reserve

As a result of the merger of InBev Brasil into Ambev in July 2005, Ambev acquired tax benefits resulting from the partial amortization of the special premium reserve pursuant to article 7 of the Normative Ruling No. 319/99 of the CVM, the Brazilian Securities Commission. Such amortization will be carried out within the ten years following the merger. As permitted by Normative Ruling No. 319/99, the Protocol and Justification of the Merger, entered into between us, Ambev and InBev Brasil on 7 July 2005, established that 70% of the goodwill premium, which corresponded to the tax benefit resulting from the amortization of the tax goodwill derived from the merger, would be capitalized in Ambev to the benefit of us, with the remaining 30% being capitalized in Ambev without the issuance of new shares to the benefit of all shareholders. Since 2005, pursuant to the Protocol and Justification of the Merger, Ambev has carried out, with shareholders’ approval, capital increases through the partial capitalization of the goodwill premium reserve. Accordingly, two wholly owned subsidiaries of Anheuser-Busch InBev (which hold our interest in Ambev) have annually subscribed to Ambev shares corresponding to 70% of the goodwill premium reserve (and Ambev minority shareholders subscribed shares pursuant to preferred subscription right under Brazilian law) and the remaining 30% of the tax benefit was capitalized without issuance of new shares to the benefit of all Ambev shareholders. The Protocol and Justification of the Merger also provides, among other matters, that we shall indemnify Ambev for any undisclosed liabilities of InBev Brasil.
In December 2011, Ambev received a tax assessment from the Secretaria da Receita Federal do Brasil related to the goodwill amortization resulting from InBev Brasil’s merger referred to above. See “Item 8. Financial Information—A. Consolidated Financial Statements and Other Financial Information—Legal and Arbitration Proceedings—Ambev and its Subsidiaries—Special Goodwill Reserve” for further information. Effective 21 December 2011, we entered into an agreement with Ambev formalizing the arrangement whereby we shall reimburse Ambev the amount proportional to the benefit received by us pursuant to the merger protocol, as well as the respective costs.

Ambev Stock Swap Merger

On 7 December 2012, Companhia de Bebidas das Américas—Ambev (“Companhia de Bebidas”), a majority-owned subsidiary of AB InBev, announced its intention to propose for deliberation by its shareholders, at an extraordinary general shareholders’ meeting, a corporate restructuring to combine Companhia de Bebidas’s dual-class capital structure comprised of voting common and non-voting preferred shares into a new, single-class capital structure comprised exclusively of voting common shares. The purpose of the proposed corporate restructuring is to simplify Companhia de Bebidas’s corporate structure and improve its corporate governance with a view to increasing liquidity to all Companhia de Bebidas shareholders, eliminating certain administrative, financial and other costs and providing more flexibility for management of Companhia de Bebidas’s capital structure.

The extraordinary general shareholders’ meeting was held on 30 July 2013, and the proposed corporate restructuring was approved. The restructuring has been implemented by means of a stock swap merger under the Brazilian Corporate Law (incorporação de ações) of Companhia de Bebidas with Ambev S.A. As a result of this stock swap merger, Companhia de Bebidas became a wholly owned subsidiary of Ambev S.A. and the Companhia de Bebidas shareholders received five Ambev S.A. common shares in exchange for each Companhia de Bebidas common or preferred share, and holders of ADRs representing common or preferred shares of Companhia de Bebidas received five Ambev S.A. ADRs in exchange for each Companhia de Bebidas ADR.

On 30 October 2013, the Brazilian Securities Commission (Comissão de Valores Mobiliários—CVM) granted Ambev S.A.’s registration as a publicly held company and its shares and ADRs began to be traded, respectively, on the BM&FBOVESPA and on the NYSE on 11 November 2013. The shares issued by Companhia de Bebidas have no longer been traded on the traditional segment of BM&FBOVESPA since 8 November 2013.

On 2 January 2014, the Ambev S.A. shareholders approved the merger of Companhia de Bebidas into Ambev S.A. Thereafter, we retained an unchanged 61.8% economic interest in Ambev S.A., which will continue the Companhia de Bebidas operations, and our voting interest in Ambev S.A. was reduced to 61.8%.

ITEM 8. FINANCIAL INFORMATION

A. CONSOLIDATED FINANCIAL STATEMENTS AND OTHER FINANCIAL INFORMATION

Consolidated Financial Statements


Legal and Arbitration Proceedings

Litigation is subject to uncertainty and we and each of our subsidiaries named as a defendant believe, and have so been advised by counsel handling the respective cases, that we have valid defenses to the litigation pending against us, as well as valid bases for appeal of adverse verdicts, if any. All such cases are, and will continue to be, vigorously defended. However, we and our subsidiaries may enter into settlement discussions in particular cases if we believe it is in our best interests to do so. Except as set forth herein, there have been no governmental, judicial or arbitration proceedings (including any such proceedings which are pending or threatened against us or our subsidiaries of which we are aware) during a period between 1 January 2015 and the date of this Form 20-F which may have, or have had in the recent past, significant effects on our financial position and profitability.
**Anheuser-Busch InBev SA/NV**

**Grupo Modelo Transaction**

On 31 January 2013, we announced that the U.S. Department of Justice had filed an action seeking to block the combination with Grupo Modelo, and specifically, our proposal at that time to acquire the remaining stake in Grupo Modelo.

Thereafter, on 19 April 2013, we announced that together with Grupo Modelo and Constellation Brands, Inc., we had reached a final settlement agreement with the U.S. Department of Justice. The terms of the settlement were substantially in line with the revised transaction announced on 14 February 2013, and included binding commitments to the revised transaction, designed to ensure a prompt divestiture of assets by us to Constellation Brands, Inc., the necessary build-out of the Piedras Negras brewery by Constellation Brands, Inc., as well as certain distribution guarantees for Constellation Brands, Inc. in the 50 states of the United States, the District of Columbia and Guam.

We announced the completion of the combination with Grupo Modelo on 4 June 2013, and on 7 June 2013, we announced that in a related transaction, Grupo Modelo completed the sale of its business in the 50 states of the United States, the District of Columbia and Guam to Constellation Brands, Inc. for approximately USD 4.75 billion, in aggregate, subject to post-closing adjustment of USD 558 million, which was paid by Constellation Brands, Inc. on 6 June 2014.

As part of the settlement with the U.S. Department of Justice, we completed the sale of our glass production plant and other assets on the same site in Nava, Coahuila, Mexico to Constellation Brands, Inc. in a transaction related to the Grupo Modelo combination. The sale price for all of these assets was approximately USD 300 million.

**German Antitrust Investigation**

In August 2011, the German Federal Cartel Office (Bundeskartellamt) launched an investigation against several breweries and retailers in Germany in connection with an allegation of anticompetitive vertical price maintenance by breweries vis-à-vis their trading partners in Germany. On 18 June 2015, the Bundeskartellamt announced that it partially concluded these proceedings and issued fines. Due to our cooperation with the Bundeskartellamt, we received immunity from fines. Although the investigation of the Bundeskartellamt is partially continuing, we have reason to believe that we will not receive a fine and that we will have full immunity from fines at the end of the proceedings.

**Budweiser Trademark Litigation**

We are involved in a longstanding trademark dispute with the brewer Budejovicky Budvar, n.p. located in Ceske Budejovice, Czech Republic. This dispute involves the BUD and BUDWEISER trademarks and includes actions pending in national trademark offices as well as courts. Currently there are more than 70 actions pending in more than 20 jurisdictions. While there are a significant number of actions pending, taken in the aggregate, the actions do not represent a material risk to our financial position or profitability.

**Starbev Litigation**

At the time of the 2009 sale of our Central European operations to CVC Capital Partners, we received rights under a Contingent Value Right Agreement ("CVR Agreement") to a future payment that was contingent on CVC’s return on its initial investments. On 15 June 2012, CVC sold the business to Molson Coors Brewing Company for an aggregate consideration of EUR 2.65 billion (USD 3.50 billion). We believe that as a result of the sale to Molson, the return earned by CVC Capital Partners triggered our right to a further payment under the CVR Agreement. On 25 October 2012, CVC Capital Partners issued proceedings against us in the English Commercial Court in relation to the CVR Agreement and sought a declaration that the return it received following the sale to Molson did not trigger our right to payment. We served our defense and counterclaim on 19 December 2012. We
received approximately EUR 32 million (USD 42 million) in 2013 and EUR 147 million (USD 197 million) in 2014 from CVC as a result of that proceeding. Appeals related to the EUR 147 million (USD 197 million) received to date have not yet concluded.

**Investigations Inquiring into Indian Operations**

We have been informed by the SEC and the U.S. Department of Justice that they are conducting investigations into our current and former affiliates in India, including a non-consolidated Indian joint venture that we exited in 2015, AB InBev India Private Limited, and whether certain relationships of agents and employees were compliant with the FCPA. We are cooperating in the SEC and the U.S. Department of Justice investigations.

**Alcohol-by-Volume Litigation**

In the first quarter of 2013, nine lawsuits were filed against us relating to the alcohol-by-volume in several of our beer brands. Eight of these lawsuits were filed in Federal Courts located in California, Colorado, New Jersey, Ohio, Pennsylvania and Texas. The ninth was filed in state court in Missouri. The lawsuits generally allege that such products contain lower alcohol-by-volume levels than what is stated on the labels, in violation of various federal and state laws. In June 2013, the lawsuits in federal courts were consolidated into a multi-district litigation in Ohio. In June 2014, the lawsuits in federal courts were dismissed with prejudice. Plaintiffs have appealed the dismissal and the lawsuit in state court in Missouri is stayed pending the outcome of the appeal. We will vigorously defend against these lawsuits.

**Belgian Tax Matters**

In February 2015, the European Commission opened an in-depth State Aid investigation into the Belgian excess profit ruling system. On 11 January 2016, the European Commission adopted a negative decision finding that the Belgian excess profit ruling system constitutes an aid scheme incompatible with the internal market and ordering Belgium to recover the incompatible aid from a number of aid beneficiaries. The Belgian authorities must now determine which companies have benefitted from the system and the precise amounts of incompatible aid to be recovered from each company. AB InBev has a Belgian excess profit ruling. We have not yet received any formal communication from Belgium on recovery. In addition, Belgium has announced that it will appeal the European Commission decision to the European Union’s General Court. The appeal does not suspend the recovery process, and we cannot at this stage estimate the outcome of such legal proceedings. Based on the estimated exposure related to the excess profit ruling applicable to us and the different elements referred to above, we have not recorded any provisions in connection therewith as of 31 December 2015.

**SABMiller Transaction**

On 1 December 2015, a group of consumers filed an antitrust lawsuit in federal court in Oregon, seeking an injunction to block the Transaction. The court in this private litigation could enjoin the parties from completing the Transaction, or delay its implementation. We believe that we have strong defenses to the plaintiffs’ claims and intend to defend against them vigorously.

**Amhev and Its Subsidiaries**

Cerveceria Bucanero Trademark Claim

In 2009, we received notice of a claim purporting to be made under the Helms-Burton Act relating to the use of a trademark by Cerveceria Bucanero S.A., which is alleged to have been confiscated by the Cuban government and trafficked by us through our ownership and management of this company. Although we have attempted to review and evaluate the validity of the claim, due to the uncertain underlying circumstances, we are currently unable to express a view as to the validity of such claims, or as to the standing of the claimants to pursue them.
Tax Matters

As of 31 December 2015, Ambev had several tax claims pending against it, including judicial and administrative proceedings. Most of these claims relate to ICMS value-added tax, IPI excise tax, and income tax and social contributions. As of 31 December 2015, Ambev had made a provision of R$223 million (USD 57 million) in connection with those tax proceedings for which it believed there was a probable chance of loss.

Among the pending tax claims, there are claims filed by Ambev against Brazilian tax authorities alleging that certain taxes are unconstitutional. Such tax proceedings include claims for income taxes, ICMS value-added tax, IPI excise tax and taxes on revenues, such as the Social Integration Program Contribution (Programa de Integração Social), or the PIS Contribution and the Social Security Funding Contribution (Contribuição para Financiamento da Seguridade Social), or COFINS. As these claims are contingent on obtaining favorable judicial decisions, the corresponding assets which might arise in the future are only recorded once it becomes certain that Ambev will receive the amounts previously paid or deposited.

As of 31 December 2015, there were also tax proceedings with a total estimated possible risk of loss of R$27.6 billion (USD 7.1 billion). Approximately R$16.4 billion (USD 4.2 billion) of this figure is related to income tax and social contributions. Approximately R$10.4 billion (USD 2.7 billion) is related to ICMS value-added and IPI excise taxes, of which the most significant are discussed below.

ICMS Value-Added Tax, IPI Excise Tax and Taxes on Net Sales

Ambev has been party to legal proceedings with the state of Rio de Janeiro where it is challenging such State’s attempt to assess ICMS value-added tax with respect to unconditional discounts granted by Ambev from January 1996 to February 1998. In 2015, these proceedings were before the Brazilian Superior Court of Justice and the Brazilian Supreme Court (Supremo Tribunal Federal). In 2013, 2014 and 2015, we received similar tax assessments issued by the States of Pará and Piauí relating to the same issue, which are currently under discussion. In October 2015 and January 2016, Ambev paid the amounts related to the state of Rio de Janeiro’s proceedings with discounts under an incentive tax payment program granted by that state in the total amount of R$271 million (USD 69 million). Ambev management estimates the amount involved in these proceedings to be approximately R$862 million (USD 221 million) as of 31 December 2015 (which reflects the payment made in October 2015), which is classified as a possible loss and, therefore, for which no provision has been made. Moreover, considering the above mentioned January 2016 payment, the total amount involved in these proceedings has been reduced to approximately R$492 million (USD 126 million), as of 5 January 2016, classified as possible loss and for which no related provision has been made.

Goods manufactured within the Manaus Free Trade Zone (ZFM) intended for remittance elsewhere in Brazil are exempt from the Brazilian IPI excise tax. Ambev has been registering IPI excise tax presumed credits upon the acquisition of exempted inputs manufactured in the Manaus Free Trade Zone. Since 2009, Ambev has been receiving a number of tax assessments from the Brazilian federal tax authorities relating to the disallowance of such presumed tax credits, which are under discussion before the Brazilian Supreme Court. Ambev management estimates the possible losses in relation to these assessments to be R$1.8 billion (USD 0.5 billion) as of 31 December 2015. Ambev has not recorded any provision in connection with these assessments.

In 2014, Ambev received tax assessments from the Brazilian federal tax authorities relating to IPI excise tax associated with remittances of manufactured goods to other related factories, with respect to which a decision from the Upper House of the Administrative Tax Court is still pending. Ambev management estimates the possible losses related to these assessments to be approximately R$1.3 billion (USD 0.3 billion) as of 31 December 2015.

In June 2015, Ambev received a tax assessment issued by the State of Pernambuco, relating to ICMS value-added tax differences, based on alleged non-compliance with a state tax incentive agreement, PRODEPE, related to February 2014. In September 2015, Ambev was notified of a new tax assessment related to the periods spanning from March 2014 to July 2015 based on the fact that it presented a defense against the first assessment, in the amount of approximately R$564 million (USD 144 million). In the fourth quarter of 2015, Ambev received other assessments related to the same tax incentive agreement. Ambev management estimates the total amount related to this matter to be approximately R$666 million (USD 171 million) as of 31 December 2015, classified as a possible loss and, therefore, for which no provision has been made.
Over the years, Ambev has received tax assessments relating to ICMS value-added tax differences that some Brazilian states consider due in the tax substitution system in cases where the price of the products sold by a factory reached levels above the price table basis established by such states. Ambev is currently challenging those charges before the courts. In 2015, Ambev received new tax assessments related to the same issue, in the amount of approximately R$332 million (USD 85 million), increasing the amount related to this issue to approximately R$796 million (USD 195 million) as of 31 December 2015, classified as a possible loss and, therefore, for which no provision has been made.

**Ambev Profits Generated Abroad**

During the first quarter of 2005, certain subsidiaries of Ambev received a number of assessments from Brazilian federal tax authorities relating to profits obtained by its subsidiaries domiciled outside Brazil. In December 2008, the Administrative Tax Court handed down a decision on one of the tax assessments relating to earnings of Ambev’s foreign subsidiaries. This decision was partially favorable to Ambev, and in connection with the remaining part, Ambev filed an appeal to the Appellate Division of the Administrative Tax Court and is awaiting its decision. With respect to another of the tax assessments relating to foreign profits, the Administrative Tax Court rendered a decision favorable to Ambev in September 2011. In December 2013, Ambev received another tax assessment related to this matter. Ambev estimates its exposure to possible losses in relation to these assessments to be R$4.5 billion (USD 1.2 billion) as of 31 December 2015 and its exposure to probable losses to be R$38 million (USD 10 million) as of that date, for which Ambev has recorded a provision in the corresponding amount.

**Income Tax - Tax Loss Offset**

Ambev and certain of its subsidiaries received a number of assessments from Brazilian federal tax authorities relating to the offset of tax loss carry forwards arising in the context of business combinations. Ambev management estimates the total exposures of possible losses in relation to these assessments to be R$455 million (USD 117 million) as of 31 December 2015. Ambev has not recorded any provision in connection with this dispute.

**State Tax Incentives of the National Council on Fiscal Policy (Conselho Nacional de Política Fazendária or “CONFAZ”)**

Many states in Brazil offer tax incentive programs to attract investments to their regions, pursuant to the rules of the CONFAZ, a council formed by all of the 27 Treasury Secretaries from each of the Brazilian states. Ambev participates in ICMS value-added tax credit programs offered by various Brazilian states which provide (i) tax credits to offset ICMS value-added tax payables and (ii) ICMS value-added tax deferrals. In return, Ambev is required to meet certain operational requirements, including, depending on the state, production volume and employment targets, among others. All of these conditions are included in specific agreements between Ambev and the relevant state governments.

There is a controversy regarding whether these benefits are constitutional when granted without the prior approval of every Brazilian state participating in the CONFAZ. Some states and public prosecutors have filed direct actions of unconstitutionality (Ação Direta de Inconstitucionalidade) before the Brazilian Supreme Court to challenge the constitutionality of certain state laws granting tax incentive programs unilaterally, without the prior approval of the CONFAZ.

Since 2007, Ambev has received tax assessments from the states of São Paulo, Rio de Janeiro, Minas Gerais and other states in the aggregate amount of R$1.7 billion (USD 0.4 billion) as of 31 December 2015, challenging the legality of tax credits arising from existing tax incentives received by Ambev in other states. Ambev has treated these proceedings as a possible (but not probable) loss. Such estimate is based on Ambev management assessments, but should Ambev lose such proceedings, the expected net impact on its income statement would be an expense for this amount. Moreover, Ambev cannot rule out the possibility of other Brazilian states issuing similar tax assessments relating to other of Ambev’s state tax incentives. In 2011, the Brazilian Supreme Court ruled 14
Brazilian state laws granting tax incentives without the prior approval of the CONFAZ to be unconstitutional, including one granting incentives to Ambev in the federal district, which Ambev has ceased to benefit from since such decision. In a meeting held on 30 September 2011, the CONFAZ issued a resolution suspending the right of the states to claim the return of the tax incentives incurred by the beneficiaries of the state laws declared unconstitutional. There are a number of other lawsuits before the Brazilian Supreme Court challenging the constitutionality of incentives laws offered by some states without the prior approval of the CONFAZ, which may impact Ambev’s state tax incentives.

In 2012, the Brazilian Supreme Court issued a binding precedent proposal (Proposta de Súmula Vinculante No. 69/2012), which would automatically declare as unconstitutional all tax incentives granted without prior unanimous approval of the CONFAZ. In order to become effective, such proposal must be approved by two-thirds of the members of the Brazilian Supreme Court. Ambev does not expect that the Brazilian Supreme Court will vote on this matter before the Brazilian Congress votes a bill of law aimed at regulating this issue. There are currently a number of different proposals before the Brazilian Congress, which generally provide for (i) existing tax incentives to be grandfathered for a number of years; (ii) new tax incentives to be approved by a majority of the Brazilian states (rather than unanimously) and (iii) a reduction on interstate ICMS value-added taxes in order to decrease the effect of tax benefits on interstate transactions. However, no assurance can be given that the Brazilian Supreme Court will not vote on the binding precedent proposal before the matter is ultimately legislated by the Brazilian Congress.

**Tax Amnesty and Refinancing Program**

In December 2013, pursuant to Law No. 12,865/2013, which allowed the inclusion of additional disputed tax amounts in a tax amnesty and refinancing plan (the “2013 Tax Amnesty and Refinancing Program”) with the same characteristics of a 2009 tax refinancing program in which we had participated. Ambev included in the 2013 Tax Amnesty and Refinancing Program certain disputed tax amounts that had been previously litigated by Ambev and agreed to pay R$188.7 million (USD 81 million). In August 2014, Law No. 12,996/14 was issued, which allowed the inclusion of additional disputed tax amounts in a new Tax Amnesty and Refinancing Program (the “2014 Tax Amnesty and Refinancing Program”) and Ambev agreed to pay R$52.6 million (USD 20 million). In November 2014, Ambev paid the debts enrolled in the amnesty related to the 2013 Tax Amnesty and Refinancing Program, as well as the additional debts enrolled in the 2014 Tax Amnesty and Refinancing Program, in the amount of R$201 million (USD 76 million), which included R$83 million (USD 31 million) in cash, and R$119 million (USD 45 million) using tax losses of related companies. As of 31 December 2014, Ambev paid the total amounts due under both the 2013 and 2014 Tax Amnesty and Refinancing Programs.

**Special Goodwill Reserve**

In December 2011, Ambev received a tax assessment from the Brazilian federal tax authorities related to the goodwill amortization resulting from InBev Brasil’s merger with Ambev referred to under “Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions—Ambev Special Goodwill Reserve.” In June 2012, Ambev filed an appeal against the unfavorable first-level administrative decision. In November 2014 the Lower Administrative Tax Court concluded the judgment. The decision was partly favorable. Ambev was notified in August 2015 and presented an appeal to the Upper House of the Administrative Tax Court. No ruling has yet been issued on that appeal. Ambev has not recorded any provisions for this matter and its management estimates possible losses in relation to this assessment to be approximately R$4.6 billion (USD 1.2 billion) as of 31 December 2015. In the event that Ambev is required to pay these amounts, we will reimburse Ambev the amount proportional to the benefit received by us pursuant to the merger protocol, as well as the related costs.

In October 2013, Ambev also received a tax assessment related to the goodwill amortization resulting from the merger of Beverage Associate Holding into Ambev. Ambev filed its defense in November 2013 and in November 2014 the Lower Administrative Tax Court published a decision unfavorable to Ambev. Ambev filed an appeal on 2 December 2014 and has been awaiting the decision of the Appeals Administrative Tax Court. Ambev management estimates the amount of possible losses in relation to this assessment to be approximately R$1.3 billion (USD 0.3 billion) as of 31 December 2015. Ambev has not recorded any provision in connection with this assessment.
Disallowance of Expenses and Deductibility of Losses

In December 2014, Ambev received a tax assessment from the Brazilian federal tax authorities related to disallowance of alleged non-deductible expenses and certain loss deductions mainly associated with financial investments and loans. Ambev’s defense was presented on 28 January 2015. Ambev management estimates the amount of possible losses in relation to this assessment to be approximately R$1.3 billion (USD 0.3 billion) as of 31 December 2015. Ambev has not recorded any provision in connection with this assessment.

In December 2015, Ambev also received a new tax assessment related to the same matter. Ambev management estimates the amount of possible losses in relation to this assessment to be approximately R$332 million (USD 85 million) as of 31 December 2015. Ambev has not recorded any provision in connection with this assessment.

Disallowance of Taxes Paid Abroad

During 2014 and the first quarter of 2015, Ambev received tax assessments from the Brazilian federal tax authorities related to the disallowance of deductions associated with alleged unproven taxes paid abroad, for which the decision from the Upper House of the Administrative Tax Court is still pending. Ambev management estimates the possible losses related to these assessments to be approximately R$1.9 billion (USD 0.5 billion) as of 31 December 2015. Ambev has not recorded any provision in connection therewith.

Labor Matters

Ambev is involved in more than 22,000 labor claims. Most of the labor claims facing Ambev relate to its Brazilian operations. In Brazil, it is not unusual for a large company to be named as a defendant in such a significant number of claims. As of 31 December 2015, Ambev has made provisions totaling R$180 million (USD 46 million) in connection with approximately a fifth of the above labor claims involving former and current employees and relating mainly to overtime, dismissals, severance, health and safety premiums, supplementary retirement benefits and other matters, all of which are awaiting judicial resolution and have probable chance of loss.

Civil Claims

As of 31 December 2015, Ambev was involved in more than 1,200 civil claims pending, including third-party distributors and product-related claims. Ambev has established provisions totaling R$32 million (USD 8 million) reflecting applicable adjustments, such as accrued interest, as of 31 December 2015 in connection with civil claims.

Subscription Warrants

In 2002, Ambev decided to request a ruling from the CVM (Comissao de Valores Mobiliarios, the Securities and Exchange Commission of Brazil) in connection with a dispute between Ambev and some of its warrant holders regarding the criteria used in the calculation of the strike price of certain Ambev warrants. In March and April 2003, the CVM ruled that the criteria used by Ambev to calculate the strike price were correct. In response to the CVM’s final decision and seeking to reverse it, some of the warrant holders filed separate lawsuits before the courts of São Paulo and Rio de Janeiro.

Although the warrants expired without being exercised, the warrant holders claim that the strike price should be reduced to take into account the strike price of certain stock options granted by Ambev under its then-existing stock ownership program, as well as for the strike price of other warrants issued in 1993 by Brahma.

Ambev has knowledge of at least seven claims in which the plaintiffs argue that they would be entitled to those rights. Two of them were ruled favorably to Ambev by the appellate court of the State of São Paulo. A third one was settled. Of the four other claims, Ambev received a favorable ruling in one claim by a first level court in Rio de Janeiro, and the appellate court of the state of Rio de Janeiro ruled against Ambev in another three claims. Ambev has appealed to the Brazilian Superior Court of Justice with respect to the final decisions issued by the appellate court of the state of Rio de Janeiro. Such appeals are still pending judgment.
The warrant holders of both claims that were denied by the appellate court of the State of São Paulo have also appealed to the Superior Court of Justice. The Superior Court of Justice decided in favor of Ambev in both claims, although the decisions are subject to appeal. In the event the plaintiffs prevail in the above six pending proceedings, Ambev believes that the corresponding economic dilution for the existing shareholders would be the difference between the market value of the shares at the time they are issued and the value ultimately established in liquidation proceedings as being the subscription price pursuant to the exercise of the warrants. Ambev believes that the warrants which are the object of those six proceedings represented, on 31 December 2015, 172,831,574 common shares that would be issued at a value substantially below fair market value, should claimants ultimately prevail. The plaintiffs also claim they should receive past dividends related to these shares in the amount of R$648 million (USD 166 million) as of 31 December 2015.

Ambev believes, based on its management assessments, that its chances of receiving unfavorable final decisions in this matter are either possible or remote, and therefore it has not established a provision for this litigation in its audited consolidated financial statements. As these disputes are based on whether Ambev should receive as a subscription price a lower price than the price that it considers correct, a provision of amounts with respect to these proceedings would only be applicable with respect to legal fees and past dividends.

**Antitrust Matters**

Ambev had, in the past, a series of ongoing antitrust matters before the Conselho Administrativo de Defesa Economica ("CADE") and Brazilian courts. However, in July 2015, Ambev settled its last material antitrust case, which dealt with its “Tô Contigo” customer loyalty program, which was discontinued several years ago. The controversy initiated in 2004 with an investigation conducted by the CADE and was being litigated in Brazilian federal court until its settlement in 2015. Pursuant to the terms of the in-court settlement, all legal actions against Ambev relating to this program have been terminated in exchange for Ambev’s payment of a R$229 million (USD 77 million) contribution in five installments. Ambev currently has no antitrust matterspending against it before Brazilian antitrust authorities and Brazilian courts.

**Environmental Matters**

**Riachuelo**

In 2004, an environmental complaint was initiated by certain neighbors residing in the Riachuelo Basin against the State of Argentina, the Province of Buenos Aires, the city of Buenos Aires and more than 40 corporate entities (including Cervecería y Maltería Quilmes S.A.) with premises located in the Riachuelo Basin or that discharge their waste into the Riachuelo River. In this complaint, the Argentine Supreme Court of Justice ruled that the State of Argentina, the Province of Buenos Aires and the city of Buenos Aires remain primarily responsible for the remediation of the environment, and further resolved that the Riachuelo Basin Authority, an environmental authority created in 2006 pursuant to the Argentine Law No. 26, 168, would be responsible for the implementation of a Remediation Plan for the Riachuelo Basin. The Argentine Supreme Court of Justice has not yet decided on the issue of liability for environmental damages but has already decided that each party shall bear its own trial expenses.

**Lawsuit Against the Brazilian Beer Industry**

On 28 October 2008, the Brazilian Federal Prosecutor’s Office (Ministério Público Federal) filed a suit for damages against Ambev and two other brewing companies claiming total damages of approximately R$2.8 billion (USD 0.7 billion) (of which approximately R$2.1 billion (USD 0.5 billion) are claimed against Ambev). The public prosecutor alleges that: (i) alcohol causes serious damage to individual and public health, and that beer is the most consumed alcoholic beverage in Brazil; (ii) defendants have approximately 90% of the national beer market share and are responsible for heavy investments in advertising; and (iii) the advertising campaigns increase not only the market share of the defendants but also the total consumption of alcohol and, hence, cause damage to society and encourage underage consumption.
Shortly after the above lawsuit was filed, a consumer-protection association applied to be admitted as a joint-plaintiff. The association has made further requests in addition to the ones made by the Public Prosecutor, including the claim for “collective moral damages” in an amount to be ascertained by the court; however, it suggests that it should be equal to the initial request of R$2.8 billion (USD 0.7 billion) (therefore, it doubles the initial amount involved). The court has admitted the association as joint plaintiff and has agreed to hear the new claims. After the exchange of written submissions and documentary evidence, the parties expect the case to be ruled by the lower court judge in 2016. Ambev believes, based on management assessments, that its chances of loss are remote and, therefore, has not made any provision with respect to such claim.

Class Action Canada (Brewers Retail Inc. Litigation)

On 12 December 2014, a lawsuit was commenced in the Ontario Superior Court of Justice against the Liquor Control Board of Ontario, Brewers Retail Inc. (known as The Beer Store or “TBS”) and the owners of Brewers Retail Inc. (Molson Coors Canada, Sleeman Breweries Ltd. and Labatt Breweries of Canada LP). The lawsuit was brought in Canada pursuant to the Ontario Class Proceedings Act, and sought, among other things: (i) to obtain a declaration that the defendants conspired with each other to allocate markets for the supply of beer sold in Ontario since 1 June 2000; (ii) to obtain a declaration that Brewers Retail Inc. and the owners of Brewers Retail Inc. conspired to fix, increase and/or maintain prices charged to Ontario licensees (on-trade) for beer and the fees charged by TBS to other competitive brewers who wished to sell their products through TBS and (iii) damages for unjust enrichment. As part of this third allegation, the plaintiffs allege illegal trade practices by the owners of Brewers Retail Inc. They are seeking damages not exceeding CAD $1.4 (USD 1.0 billion), as well as, punitive, exemplary and aggravated damages of CAD $5 million (USD 4 million) and changes/repeals of the affected legislation. Ambev has not recorded any provision in connection therewith.

Anheuser-Busch

Dispositions Pension Litigation

On 1 December 2009, Anheuser-Busch InBev SA/NV, Anheuser-Busch Companies, LLC and the Anheuser-Busch Companies Pension Plan were sued in the United States District Court for the Eastern District of Missouri in a lawsuit styled Richard F. Angevine v. Anheuser-Busch InBev SA/NV, et al. The plaintiff sought to represent a class of certain employees of Busch Entertainment Corporation, which was divested on 1 December 2009, and the four Metal Container Corporation plants which were divested on 1 October 2009. He also sought to certify a class action and represent certain employees of any other subsidiary of Anheuser-Busch Companies, LLC that has been divested or may be divested during the three-year period from the date of the Anheuser-Busch acquisition, 18 November 2008 through 17 November 2011. Among other things, the lawsuit claimed that we failed to provide him and the other class members (if certified) with certain enhanced benefits, and breached our fiduciary duties under the U.S. Employee Retirement Income Security Act of 1974. On 16 July 2010, the court dismissed plaintiff’s lawsuit. The court ruled that the claims for breach of fiduciary duty and punitive damages were not proper. The court also found that the plaintiff did not exhaust all of his administrative remedies, which he must first do before filing a lawsuit. On 9 August 2010, the plaintiff filed an appeal of this decision to the Eighth Circuit Court of Appeals, which was denied on 22 July 2011. No further appeals were filed.

On 15 September 2010, Anheuser-Busch InBev SA/NV and several of its related companies were sued in Federal Court for the Southern District of Ohio in a lawsuit entitled Rusby Adams et al. v. AB InBev, et al. This lawsuit was filed by four employees of Metal Container Corporation’s facilities in Columbus, Ohio, Gainesville, Florida, and Ft. Atkinson, Wisconsin that were divested on 1 October 2009. Similar to the Angevine lawsuit, these plaintiffs seek to represent a class of participants of the Anheuser-Busch Companies Salaried Employees’ Pension Plan (the “Plan”) who had been employed by subsidiaries of Anheuser-Busch Companies, LLC that had been divested during the period of 18 November 2008 through 17 November 2011. The plaintiffs also alleges claims similar to the Angevine lawsuit, namely, that by failing to provide plaintiffs with these enhanced benefits, we breached our fiduciary duties under the U.S. Employee Retirement Income Security Act of 1974. We filed a Motion to Dismiss and obtained dismissal of the breach of fiduciary duty claims in April 2011, leaving only the claims for benefits remaining. On 28 March 2012, the Court certified that the case could proceed as a class action comprised of former employees of the divested Metal Container Corporation operations. On 9 January 2013, the Court granted
our Motion for Judgment on the Administrative Record. The plaintiffs appealed the decision on 5 February 2013. On 11 July 2014, the Sixth Circuit Court of Appeals reversed the lower court and remanded the case for judgment. On 16 September 2014, our Motion for Rehearing En Banc was denied. A Final Order and Judgment was then entered by the district court on 24 December 2014, which ordered the Plan to provide the enhanced pension benefits to members of the certified class. We believe the total amount of the enhanced benefits is approximately USD 8 million.

On 10 January 2012, a class action complaint asserting claims very similar to those asserted in the Angevine lawsuit was filed in Federal Court for the Eastern District of Missouri, styled Nancy Anderson et al. v. Anheuser-Busch Companies Pension Plan et al. Unlike the Angevine case, however, the plaintiff in this matter alleges complete exhaustion of all administrative remedies. On 11 March 2013 the court consolidated the case with the Knowlton case mentioned below. A three-count consolidated complaint was filed on 19 April 2013. On 30 October 2013, the court dismissed Counts II and III, including the breach of fiduciary claims, but granted plaintiff leave to amend. On 19 November 2013, the plaintiff filed an amended Count III. We filed an Answer to amended Count III on 30 May 2014. On 16 May 2014, the Court granted the plaintiff’s class certification motion on Count I, which certified a class of divested employees of Busch Entertainment Corporation.

On 10 October 2012, another class action complaint was filed against Anheuser-Busch Companies, LLC, Anheuser-Busch Companies Pension Plan, Anheuser-Busch Companies Pension Plan Appeals Committee and the Anheuser-Busch Companies Pension Plan Administrative Committee by Brian Knowlton and several other former Busch Entertainment Corporation Employees. It was filed in Federal Court in the Southern District of California, and was amended on 12 October 2012. Like the other lawsuits, it claims that the employees of any divested assets were entitled to enhanced retirement benefits under section 19.11(f) of the Plan. However, it specifically excluded the divested Metal Container Corporation facilities that were included in the Adams class action. On 11 March 2013 the court consolidated the case with the Nancy Anderson case mentioned above. A consolidated complaint was filed on 19 April 2013. On 30 October 2013, the court dismissed Counts II and III, including the breach of fiduciary claims, but granted plaintiff leave to amend. On 19 November 2013, the plaintiff filed an amended Count III. We filed an Answer to amended Count III on 30 May 2014. On 16 May 2014, the court granted the plaintiff’s class certification motion on Count I, which certified a class of divested employees of Busch Entertainment Corporation. On 10 November 2014, the plaintiffs filed a Motion for Judgment on the Pleadings based on the decision by the Sixth Circuit Court of Appeals in the Adams case. On 8 July 2015, the court issued an order of partial judgement on the pleadings, holding that the employees of Busch Entertainment Corporation were entitled to enhanced retirement benefits under the Plan. The 8 July 2015 order, however, was not a final appealable order. On 21 August 2015, we filed a motion seeking entry of a final, appealable order as well as a stay pending appeal, both of which were granted on 9 October 2015. We subsequently appealed; that appeal remains pending. We believe that the total amount of enhanced pension benefit at issue in this case is approximately USD 66 million.

Tax Matters

In early 2014, Anheuser-Busch InBev Worldwide Inc., an indirectly wholly owned subsidiary of Anheuser-Busch InBev SA/NV, received a net proposed tax assessment from the U.S. Internal Revenue Service (“IRS”) of USD 306 million, predominately involving certain inter-company transactions related to tax returns for the years 2008 and 2009. In November 2015, the IRS issued an additional proposed tax assessment of USD 133 million for tax years 2010 and 2011. Anheuser-Busch InBev Worldwide Inc. has contested the proposed assessments for the 2008 to 2011 tax years with the IRS and intends to vigorously defend its position.

Acquisition Antitrust Matters

The combination with Grupo Modelo was subject, and required approvals or notifications pursuant to various antitrust laws, including under the U.S. Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the “Hart-Scott-Rodino Act”).
United States

Under the Hart-Scott-Rodino Act, before the combination with Grupo Modelo could be completed, Grupo Modelo and we were each required to file a notification and report form and to wait until the applicable waiting period had expired or been terminated. In July 2012, we and Grupo Modelo filed notification and report forms under the Hart-Scott-Rodino Act with the U.S. Federal Trade Commission and the Antitrust Division of the U.S. Department of Justice. The initial 30-day waiting period was extended on 17 August 2012 for a period of time necessary for us and Grupo Modelo to respond to requests for additional information we and Grupo Modelo received from the U.S. Department of Justice, plus an additional 30 days for the relevant U.S. authorities to review after both parties substantially complied with the requests.

On 31 January 2013, the U.S. Department of Justice filed suit in the U.S. District Court for the District of Columbia challenging the proposed combination with Grupo Modelo and seeking an injunction to block the transaction.

Thereafter, on 19 April 2013, we announced that together with Grupo Modelo and Constellation Brands, Inc., we had reached a final settlement agreement with the U.S. Department of Justice. The terms of the settlement were substantially in line with the revised transaction announced on 14 February 2013, and included binding commitments to the revised transaction, designed to ensure a prompt divestiture of assets by us to Constellation Brands, Inc., the necessary build-out of the Piedras Negras brewery by Constellation Brands, Inc., as well as certain distribution guarantees for Constellation Brands, Inc. in the 50 states of the United States, the District of Columbia and Guam.

We announced the completion of the combination with Grupo Modelo on 4 June 2013, and on 7 June 2013, we announced that in a related transaction, Grupo Modelo completed the sale of its business in the 50 states of the United States, the District of Columbia and Guam to Constellation Brands, Inc. The transaction included the sale of Grupo Modelo’s 50% stake in Crown Imports and the sale of the Grupo Modelo’s Piedras Negras brewery and perpetual rights to certain of Grupo Modelo’s brands in the United States.

As part of the settlement with the U.S. Department of Justice, we completed the sale of our glass production plant and other assets on the same site in Nava, Coahuila, Mexico to Constellation Brands, Inc. in a transaction related to the Grupo Modelo combination. The sale price for all of these assets was approximately USD 300 million.

Mexico

The Mexican Antitrust Commission approved the combination with Grupo Modelo without any condition by resolution dated on 8 November 2012. The term of the Mexican Antitrust Commission’s approval was extended on 19 February 2013 for an additional period of six months, effective until 19 August 2013. The combination with Grupo Modelo was completed on 4 June 2013.

On 7 June 2013, in a transaction related to the combination with Grupo Modelo, Grupo Modelo completed the sale of its business in the 50 states of the United States, the District of Columbia and Guam to Constellation Brands, Inc. for approximately USD 4.75 billion, in aggregate, subject to post-closing adjustment of USD 558 million, which was paid by Constellation Brands, Inc. on 6 June 2014.

Dividend Policy

Our current dividend policy is to declare a dividend representing in aggregate at least 25% of our consolidated profit attributable to our equity holders, excluding exceptional items, such as restructuring charges, gains or losses on business disposals and impairment charges, subject to applicable legal provisions relating to distributable profit.

Any matter relating to our dividend payout policy (except that the actual amount of any dividend remains subject to approval at our shareholders’ meeting in accordance with the Belgian Companies Code) is within the
The dividends are approved by our annual shareholders’ meeting and are paid on the dates and at the places appointed by our Board. Our Board may pay an interim dividend in accordance with the provisions of the Belgian Companies Code.

In February 2013, our Board decided to pay the dividends on a semi-annual basis going forward. Starting with dividends for fiscal year 2013, the dividends payable for any given fiscal year will be paid in November of such year and in May of the following year. The dividend payable in November will be an advance amount decided by the board of directors in the form of an interim dividend. The dividend payable in May of the following year will be decided by the shareholders’ meeting and will supplement the amount already distributed in November. In both cases, the dividends will be paid on the dates and at the places communicated by the board of directors. We expect this change to allow us to manage our cash flow more efficiently throughout the year by matching dividend payments more closely with operating cash flow generation.

The table below summarizes the dividends paid by us in the most recent financial years.

<table>
<thead>
<tr>
<th>Financial year</th>
<th>Number of our shares outstanding at end of relevant financial year</th>
<th>Gross amount of dividend per share (in EUR)</th>
<th>Gross amount of dividend per Share (in USD)</th>
<th>Payment date(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>1,608,242,156</td>
<td>1.60</td>
<td>1.75</td>
<td>16 November 2015</td>
</tr>
<tr>
<td>2014</td>
<td>1,608,242,156</td>
<td>2.00</td>
<td>2.27</td>
<td>6 May 2015</td>
</tr>
<tr>
<td>2013</td>
<td>1,607,844,590</td>
<td>1.45</td>
<td>2.00</td>
<td>8 May 2014</td>
</tr>
<tr>
<td>2013</td>
<td>1,607,844,590</td>
<td>0.60</td>
<td>0.83</td>
<td>18 November 2013</td>
</tr>
<tr>
<td>2012</td>
<td>1,606,787,543</td>
<td>1.70</td>
<td>2.24</td>
<td>2 May 2013</td>
</tr>
<tr>
<td>2011</td>
<td>1,606,071,789</td>
<td>1.20</td>
<td>1.55</td>
<td>3 May 2012</td>
</tr>
<tr>
<td>2010</td>
<td>1,605,183,954</td>
<td>0.80</td>
<td>1.07</td>
<td>2 May 2011</td>
</tr>
<tr>
<td>2009</td>
<td>1,604,301,123</td>
<td>0.38</td>
<td>0.55</td>
<td>3 May 2010</td>
</tr>
</tbody>
</table>

B. SIGNIFICANT CHANGES

On 29 October 2015, an interim dividend of EUR 1.60 (USD 1.75) per share was approved by our board of directors. This interim dividend was paid out on 16 November 2015. On 24 February 2016, in addition to the interim dividend paid on 16 November 2015, a dividend of EUR 2.00 (USD 2.20) per share was proposed by our board of directors, reflecting a total dividend payment for the 2015 fiscal year of EUR 3.60 (USD 3.95) per share. If approved, this dividend will be payable from 3 May 2016.

In December 2015, the Argentine peso underwent a severe devaluation. In 2015, our Argentine operations represented 4.8% of our consolidated revenue and 5.4% of our EBITDA, as defined, for the year ended 31 December 2015. The 2015 Argentine full-year results were translated at an average rate of 9.10 Argentine pesos per U.S. dollar. The 2015 devaluation, and further devaluations in the future, if any, are expected to decrease our net assets in Argentina, with a balancing entry in our equity. The translation of results and cash flows of our Argentine operations are also expected to be impacted.
On 25 January 2016, our subsidiary ABIFI issued USD 46 billion aggregate principal amount of bonds guaranteed by us and certain other subsidiaries. The bonds comprise the following series:

<table>
<thead>
<tr>
<th>Title of Securities</th>
<th>1.900% Notes due 2019</th>
<th>2.650% Notes due 2021</th>
<th>3.300% Notes due 2023</th>
<th>3.650% Notes due 2026</th>
<th>4.700% Notes due 2026</th>
<th>4.900% Notes due 2026</th>
<th>Floating Rate Notes due 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aggregate principal amount sold:</td>
<td>USD 4 billion</td>
<td>USD 7.5 billion</td>
<td>USD 6 billion</td>
<td>USD 11 billion</td>
<td>USD 6 billion</td>
<td>USD 11 billion</td>
<td>USD 500 million</td>
</tr>
<tr>
<td>Maturity date:</td>
<td>1 February 2019</td>
<td>1 February 2021</td>
<td>1 February 2023</td>
<td>1 February 2026</td>
<td>1 February 2026</td>
<td>1 February 2026</td>
<td>1 February 2021</td>
</tr>
<tr>
<td>Public offering price:</td>
<td>99.729% of the principal</td>
<td>99.687% of the principal</td>
<td>99.621% of the principal</td>
<td>99.833% of the principal</td>
<td>99.166% of the principal</td>
<td>99.765% of the principal</td>
<td>100.00% of the principal</td>
</tr>
<tr>
<td>Interest payment dates:</td>
<td>Semi-annually on each 1 February and 1 August, commencing on 1 August 2016</td>
<td>Semi-annually on each 1 February and 1 August, commencing on 1 August 2016</td>
<td>Semi-annually on each 1 February and 1 August, commencing on 1 August 2016</td>
<td>Semi-annually on each 1 February and 1 August, commencing on 1 August 2016</td>
<td>Semi-annually on each 1 February and 1 August, commencing on 1 August 2016</td>
<td>Semi-annually on each 1 February and 1 August, commencing on 1 August 2016</td>
<td>Quarterly, on each 1 January, 1 May, 1 August and 1 November, commencing on 2 May 2016</td>
</tr>
<tr>
<td>Interest Rate:</td>
<td>1.900%</td>
<td>2.650%</td>
<td>3.300%</td>
<td>3.650%</td>
<td>4.700%</td>
<td>4.900%</td>
<td>Three-month LIBOR plus 126 bps</td>
</tr>
<tr>
<td>Optional Redemption:</td>
<td>Make-whole call at treasury rate plus 15 bps</td>
<td>Prior to 1 January 2021, make-whole call at treasury rate plus 20 bps; par call at any time thereafter</td>
<td>Prior to 1 December 2022, make-whole call at treasury rate plus 25 bps; par call at any time thereafter</td>
<td>Prior to 1 November 2025, make-whole call at treasury rate plus 25 bps; par call at any time thereafter</td>
<td>Prior to 1 August 2035, make-whole call at treasury rate plus 30 bps; par call at any time thereafter</td>
<td>Prior to 1 August 2045, make-whole call at treasury rate plus 35 bps; par call at any time thereafter</td>
<td>None</td>
</tr>
</tbody>
</table>

Substantially all of the net proceeds of the offering will be used to fund a portion of the purchase price for the acquisition of SABMiller and related transactions. The remainder of the net proceeds will be used for general corporate purposes.

The 2019 notes, the 2021 fixed and floating rate notes, the 2023 notes and the 2026 notes will be subject to a special mandatory redemption at a redemption price equal to 101% of the initial price of such notes, plus accrued and unpaid interest to, but not including, the special mandatory redemption date if the acquisition of SABMiller is not consummated on or prior to 11 November 2016 (which date is extendable at our option to 11 May 2017) or if, prior to such date, we announce the withdrawal or lapse of the acquisition of SABMiller and that we are no longer pursuing the acquisition of SABMiller.

On 27 January 2016, we cancelled USD 42.5 billion of commitments under the 2015 Senior Facilities Agreement following our debt capital market issuances announced on 13 January and 20 January 2016, in which we received approximately USD 47.0 billion of net proceeds. Following the receipt of the proceeds from the issuance announced on 13 January, we were required to cancel Cash/DCM Bridge Facility A and Cash/DCM Bridge Facility B in accordance with the mandatory prepayment provisions described above. In addition, we voluntarily cancelled USD 12.5 billion of Term Facility A, as permitted under the terms of the 2015 Senior Facilities Agreement. We intend to use the net proceeds from the MillerCoors divestiture and certain other future disposals to pay down and cancel the Disposals Bridge Facility in due course. See “Item 5. Operating and Financial Review—G. Liquidity and Capital Resources—Funding Sources” for further details on our debt capital markets issuances.

On 29 January 2016, we issued USD 1.47 billion aggregate principal amount of fixed rate notes due 2046. The fixed rate notes bear interest at an annual rate of 4.915%. Substantially all of the net proceeds of the offering are expected to be used to fund a portion of the purchase price for the acquisition of SABMiller and related transactions. The remainder of the net proceeds will be used for general corporate purposes.

On 10 February 2016, we announced that we had received a binding offer from Asahi to acquire SABMiller’s Peroni, Grolsch
and Meantime brand families and their associated business (excluding certain rights in the U.S.). The offer values the Peroni, Grolsch, and Meantime brand families and associated businesses in Italy, the Netherlands and the UK and internationally at EUR 2,550 million on a debt free/cash free basis. The parties have commenced the relevant employee information and consultation processes, during which time we have agreed to a period of exclusivity with Asahi in respect of these brands and businesses. Asahi’s offer is conditional on the successful closing of the Transaction.
In addition, on 2 March 2016, we announced that we had entered into an agreement to sell SABMiller’s 49% interest in CR Snow to China Resources Beer (Holdings) Co. Ltd., which currently owns 51% of CR Snow. The agreement values SABMiller’s 49% stake in CR Snow at USD 1.6 billion. The sale is conditional on the successful closing of the Transaction and is subject to any applicable regulatory approvals in China.

ITEM 9.  THE OFFER AND LISTING

A. THE OFFER AND LISTING

Price History of Stock

Ordinary Shares Listed on Euronext Brussels

The table below shows the quoted high and low closing sales prices in euro on Euronext Brussels for our shares for the indicated periods.

<table>
<thead>
<tr>
<th></th>
<th>High (in EUR)</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Annual</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>123.25</td>
<td>89.68</td>
</tr>
<tr>
<td>2014</td>
<td>94.80</td>
<td>69.55</td>
</tr>
<tr>
<td>2013</td>
<td>78.66</td>
<td>63.90</td>
</tr>
<tr>
<td>2012</td>
<td>69.94</td>
<td>46.35</td>
</tr>
<tr>
<td>2011</td>
<td>47.31</td>
<td>35.15</td>
</tr>
<tr>
<td><strong>Quarterly</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fourth Quarter</td>
<td>123.25</td>
<td>94.29</td>
</tr>
<tr>
<td>Third Quarter</td>
<td>118.80</td>
<td>91.28</td>
</tr>
<tr>
<td>Second Quarter</td>
<td>118.50</td>
<td>104.80</td>
</tr>
<tr>
<td>First Quarter</td>
<td>115.85</td>
<td>89.68</td>
</tr>
<tr>
<td>2014</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fourth Quarter</td>
<td>94.80</td>
<td>81.42</td>
</tr>
<tr>
<td>Third Quarter</td>
<td>89.15</td>
<td>79.26</td>
</tr>
<tr>
<td>Second Quarter</td>
<td>85.13</td>
<td>76.16</td>
</tr>
<tr>
<td>First Quarter</td>
<td>77.39</td>
<td>69.55</td>
</tr>
<tr>
<td><strong>Monthly</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td></td>
<td></td>
</tr>
<tr>
<td>February</td>
<td>116.15</td>
<td>100.60</td>
</tr>
<tr>
<td>January</td>
<td>115.85</td>
<td>105.30</td>
</tr>
<tr>
<td>2015</td>
<td></td>
<td></td>
</tr>
<tr>
<td>December</td>
<td>121.45</td>
<td>110.40</td>
</tr>
<tr>
<td>November</td>
<td>123.25</td>
<td>108.55</td>
</tr>
<tr>
<td>October</td>
<td>108.70</td>
<td>94.29</td>
</tr>
<tr>
<td>September</td>
<td>100.65</td>
<td>93.55</td>
</tr>
</tbody>
</table>
**ADSs Listed on NYSE**

On 16 September 2009, we listed 1,608,663,943 ADSs on the NYSE, each of which represents one of our ordinary shares. The table below shows the quoted high and low closing sales prices in USD on NYSE for our shares for the indicated periods.

<table>
<thead>
<tr>
<th>Per Share</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td>(in USD)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Annual</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>129.14</td>
<td>103.86</td>
</tr>
<tr>
<td>2014</td>
<td>116.99</td>
<td>94.17</td>
</tr>
<tr>
<td>2013</td>
<td>106.46</td>
<td>84.29</td>
</tr>
<tr>
<td>2012</td>
<td>90.27</td>
<td>58.92</td>
</tr>
<tr>
<td>2011</td>
<td>63.97</td>
<td>49.72</td>
</tr>
<tr>
<td><strong>Quarterly</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fourth Quarter</td>
<td>129.14</td>
<td>106.67</td>
</tr>
<tr>
<td>Third Quarter</td>
<td>128.51</td>
<td>103.86</td>
</tr>
<tr>
<td>Second Quarter</td>
<td>126.66</td>
<td>117.20</td>
</tr>
<tr>
<td>First Quarter</td>
<td>127.69</td>
<td>107.85</td>
</tr>
<tr>
<td>2014</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fourth Quarter</td>
<td>116.99</td>
<td>103.85</td>
</tr>
<tr>
<td>Third Quarter</td>
<td>115.65</td>
<td>106.79</td>
</tr>
<tr>
<td>Second Quarter</td>
<td>116.17</td>
<td>105.53</td>
</tr>
<tr>
<td>First Quarter</td>
<td>105.81</td>
<td>94.17</td>
</tr>
<tr>
<td><strong>Monthly</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td></td>
<td></td>
</tr>
<tr>
<td>February</td>
<td>126.71</td>
<td>111.50</td>
</tr>
<tr>
<td>January</td>
<td>125.84</td>
<td>115.94</td>
</tr>
<tr>
<td>2015</td>
<td></td>
<td></td>
</tr>
<tr>
<td>December</td>
<td>128.90</td>
<td>122.48</td>
</tr>
<tr>
<td>November</td>
<td>129.14</td>
<td>118.10</td>
</tr>
<tr>
<td>October</td>
<td>119.33</td>
<td>106.67</td>
</tr>
<tr>
<td>September</td>
<td>115.43</td>
<td>103.86</td>
</tr>
</tbody>
</table>

**Share Details**

See “Item 10. Additional Information—B. Memorandum and Articles of Association and Other Share Information—Form and Transferability of Our Shares” for details regarding our shares.

Each of our shares is entitled to one vote except for shares owned by us, or by any of our direct subsidiaries, the voting rights of which are suspended. Shares held by our main shareholders do not entitle such shareholders to different voting rights.

**B. PLAN OF DISTRIBUTION**

Not applicable.

**C. MARKETS**

We are incorporated under the laws of Belgium (register of legal entities number 0417.497.106), and our shares are listed on the regulated market of Euronext Brussels under the symbol “ABI.” We also have secondary
listings of our shares on the Johannesburg Stock Exchange under the symbol “ANB” and on the Mexican Stock Exchange under the symbol “ABI.” The securities that we have listed on the NYSE are ADSs, each of which represents one of our shares. We listed 1,608,663,943 ADSs listed on the NYSE on 16 September 2009 (such number equal to the number of our shares plus the number of warrants on our shares outstanding as of 7 September 2009). For more information on our shares see “—B. Memorandum and Articles of Association and Other Share Information—Form and Transferability of Our Shares.” Our ADSs are described in greater detail under “Item 12. Description of Securities Other Than Equity Securities—D. American Depositary Shares.”

Euronext Brussels

Euronext Brussels is a subsidiary of Euronext N.V., a company organized under the laws of the Netherlands, and holds a national license as the stock exchange operator in Belgium. Euronext is the primary exchange in the Euro zone with more than 1,300 listed issuers worth more than €3.0 trillion in market capitalization as of the end of December 2015, an unmatched blue chip franchise consisting of 25 issuers in the EURO STOXX 50® benchmark and a strong diverse domestic and international client base. Euronext operates regulated and transparent equity and derivatives markets. Its total product offering includes Equities, Exchange Traded Funds, Warrants & Certificates, Bonds, Derivatives, Commodities and Indices. Euronext also leverages its expertise in running markets by providing technology and managed services to third parties.


Cash trading on Euronext is governed both by a single harmonized rulebook for trading on each of Euronext’s markets and by non-harmonized Euronext Rulebooks containing a few local exchange-specific rules. Euronext’s trading rules provide for an order-driven market using an open electronic central order book for each traded security, various order types and automatic order matching and a guarantee of full anonymity both for orders and trades.

Trading Members. The majority of Euronext’s cash trading members are brokers and dealers based in Euronext’s marketplaces, but also include members in other parts of Europe, most notably the United Kingdom and Germany.

Clearing and Settlement. Clearing and settlement of trades executed on Euronext in Europe are handled by LCH.Clearnet (for central counterparty clearing), and independent entities that provide services to Euronext pursuant to contractual agreement. Euroclear is taking care of the settlement part of the transactions.

Euronext Brussels is governed by, and recognized as a market undertaking under, the Belgian Act of 2 August 2002. Pursuant to this legislation, the FSMA is responsible for disciplinary powers against members and issuers, control of sensitive information, supervision of markets, and investigative powers. Euronext Brussels is responsible for the organization of the markets and the admission, suspension and exclusion of members, and has been appointed by law as the “competent authority” within the meaning of the Listing Directive (Directive 2001/34/EC of 28 May 2001 of the European Parliament, as amended).

D. SELLING SHAREHOLDERS

Not applicable.

E. DILUTION

Not applicable.

F. EXPENSES OF THE ISSUE

Not applicable.
ITEM 10. ADDITIONAL INFORMATION

A. SHARE CAPITAL

Not applicable.

B. MEMORANDUM AND ARTICLES OF ASSOCIATION AND OTHER SHARE INFORMATION

A copy of our articles of association dated 29 April 2015 has been filed as Exhibit 99.1 to Form 6-K filed by Anheuser-Busch InBev SA/NV on 6 May 2015.

Corporate Profile

We are a public limited liability company incorporated in the form of a société anonyme/naamloze vennootschap under Belgian law (register of legal entities number 0417.497.106). Our registered office is located at Grand-Place/Grote Markt 1, 1000 Brussels, Belgium, and our headquarters are located at Brouwerijplein 1, 3000 Leuven, Belgium. We were incorporated on 2 August 1977 and our financial year runs from 1 January to 31 December.

Corporate Purpose

According to Article 4 of our articles of association, our corporate purpose is:

- To produce and deal in all kinds of beers, drinks, foodstuffs and ancillary products, fabricate, 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;
- To purchase, construct, convert, sell, let, sublet, lease, license and exploit in any form whatsoever all real property and real property rights and all businesses, goodwill, movable property and movable property rights connected with our business;
- To acquire and manage investments, shares and interests in companies or undertakings having objects similar or related to, or likely to promote the attainment of, any of the foregoing objects, and in financing 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 our Board of Directors or the like governing body; and
- 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.

We may, within the limits of our corporate purpose, engage in all civil, commercial, financial and industrial operations and transactions connected with our corporate purpose either within or outside Belgium. We may take interests by way of asset contribution, merger, subscription, equity investment, financial support or otherwise in all companies, undertakings or associations having a corporate purpose similar or related to or likely to promote the furtherance of our corporate purpose.

Board of Directors

Belgian law does not regulate specifically the ability of directors to borrow money from Anheuser-Busch InBev SA/NV.

Our Corporate Governance Charter prohibits us from making loans to directors, whether for the purpose of exercising options or for any other purpose (except for routine advances for business-related expenses in accordance

Article 523 of the Belgian Companies Code provides that if one of our directors directly or indirectly has a personal financial interest that conflicts with a decision or transaction that falls within the powers of our Board, the director concerned must inform our other directors before our Board makes any decision on such transaction. The statutory auditor must also be notified. The director may not participate in the deliberation or vote on the conflicting decision or transaction. An excerpt from the minutes of the meeting of our Board that sets forth the financial impact of the matter on us and justifies the decision of our Board must be published in our annual report. The statutory auditors’ report to the annual accounts must contain a description of the financial impact on us of each of the decisions of our Board where director conflicts arise.

We are relying on a provision in the NYSE Listed Company Manual that allows us to follow Belgian corporate law and the Belgian Corporate Governance Code with regard to certain aspects of corporate governance. This allows us to continue following certain corporate governance practices that differ in significant respects from the corporate governance requirements applicable to U.S. companies listed on the NYSE. See “Item 16G. Corporate Governance” for a concise summary of the significant ways in which our corporate governance practices differ from those followed by a U.S. company under the NYSE rules.

For further information regarding the provisions of our articles of association as applied to our Board, see “Item 6. Directors, Senior Management and Employees—A. Directors and Senior Management—Board of Directors” and “Item 6. Directors, Senior Management and Employees—C. Board Practices.”

Form and Transferability of Our Shares

Our shares can take the form of registered shares, bearer shares or dematerialized shares.

On 1 January 2008, bearer shares booked into a securities account were automatically converted into dematerialized shares. As from 1 January 2008, bearer shares not yet booked into a securities account have been automatically converted into dematerialized shares as from the time they were booked into a securities account.

Furthermore, holders of bearer shares that would not have been subject to this automatic conversion (that is, bearer shares not held in book-entry form) had to request, in accordance with the modalities provided by the Belgian Law of 14 December 2005 concerning the suppression of bearer securities, at the latest by 31 December 2013, that such shares be converted into registered or dematerialized shares.

In the event that the conversion of the bearer shares has not been requested by the above date, the shares have been automatically converted into dematerialized shares and recorded in our name, with all rights attached to such shares being suspended until their proven owner comes forward and requests that such shares be recorded in his own name. According to the Belgian Law of 14 December 2005, the shares whose owner remained unknown to us were offered for sale by us on the Euronext Brussels stock exchange on 2 November 2015, in accordance with the modalities provided by the law. We have deposited the proceeds of the sale with the Belgian Caisse des Dépôts et Donsignations/Deposito-en Consignatiekas, where such proceeds may be claimed by their beneficiaries, subject to certain administrative fines to be paid by the claimants.

All of our shares are fully paid-up and freely transferable.

Changes to Our Share Capital

In principle, changes to our share capital are decided by our shareholders. Our shareholders’ meeting may at any time decide to increase or decrease our share capital. Such resolution must satisfy the quorum and majority requirements that apply to an amendment of the articles of association, as described below in “—Description of the Rights and Benefits Attached to Our Shares—Right to Attend and Vote at Our Shareholders’ Meeting—Votes, quorum and majority requirements.”
**Share Capital Increases by Our Board of Directors**

Subject to the same quorum and majority requirements, our shareholders’ meeting may authorize our Board, within certain limits, to increase our share capital without any further approval of our shareholders. This is the so-called authorized capital. This authorization needs to be limited in time (that is, it can only be granted for a renewable period of maximum five years) and in scope (that is, the authorized capital may not exceed the amount of the registered share capital at the time of the authorization).

At our extraordinary shareholders’ meeting held on 30 April 2014, our shareholders authorized our Board, for a period of five years from the date of publication of the changes to the articles of association decided by our shareholders’ meeting on 30 April 2014, to increase our share capital, in one or more transactions, by a number of shares representing no more than 3% of the total number of shares issued and outstanding on 30 April 2014 (which was 1,608,242,156). In accordance with Article 603, indent 1, of the Belgian Companies Code, such increase may not result in the share capital being increased by an amount exceeding the amount of share capital on such date. As of the date of this Form 20-F, the authorized capital had not been used. The authorization will come to an end on 21 May 2019.

**Preference Rights**

In the event of a share capital increase for cash by way of the issue of new shares, or in the event of an issue of convertible bonds or warrants, our existing shareholders have a preferential right to subscribe, pro rata, to the new shares, convertible bonds or warrants. Our Board may decide that preference rights which were not exercised, or were only partly exercised, by any shareholders shall accrue proportionally to the other shareholders who have already exercised their preference rights, and shall fix the practical terms for such subscription.

Our shareholders’ meeting, acting in accordance with Article 596 of the Belgian Companies Code and in our interests, may restrict or cancel the preference rights. In the case of a share capital increase pursuant to the authorized capital, our Board may likewise restrict or cancel the preference rights, including in favor of one or more specific persons other than our employees or one of our subsidiaries.

**Purchases and Sales of Our Own Shares**

We may only acquire our own shares pursuant to a decision by our shareholders’ meeting taken under the conditions of quorum and majority provided for in the Belgian Companies Code. Such a decision requires a quorum of shareholders holding an aggregate of at least 50% of the share capital and approval by a qualified majority of at least 80% of the share capital present or represented. If there is no quorum, a second meeting must be convened. At the second meeting, no quorum is required, but the relevant resolution must be approved by a qualified majority of at least 80% of the share capital present or represented.

Our shareholders’ meeting of 30 April 2014 delegated authority to our Board, for a period of five years from such a date, to acquire our shares up to the maximum number allowed under Article 620, § 1, 2° of the Belgian Companies Code and for a unitary price that may not be less than one (1.00) euro and not more than 20% above the highest closing price in the last 20 stock exchange days preceding the transaction. The authorization will come to an end on 30 April 2019.

The Board approved and we conducted a successful share buyback program in relation to our various share delivery commitments under the stock ownership plan, in which 8,200,090 ordinary shares were repurchased for a total consideration of approximately USD 1 billion. The program was executed pursuant to the powers granted at the General Meeting of Shareholders on 30 April 2014.

See “Item 16E. Purchases of Equity Securities by the Issuer” for details of our recent share repurchase programs.
Description of the Rights and Benefits Attached to Our Shares

Right to Attend and Vote at Our Shareholders’ Meeting

Annual Shareholders’ Meeting

Our annual shareholders’ meeting shall be held on the last Wednesday of April of each year, at 11:00 am, or at any other time, in one of the municipalities (communes/gemeenten) of the Region of Brussels, in Leuven or in Liège, at the place mentioned in the notice. If this date is a legal holiday, the meeting is held on the next business day (excluding Saturday) at the same time. Our annual shareholders’ meeting in 2016 is scheduled to be held on 27 April 2016.

Special and Extraordinary Shareholders’ Meetings

Our Board or the statutory auditor (or the liquidators, if appropriate) may, whenever our interests so require, convene a special or extraordinary shareholders’ meeting. Such shareholders’ meeting must also be convened every time one or more of our shareholders holding at least one-fifth of our share capital so demand.

Notices Convening Our Shareholders’ Meeting

Notices of our shareholders’ meetings contain the agenda of the meeting and our Board’s recommendations on the matters to be voted upon.

Notices for our shareholders’ meeting are given in the form of announcements placed at least 30 days prior to the meeting in at least one Belgian newspaper and in the Belgian State Gazette (Moniteur belge/Belgisch Staatsblad).

Notices are sent 30 days prior to the date of our shareholders’ meeting to the holders of our registered shares, holders of our registered warrants and to our directors and our statutory auditor.

Notices of all our shareholders’ meetings and all related documents, such as specific Board and auditor’s reports, are also published on our website, http://www.ab-inbev.com/corporate-governance.html.

Admission to Meetings

All holders of our shares are entitled to attend our shareholders’ meeting, take part in the deliberations and, within the limits prescribed by the Belgian Companies Code, to vote.

In accordance with the Belgian law of 20 December 2010 on the exercise of certain rights of shareholders in listed companies, the Extraordinary Shareholders’ Meeting of 26 April 2011 approved an amendment to our articles of association. In accordance with this amendment, as of 1 January 2012, the right to participate in and vote at a shareholders’ meeting will require shareholders to:

(i) have the ownership of their shares recorded in their name on the 14th calendar day preceding the date of the meeting (the “record date”):
   – through registration in the register of the registered shares of our company, for holders of registered shares; or
   – through book-entry in the accounts of an authorized account holder or clearing organization, for holders of dematerialized shares.

AND
Any shareholder may attend our shareholders’ meetings in person or be represented by a proxy, who need not be a shareholder. All proxies must be in writing in accordance with the form prescribed by us and must be received by us no later than the sixth calendar day preceding the day of the meeting.

**Votes, Quorum and Majority Requirements**

Each of our shares is entitled to one vote except for shares owned by us, or by any of our direct subsidiaries, the voting rights of which are suspended. The shares held by our principal shareholders do not entitle such shareholders to different voting rights.

Shareholders are allowed to vote in person, by proxy or by mail. Votes by mail must be cast using the form prepared by us and must be received by us no later than the date upon which our shareholders must notify us of their intention to participate in the meeting.

Generally, there is no quorum requirement for our shareholders’ meetings, and decisions are taken by a simple majority vote of shares present or represented.

Resolutions relating to amendments of the articles of association or the merger or division of Anheuser-Busch InBev SA/NV are subject to special quorum and majority requirements. Specifically, any resolution on these matters requires the presence in person or by proxy of shareholders holding an aggregate of at least 50% of the issued share capital, and the approval of at least 75% of the share capital present or represented at the meeting. If there is no quorum, a second meeting must be convened. At the second meeting, the quorum requirement does not apply. However, the special majority requirement continues to apply.

Any modification of our corporate purpose or legal form requires a quorum of shareholders holding an aggregate of at least 50% of the share capital and approval by a qualified majority of at least 80% of the share capital present or represented at the meeting. If there is no quorum, a second meeting must be convened. At the second meeting, no quorum is required, but the relevant resolution must be approved by a qualified majority of at least 80% of the share capital present or represented at the meeting.

Our extraordinary shareholders’ meeting of 25 April 2006 approved an amendment to our articles of association. As a consequence, the following matters are now within the exclusive jurisdiction of our shareholders’ meetings and shall be adopted by the approval of at least 75% of the shares attending or represented at the meeting, regardless of the number of shares attending or represented:

- Any decision to apply for the delisting of our securities from any stock market; and
- Any acquisition or disposal of assets by us for an amount exceeding one-third of our consolidated total assets as reported in our most recent audited financial statements.

As a result of the amendment approved by our extraordinary shareholders’ meeting of 25 April 2006, the following matters are also within the jurisdiction of our shareholders’ meeting and shall be adopted with a positive vote of 75% of the shares attending or represented at the meeting, regardless of the number of shares attending or represented, if and only if any four of our directors request that the matter be submitted to our shareholders’ meeting:

- Any matter relating to our dividend payout policy (except that the actual amount of any dividend remains subject to approval by our shareholders’ meeting in accordance with the Belgian Companies Code).
The following matters shall be within the jurisdiction of our shareholders’ meeting and shall be adopted with a positive vote of 50% plus one of the shares attending or represented at the meeting, regardless of the number of shares attending or represented, if and only if any four of our directors request that the matter be submitted to our shareholders’ meeting:

- The approval of the individual to whom our Board proposes to delegate authority for our day-to-day management and appoint as Chief Executive Officer, and the ratification of any decision by our Board to dismiss such individual;
- Any modification of executive remuneration and incentive compensation policy;
- The ratification of any transaction of ours or one of our direct or indirect subsidiaries with a controlling shareholder of us or with a legal or natural person affiliated to or associated with such controlling shareholder within the meaning of Articles 11 and 12 of the Belgian Companies Code, it being understood that, for the purposes of this provision of the articles of association, our direct or indirect subsidiaries are not considered as affiliated to or associated with our controlling shareholders; and
- Any modification of our target capital structure and the maximum level of net debt.

**Dividends**

The Belgian Companies Code provides that dividends can only be paid up to an amount equal to the excess of our shareholders equity over the sum of (i) paid-up or called-up share capital and (ii) reserves not available for distribution pursuant to law or the articles of association.

The annual dividends are approved by our shareholders’ meetings and are paid on the dates and at the places determined by our Board. Our Board may pay an interim dividend in accordance with the provisions of the Belgian Companies Code. See “Item 8. Financial Information—A. Consolidated Financial Statements and Other Financial Information—Dividend Policy” for further information on our current dividend policy.

**Appointment of Directors**

Pursuant to a shareholders’ agreement (see “Item 7. Major Shareholders and Related Party Transactions—A. Major Shareholders”) BRC S.à.R.L. and Eugénie Patri Sébastien S.A. have the right to nominate four directors each. The Stichting board of directors nominates three to six directors who are independent of shareholders. Our Board currently comprises four independent directors.

**Liquidation Rights**

We can only be dissolved by a shareholders’ resolution passed with a majority of at least 75% of the votes cast at an extraordinary shareholders’ meeting where at least 50% of the share capital is present or represented.

In the event of the dissolution and liquidation of Anheuser-Busch InBev SA/NV, the assets remaining after payment of all debts and liquidation expenses shall be distributed to the holders of our shares, each receiving a sum proportional to the number of our shares held by them.

**Disclosure of Significant Shareholdings**

In addition to any shareholder notification thresholds under applicable legislation (which notification is required at 5%, 10%, 15% and so on in five-percentage-point increments), our articles of association require holders
of our shares to disclose the number of our shares held if their shareholding exceeds or falls below 3% of our outstanding shares with voting rights. For details of our major shareholders, see “Item 7. Major Shareholders and Related Party Transactions—A. Major Shareholders.”

**Mandatory Bid**

Belgium implemented the Thirteenth Company Law Directive (European Directive 2004/25/EC of 21 April 2004) by the Belgian Law of 1 April 2007 on public takeover bids (the “Takeover Law”) and the Belgian Royal Decree of 27 April 2007 on public takeover bids (the “Takeover Royal Decree”). Pursuant to the Takeover Law, a mandatory bid will need to be launched on all our shares (and our other securities giving access to voting rights) if a person, as a result of its own acquisition or the acquisition by persons acting in concert with it or by persons acting for their account, directly or indirectly holds more than 30% of our shares (directly and/or through ADSs).

Public takeover bids on shares and other securities giving access to voting rights (such as warrants or any convertible bonds) are subject to supervision by the FSMA. Public takeover bids must be made for all of our shares, as well as for all our other securities giving access to voting rights. Prior to making a bid, a bidder must publish a prospectus, approved by the FSMA prior to publication.

In accordance with Article 74 of the Takeover Law, our controlling shareholder (the Stichting) and the six entities acting in concert with it within the meaning of Articles 3, §1, 5° or 3, §2 of the Belgian Law of 1 April 2007 on public takeover bids (as set out in “Item 7. Major Shareholders and Related Party Transactions—A. Major Shareholders—Shareholding Structure”) have filed with us and the FSMA the disclosures set forth by the Takeover Law and are, therefore, exempt from the obligation to launch a takeover bid on our shares and other securities giving access to voting rights.

**Limitations on the Right to Own Securities**

Neither Belgian law nor our articles of association imposes any general limitation on the right of non-residents or foreign persons to hold our securities or exercise voting rights on our securities other than those limitations that would generally apply to all shareholders.

**C. MATERIAL CONTRACTS**

The following contracts have been entered into by us within the two years immediately preceding the date of this Form 20-F or contain provisions under which we or another member of our group has an obligation or entitlement which is material to our group:

**Material Contracts Related to the Acquisition of SABMiller**

**2015 Senior Facilities Agreement**

On 28 October 2015, we entered into a USD 75.0 billion Senior Facilities Agreement with a syndicate of banks in connection with the Transaction. The 2015 Senior Facilities Agreement made the following five facilities available to us and our wholly owned subsidiaries, subject to certain conditions: (i) “Cash/DCM Bridge Facility A”, a 364-day bridge facility for up to USD 15.0 billion principal amount available; (ii) “Cash/DCM Bridge Facility B”, a 364-day bridge facility, with an option to extend for an additional 12 months, for up to USD 15.0 billion principal amount available; (iii) “Disposals Bridge Facility”, a 364-day bridge facility for up to USD 10.0 billion principal amount available; (iv) “Term Facility A”, a two-year term facility, with an option to extend for an additional 12 months, for up to USD 25.0 billion principal amount available; and (v) “Term Facility B”, a five-year term facility for up to USD 10.0 billion principal amount available. The facilities are to be drawn in USD, except that a portion of each facility may be drawn in euro at our option. The 2015 Senior Facilities Agreement is filed as Exhibit 4.5 to this Form 20-F.

On 27 January 2016, we cancelled USD 42.5 billion of commitments under the 2015 Senior Facilities Agreement following our debt capital market issuances announced on 13 January and 20 January 2016, in which we received approximately USD 47.0 billion of net proceeds. Following the receipt of the proceeds from the issuance
announced on 13 January, we were required to cancel Cash/DCM Bridge Facility A and Cash/DCM Bridge Facility B in accordance with the mandatory cancellation and prepayment provisions described below. In addition, we voluntarily cancelled USD 12.5 billion of Term Facility A, as permitted under the terms of the 2015 Senior Facilities Agreement. We intend to use the net proceeds from the MillerCoors divestiture and certain other future disposals to pay down and cancel the Disposals Bridge Facility in due course. See “Item 5. Operating and Financial Review—G. Liquidity and Capital Resources—Funding Sources” for further details on our debt capital markets issuances.

Each outstanding facility is available to be drawn until the earlier of (i) 28 October 2016, subject to an extension up to 28 April 2017, at our option, and (ii) two months after the settlement date of our proposed offer to be made to acquire all of the shares in Newbelco, as described below under “—Co-operation Agreement.” For so long as the facilities are available to be drawn, the commitments under those facilities will be certain funds, subject to certain customary limitations. As of 31 December 2015, the facilities available under the 2015 Senior Facilities Agreement remained undrawn.

The 2015 Senior Facilities Agreement contains customary representations, covenants and events of default. Among other things and subject to certain thresholds and limitations, an event of default is triggered if any of our or our subsidiaries’ financial indebtedness is accelerated following an event of default. Our obligations as borrower under the 2015 Senior Facilities Agreement will be jointly and severally guaranteed by us (in the event an additional borrower is added at a later date), Anheuser-Busch InBev Worldwide Inc., Anheuser-Busch Companies, LLC, Anheuser-Busch InBev Finance Inc., Brandbrew S.A., Brandbev S.à.R.L. and Cobrew SA/NV. Within six months of the settlement of the Transaction, to the extent such entities remain obligors under SABMiller’s (as defined herein) existing publicly held debt securities (and subject to certain other conditions, including the absence of financial assistance, general statutory limitations, corporate benefit considerations, the absence of fraudulent preference or similar principles that may affect the ability of entities to provide a guarantee), SABMiller and certain of its key subsidiaries are required to accede as guarantors to the 2015 Senior Facilities Agreement.

All proceeds from the drawdown under the 2015 Senior Facilities Agreement must be applied to finance the cash consideration payable pursuant to our proposed offer for all Newbelco shares and, following the settlement date of the proposed offer, for financing fees, costs and expenses incurred in connection with the Transaction and the refinancing of any existing SABMiller Group indebtedness.

The availability of funds under the 2015 Senior Facilities Agreement is subject to the satisfaction of customary conditions precedent. In addition to these conditions, the utilizations under the 2015 Senior Facilities Agreement also require that no default is continuing or would result from the proposed utilizations and that certain representations made by the borrower and each guarantor remain true in all material respects.

The interest rates applicable under the 2015 Senior Facilities Agreement are equal to LIBOR (or EURIBOR, for euro-denominated loans) plus the applicable margin on each facility, based on ratings assigned by rating agencies to our long-term debt. For Cash/DCM Bridge Facility A and Cash/DCM Bridge Facility B, the margin ranges between 0.85% per annum and 1.30% per annum, which margin will increase in fixed increments of 0.20% per annum from the date falling three months after the settlement date of our proposed offer for all Newbelco shares and on the last day of each three-month period thereafter. For the Disposals Bridge Facility, the margin ranges between 0.85% per annum and 1.30% per annum. For Term Facility A, the margin ranges between 0.90% per annum and 1.35% per annum. For Term Facility B, the margin ranges between 1.00% per annum and 1.45% per annum, which margin will increase in fixed increments of 0.0625% per annum from the date falling thirty-six months after the settlement date of our proposed offer for all Newbelco shares and on the last day of each three-month period thereafter. Based on our ratings as of 31 December 2015, the applicable margins for each facility were: (i) for Cash/DCM Bridge Facility A, Cash/DCM Bridge Facility B and the Disposals Bridge Facility, 0.95% per annum; (ii) for Term Facility A, 1.025% per annum and (iii) for Term Facility B, 1.150% per annum. Customary ticking fees are payable on any undrawn but available funds under the facilities.

Mandatory prepayments are not required to be made under the 2015 Senior Facilities Agreement, except in certain limited circumstances, including (i) for Cash/DCM Bridge Facility A, Cash/DCM Bridge Facility B and the Disposals Bridge Facility, an amount equal to (a) the net proceeds of any disposal made by SABMiller or its subsidiaries or us or our subsidiaries and (b) 80% of the net proceeds received by us or our subsidiaries from funds.
raised in the public international debt capital markets, in each case subject to certain exceptions, and (ii) for all facilities, where a person or a group of persons acting in concert (other than our controlling shareholder, the Stichting or any of its certificate holders or any persons or group of persons acting in concert with such persons) acquires control of us.

Under the terms of the 2015 Senior Facilities Agreement, once borrowed, prepayments of the facilities are applied as follows:

- Voluntary prepayments will be applied first to prepayment of the Disposals Bridge Facility until it is repaid in full and cancelled, then to the Cash/DCM Bridge Facility A until it is repaid in full and cancelled, then to the Cash/DCM Bridge Facility B until it is repaid in full and cancelled, then to Term Facility A until it repaid in full and cancelled and finally to Term Facility B until it is repaid in full and cancelled.

- The net cash proceeds from disposals (subject to certain exceptions) will be applied first to prepayment of the Disposals Bridge Facility until it is repaid in full and cancelled, then to the Cash/DCM Bridge Facility A until it is repaid in full and cancelled and finally to the Cash/DCM Bridge Facility B until it is repaid in full and cancelled.

- 80% of the net cash proceeds from funds raised in any public or private loan or debt capital markets offerings will (subject to certain exceptions) be applied first to prepayment of the Disposals Bridge Facility until it is repaid in full and cancelled, then to Cash/DCM Bridge Facility A until it is repaid in full and cancelled, then to Cash/DCM Bridge Facility B until it is repaid in full and cancelled. On 27 January 2016, we cancelled the commitments under the Cash/DCM Bridge Facility A and the Cash/DCM Bridge Facility B.

**Co-operation Agreement**

On 11 November 2015, we entered into a Co-operation Agreement with SABMiller, pursuant to which we have agreed to use our best efforts to secure the regulatory clearances and authorizations necessary to satisfy the pre-conditions and regulatory conditions to the Transaction as set out in the Rule 2.7 Announcement released by us and SABMiller on 11 November 2015 (which has been filed as Exhibit 15.3 to this Form 20-F). The Co-operation Agreement has been filed as Exhibit 4.26 to this Form 20-F.

We and SABMiller have agreed to certain undertakings to co-operate and provide each other with reasonable information, assistance and access in relation to the filings, submissions and notifications to be made in relation to such regulatory clearances and authorizations. We and SABMiller have also agreed to provide each other with reasonable information, assistance and access for the preparation of the key shareholder documentation and in relation to the obtaining of any other official authorization or regulatory clearance required in relation to the implementation of the Transaction.

By way of compensation for any loss suffered by SABMiller or its shareholders on the occurrence of the below events, we have agreed to pay to SABMiller a USD 3.0 billion break payment if:

- key AB InBev shareholder resolutions are not passed by a specified date;
- at or before the start of the general meeting to be convened in connection with the Transaction, our board withdraws its recommendation to our shareholders to vote in favor of the key shareholder resolutions and SABMiller confirms that it no longer intends to proceed with the Transaction (and the UK Panel on Takeovers and Mergers (the “UK Panel”) and the Belgian Financial Services and Markets Authority (“BFSMA”), if applicable, confirm that we are no longer required to proceed with the Transaction); or
any pre-condition or regulatory condition to the Transaction (as set out in the Rule 2.7 Announcement) has not been satisfied or waived by 11:59 pm on the date which is 14 days prior to the long stop date (11 May 2017, unless extended by us and SABMiller), or we invoke (and are permitted by the UK Panel) any pre-condition or regulatory condition prior to the agreed long stop date.

We have the right to terminate the Co-operation Agreement (and the break payment shall not be payable) in certain circumstances as set out in the Rule 2.7 Announcement, including, but not limited to, if the SABMiller board withdraws or modifies its recommendation in respect of the Transaction; SABMiller announces that it will not (i) convene the meeting(s) of the relevant SABMiller shareholders to consider, and if thought fit, approve the proposed scheme of arrangement between SABMiller and the relevant SABMiller shareholders to implement the acquisition of SABMiller by Newbelco (the “UK Scheme”), (ii) convene the general meeting of SABMiller shareholders to approve, implement and effect the Transaction or (iii) post the UK Scheme shareholder document, which incorporates the notice of the general meeting of SABMiller shareholders (or an equivalent document, should the Transaction be implemented by an alternative structure); the meeting(s) of the relevant SABMiller Shareholders in relation to the UK Scheme, the general meeting of Newbelco shareholders to consider certain resolutions to approve, implement and effect the Transaction and/or the hearing of the High Court of Justice in England and Wales to sanction the UK Scheme are not held by the specified dates; a pre-condition or condition to the acquisition (as set out in the Rule 2.7 Announcement) is not satisfied or waived or has become incapable of satisfaction or waiver by an agreed long stop date; certain shareholder (and in the case of Newbelco, board of director) resolutions of SABMiller and Newbelco to approve, implement and effect the Transaction are not passed; a competing proposal is recommended by the relevant SABMiller directors or completes; if the implementation of the acquisition is, with the permission of the UK Panel and, where applicable, the BFSMA, withdrawn or lapses in accordance with its terms prior to the agreed long stop date (other than where: (a) such withdrawal or lapse is as a result of the exercise of our right (with the consent of the UK Panel) to effect a change in the implementation of the Transaction from a UK Scheme to an alternative structure or, subject to applicable law and regulation, to otherwise change the proposed structure of the Transaction; or (b) it is otherwise to be followed within five Business Days by an announcement under Rule 2.7 of the City Code on Takeovers and Mergers made by us or a person acting in concert with us to implement the Transaction by a different offer or scheme on substantially the same or improved terms); or if completion of the Transaction has not occurred by the agreed long stop date. The Co-operation Agreement will also terminate upon notice by either party on the occurrence of an event triggering a break payment, as described above.

We and SABMiller have agreed to work together in good faith to develop a proposal in relation to SABMiller’s Zenzele Broad-Based Black Economic Empowerment scheme (the “Zenzele Scheme”) as soon as reasonably practicable following the date of the Co-operation Agreement.

The SABMiller board and our board recognize the importance of retaining the necessary skills and experience within the SABMiller business in the period to completion of the Transaction (expected to be in the second half of 2016) and beyond. We and SABMiller have therefore agreed in the Co-operation Agreement to certain retention and other arrangements for SABMiller employees (excluding executive directors). The Co-operation Agreement also contains provisions in relation to certain SABMiller employee share plans.

**Tax Matters Agreement**

On 11 November 2015, we entered into a Tax Matters Agreement with Altria Group Inc. (“Altria”), pursuant to which we (and, after completion of the Transaction, Newbelco) will provide assistance and co-operation to, and will give certain representations and undertakings to, Altria in relation to certain matters that are relevant to Altria under U.S. tax legislation, including the structure and implementation of the Transaction. If certain of these representations or undertakings are breached, including, potentially, because the structure of the Transaction is required to be amended, we (and, after the completion of the Transaction, Newbelco) may be required to indemnify Altria for certain tax costs it may incur in relation to the Transaction. The Tax Matters Agreement provides that, upon closing of the Transaction, the existing tax matters agreement that was in place between Altria and SABMiller will be terminated. The Tax Matters Agreement has been filed as Exhibit 4.27 to this Form 20-F.
**Altria Irrevocable**

On 11 November 2015, we entered into an irrevocable undertaking with Altria (the “**Altria Irrevocable**”), pursuant to which Altria has irrevocably undertaken to vote in favor of the Transaction and to elect for the Partial Share Alternative in respect of its entire beneficial holding of SABMiller shares.

Under the Altria Irrevocable, Altria is permitted to pledge its holding of SABMiller shares in the period to completion of the Transaction provided that the relevant pledgee (meaning, the beneficiary of the pledge) provides an undertaking in favor of AB InBev which provides, in all material respects, equivalent undertakings to AB InBev as those undertakings set out in the Altria Irrevocable (or such other form as we may agree). We have given our prior consent to Altria to certain pledges, such consent being binding on Newbelco.

The Altria Irrevocable will remain binding if a higher competing offer for SABMiller is made but will cease to be binding in, among others, the following circumstances:

- eighteen months from the date of the Altria Irrevocable (or such later date as may be agreed by Altria);
- on the date on which the Transaction is withdrawn or lapses in accordance with its terms;
- if the shareholders or board of directors’ resolution of Newbelco to adopt new articles of association of Newbelco with effect from closing of the Belgian offer (a voluntary cash takeover offer made by AB InBev 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 shares of Newbelco to be issued to the shareholders of SABMiller as a result of the UK Scheme, the “**Belgian Offer**”) is not passed or is revoked prior to the UK Scheme becoming effective;
- if there is an increase in the cash consideration being paid in connection with the Transaction and Altria has not given its consent to such increase in circumstances where the cash element of the partial share alternative (the cash consideration in an amount of GBP 3.7788 in respect of each SABMiller ordinary share and/or SABMiller ADS it owns as well as 0.483969 restricted shares in Newbelco, the “**Partial Share Alternative**”) is not increased by an equal (or greater) amount;
- fourteen days following the date of the successful implementation of the Transaction in accordance with its terms;
- other than with the consent of Altria, if there is a switch from the UK Scheme to a UK takeover offer;
- other than with the consent of Altria, if (i) changes are made to the proposed structure of the Transaction (as is set out by the Rule 2.7 Announcement) or (ii) we agree to permit or in any way facilitate any action by SABMiller that would constitute “frustrating action” under Rule 21.1 of the UK City Code on Takeovers and Mergers with respect to the Transaction, in each case which would be reasonably expected to have certain material adverse effects on Altria or
- other than with the consent of Altria, if we fail to deliver six business days prior to the meeting of the relevant SABMiller shareholders in relation to the UK Scheme and the SABMiller general meeting, the certification we are required to deliver on such date pursuant to the Tax Matters Agreement.

In the event that the Altria Irrevocable ceases to be binding in accordance with the last two bullets above, Altria is required to vote against the SABMiller shareholder resolutions proposed at the meeting of the relevant SABMiller shareholders in connection with the UK Scheme and the SABMiller general meeting in respect of its entire beneficial holding of SABMiller shares respectively. As a result of Altria’s holding of SABMiller shares, this requirement would be expected to result in the UK Scheme lapsing. The Altria Irrevocable has been filed as Exhibit 4.29 to this Form 20-F.

**BEVCO Irrevocable**

On 11 November 2015, we entered into an irrevocable undertaking with BEVCO Ltd. (“**BEVCO**”, and such irrevocable undertaking, the “**BEVCO Irrevocable**”), pursuant to which BEVCO has irrevocably undertaken to vote in favor of the Transaction and to elect for the Partial Share Alternative in respect of its entire beneficial holding of SABMiller shares.
BEVCO has 83,288,000 SABMiller shares pledged as at the date of the BEVCO Irrevocable. BEVCO is permitted to pledge additional SABMiller shares in the period to completion of the Transaction provided that the relevant pledgee provides an undertaking in favor of AB InBev which provides, in all material respects, equivalent undertakings to AB InBev as those undertakings set out in the BEVCO Irrevocable (or such other form as we may agree). We have given our prior consent to BEVCO to certain pledges, such consent being binding on Newbelco.

The BEVCO Irrevocable will remain binding if a higher competing offer for SABMiller is made but will cease to be binding in, among others, the following circumstances:

- in respect of the SABMiller shares pledged as of the date of the BEVCO Irrevocable, in the event of a foreclosure event;
- eighteen months from the date of the BEVCO Irrevocable (or such later date as may be agreed by BEVCO);
- on the date on which the Transaction is withdrawn or lapses in accordance with its terms; or
- if the Altria Irrevocable lapses in accordance with its terms or is varied or waived such that (in aggregate) there are commitments in force from or on behalf of holders of SABMiller shares (excluding BEVCO’s holding of SABMiller shares) to elect for the Partial Share Alternative in respect of less than 400 million SABMiller shares;
- other than with the consent of BEVCO, if there is a switch from the UK Scheme to a UK takeover offer; or
- other than with the consent of BEVCO, if changes are made to the proposed structure which would be reasonably expected to have certain material adverse effects on BEVCO.

The BEVCO Irrevocable has been filed as Exhibit 4.30 to this Form 20-F.

**AB InBev Shareholder Irrevocables**

On 11 November 2015, we and SABMiller received irrevocable undertakings from each of the Stichting, EPS Participations S.à.R.L. and BRC S.à.R.L., who as at 10 November 2015 collectively held the voting rights in respect of approximately 51.8% of the issued share capital of AB InBev, to vote in favor of certain AB InBev shareholder resolutions to approve, implement and effect the Transaction at the AB InBev general meeting to be convened in connection with the Transaction. The irrevocable undertakings from EPS Participations S.à.R.L. and BRC S.à.R.L. do not prevent them from disposing of their voting rights in us. As at 10 November 2015, EPS Participations S.à.R.L. and BRC S.à.R.L. collectively held the voting rights in respect of approximately 10.5% of our issued share capital. See “Item 7. Major Shareholders and Related Party Transactions—A. Major Shareholders—Shareholding Structure” for further details on the shareholdings of the Stichting, EPS Participations S.à.R.L. and BRC S.à.R.L.

These irrevocable undertakings remain binding if a higher competing offer for SABMiller is made, but cease to be binding:

(a) eighteen months from the date of the Rule 2.7 Announcement (or such later date as may be agreed by the Stichting, EPS Participations S.à.R.L. or BRC S.à.R.L. (as applicable));
(b) on the date on which the Transaction is withdrawn or lapses in accordance with its terms; or
(c) fourteen days following the date of the successful implementation of the Transaction in accordance with its terms or (d) if certain shareholder or board of directors resolutions of Newbelco to adopt the new articles of association of Newbelco or appoint the new board of directors of Newbelco, in each case with effect from the closing of the Belgian Offer, are not passed, or if such Newbelco resolutions above are revoked prior to the UK Scheme becoming effective. The AB InBev Shareholder Irrevocables have been filed as Exhibits 4.29 through 4.33 to this Form 20-F.

**Molson Coors Purchase Agreement**

On 11 November 2015, Molson Coors Brewing Company (“Molson Coors”) entered into a purchase agreement (the “Molson Coors Purchase Agreement”) with us pursuant to which Molson Coors will acquire all of SABMiller’s interest in MillerCoors LLC, a joint venture between SABMiller and Molson Coors (“MillerCoors”), and certain assets (including trademarks, other intellectual property, contracts, inventory and other assets) related to SABMiller’s portfolio of Miller brands outside the U.S. for an aggregate purchase price of USD 12.0 billion in cash, subject to certain adjustments as described in the Molson Coors Purchase Agreement. Following the closing of the MillerCoors divestiture, Molson Coors will directly or indirectly own 100% of the outstanding equity interests of MillerCoors.
The completion of the MillerCoors divestiture is subject to the following closing conditions:

- the absence of any applicable and material law or government order prohibiting the consummation of the MillerCoors divestiture or making the divestiture illegal; and

- the closing of the Transaction.

We and Molson Coors have agreed to use reasonable best efforts to consummate and make effective the MillerCoors divestiture, including with respect to obtaining regulatory consents and approvals as described in the Molson Coors Purchase Agreement. Our obligation to use such efforts is subject to the limitations set forth in the Co-operation Agreement, and Molson Coors’ obligation to agree to divestitures or other remedies to obtain regulatory consents and approvals is subject to certain limitations set forth in the Molson Coors Purchase Agreement.

Molson Coors has arranged committed debt financing to fund its acquisition of SABMiller’s interest in MillerCoors and the related fees and expenses. Pursuant to the Molson Coors Purchase Agreement, Molson Coors has agreed to customary covenants to obtain its financing, and we have agreed to use our reasonable best efforts to cause SABMiller to provide reasonable co-operation with Molson Coors in Molson Coors’ efforts to obtain its financing. There is no financing condition to the MillerCoors divestiture.

The Molson Coors Purchase Agreement may be terminated by the mutual written consent of Molson Coors and AB InBev or by either party if the Transaction has not closed before 11 November 2016, subject to an automatic extension for six months if all regulatory approvals necessary to consummate the MillerCoors divestiture and the Transaction have not been obtained. The Molson Coors Purchase Agreement will automatically terminate if the Transaction has been withdrawn or has lapsed, except for certain withdrawals or lapses in connection with a change in the structure of the Transaction. In the event that the Molson Coors Purchase Agreement is terminated as a result of the Transaction having been withdrawn or lapsed as described in the Molson Coors Purchase Agreement, we have agreed to reimburse Molson Coors for certain out-of-pocket expenses incurred in connection with the MillerCoors divestiture.

Under certain conditions, Molson Coors may terminate its purchase of assets related to SABMiller’s portfolio of Miller brands outside the U.S., and such termination would not impact the sale of SABMiller’s interest in MillerCoors.

We have agreed to indemnify Molson Coors for losses arising out of: (i) certain breaches of representations, warranties, covenants and agreements of AB InBev contained in the Molson Coors Purchase Agreement; (ii) all liabilities of AB InBev, SABMiller and any of their respective affiliates that are not expressly assumed by Molson Coors in the MillerCoors divestiture; and (iii) certain other liabilities (including in connection with actions required to be taken by Molson Coors to obtain necessary regulatory consents and approvals). Our indemnification obligations arising from breaches of our representations and warranties in the Molson Coors Purchase Agreement survive for twenty-four months after closing of the MillerCoors divestiture and are subject to a USD 5 million deductible and a USD 750 million cap.

We have agreed to provide certain transition services to Molson Coors, including producing certain Miller branded products in specified countries outside the U.S. for three years, and to provide certain other transition services for one year following the closing of the MillerCoors divestiture. We have also agreed to enter into amendments to certain existing agreements between SABMiller and its affiliates and MillerCoors in respect of the license and/or supply of certain brands owned by SABMiller and distributed by MillerCoors in the U.S. and Puerto Rico, including granting perpetual licenses to such brands to MillerCoors and committing to supply product to MillerCoors under those brands for three years (plus two one-year extensions at Molson Coors’ election).

The Molson Coors Purchase Agreement also contains other customary representations, warranties and covenants by each party that are subject, in some cases, to specified exceptions and qualifications contained in the Molson Coors Purchase Agreement. The Molson Coors Purchase Agreement has been filed as Exhibit 4.28 to this Form 20-F.
On 26 February 2010, we entered into USD 17.2 billion of senior credit agreements, comprising a USD 13 billion senior facilities agreement (the “2010 Senior Facilities Agreement”) with a syndicate of 13 banks, and two term facilities totaling USD 4.2 billion, enabling us to fully refinance a previous senior facilities agreement related to our Anheuser-Busch merger in 2008. These facilities extended our debt maturities while building additional liquidity, thus enhancing our credit profile as evidenced by the improved terms under the facilities, which do not include financial covenants or mandatory prepayment provisions (except in the context of a change in control). The two term facilities totaling USD 4.2 billion were cancelled on 31 March 2010 before being drawn.

The 2010 Senior Facilities Agreement made the following two senior facilities available to us and our subsidiary, Anheuser-Busch InBev Worldwide Inc.: (i) the term facility, a three-year term loan facility for up to USD 5.0 billion principal amount available to be drawn in USD, and (ii) the “Revolving Facility,” a five-year multi-currency revolving credit facility for up to USD 8.0 billion principal amount, which is also available to Cobrew NV and Brandbrew S.A. The 2010 Senior Facilities Agreement is filed as Exhibit 4.2 to our Annual Report on Form 20-F for the fiscal year ended 31 December 2009 filed with the SEC on 15 April 2010.

The Revolving Facility contains customary representations and warranties, covenants and events of default. Among other things, an event of default is triggered if either a default or an event of default occurs under any of our or our subsidiaries’ financial indebtedness. The obligations of the borrowers under the 2010 Senior Facilities Agreement are jointly and severally guaranteed by the other borrowers, Anheuser-Busch InBev Finance Inc., Anheuser-Busch Companies, LLC and Brandbev S.à.R.L.

Mandatory prepayments are required to be made under the 2010 Senior Facilities Agreement in circumstances where a person or a group of persons acting in concert (other than our controlling shareholder, the Stichting or any of its certificate holders or any persons or group of persons acting in concert with such persons) acquires control of us, in which case individual lenders are accorded rights to require prepayment in full of their respective portions of the outstanding utilizations.

Effective 25 July 2011, we amended the Revolving Facility under the 2010 Senior Facilities Agreement. The termination date of the Revolving Facility was amended to 25 July 2016. On 5 July 2011, in connection with the amendment, we fully prepaid and terminated the term facility under the 2010 Senior Facilities Agreement. The amendment to the Revolving Facility is incorporated by reference as Exhibit 4.2 to this Form 20-F. Effective 20 August 2013, we amended the terms of the USD 8.0 billion five-year Revolving Facility extending the provision of USD 7.2 billion to a revised maturity of July 2018. The amendment to the Revolving Facility is incorporated by reference as Exhibit 4.3 to this Form 20-F. Effective 28 August 2015, we amended the terms of our Revolving Facility to increase the total commitment to USD 9.0 billion and to extend the maturity to August 2020. The amendment to the Revolving Facility is filed as Exhibit 4.4 to this Form 20-F.

We borrow under the Revolving Facility at an interest rate equal to LIBOR (or EURIBOR for euro-denominated loans) plus a margin of 0.20% per annum based upon the ratings assigned by rating agencies to our long-term debt as of the date of this report. These margins may change to the extent that the ratings assigned to our long-term debt are modified, ranging between 0.175% per annum and 0.70% per annum. A commitment fee of 35% of the applicable margin is applied to any undrawn but available funds under the Revolving Facility. A utilization fee of up to 0.3% per annum is payable, dependent on the amount drawn under the Revolving Facility.

As of 31 December 2015, the Revolving Facility had been fully repaid and remained undrawn, with USD 9.0 billion remaining available to be drawn.
Grupo Modelo Transaction Agreement

On 28 June 2012, we, Anheuser-Busch International Holdings, Inc., a Delaware corporation and predecessor of Anheuser-Busch International Holdings, LLC (“ABI Holdings”), Anheuser-Busch México Holding, S. de R.L. de C.V., a Mexican corporation (“ABI Sub”) and Grupo Modelo and Diblo, S.A. de C.V. (“Diblo”), then a subsidiary of Grupo Modelo, entered into a Transaction Agreement (the “Transaction Agreement”).

In a transaction related to, and following the settlement of, the tender offer for Grupo Modelo contemplated by the Transaction Agreement, two Grupo Modelo shareholders, Maria Asuncion Aramburuzabala and Valentín Diez Morodo, purchased a deferred share entitlement to acquire the equivalent of approximately 23.1 million AB InBev shares, to be delivered within five years, for consideration of approximately USD 1.5 billion. This investment occurred on 5 June 2013. Maria Asuncion Aramburuzabala and Valentín Diez Morodo were appointed to our Board of Directors in accordance with the terms of the Grupo Modelo combination with ABI. They have also agreed to a non-competition provision for three years following the completion of the tender offer for Grupo Modelo.

Crown Imports Membership Interest Purchase Agreement and Brewery Sale and Purchase Agreement

In a sale related to the completion of the combination with Grupo Modelo, we, Grupo Modelo and Constellation Brands, Inc. announced on 29 June 2012 that Grupo Modelo would sell its existing 50% stake in Crown Imports, the joint venture that imports and markets Grupo Modelo’s brands in the 50 states of the United States, the District of Columbia and Guam, to Constellation Brands, Inc. for USD 1.85 billion, giving Constellation Brands, Inc. 100% ownership and control of Crown Imports.

Thereafter, on 14 February 2013, we, Grupo Modelo and Constellation Brands, Inc. announced a revised agreement that establishes Crown Imports as a fully owned entity of Constellation Brands, Inc., and provides Constellation Brands, Inc. with independent brewing operations, Grupo Modelo’s full profit stream from all sales in the 50 states of the United States, the District of Columbia and Guam, and rights in perpetuity to certain of Grupo Modelo’s brands in the United States. In addition, on 14 February 2013, we entered into an agreement to sell Compañía Cervecería de Coahuila, Grupo Modelo’s state-of-the-art brewery in Piedras Negras, Mexico, and grant perpetual brand licenses to Constellation Brands, Inc. for USD 2.9 billion, subject to a post-closing adjustment. Upon closing, we and Constellation Brands, Inc. also entered into a three-year transition services agreement to ensure the smooth transition of the operation of the Piedras Negras brewery, which is fully self-sufficient, utilizes top-of-the-line technology and was built to be readily expanded to increase production capacity.

On 4 June 2013 we announced the completion of the combination with Grupo Modelo, and on 7 June 2013, Grupo Modelo completed the sale of its business in the 50 states of the United States, the District of Columbia and Guam to Constellation Brands, Inc. for approximately USD 4.75 billion, in aggregate, subject to post-closing adjustment of USD 558 million, which was paid by Constellation Brands, Inc. on 6 June 2014.

Grupo Modelo Settlement Agreement

On 19 April 2013 we, Grupo Modelo, Constellation Brands, Inc. and Crown Imports LLC, reached a final agreement with the U.S. Department of Justice on the terms of a settlement of the Department of Justice’s litigation challenging our acquisition of Grupo Modelo. The settlement required the divestiture to Constellation Brands, Inc. of Grupo Modelo’s brewery in Piedras Negras, Mexico and Grupo Modelo’s 50% stake in Crown Imports LLC, as well as the grant of perpetual brand licenses to Constellation Brands, Inc. The final judgment was approved by the Court in October 2013.

Under the terms of the stipulation order and final judgment, (i) Constellation Brands, Inc. was joined as a party to the action for the purposes of settlement and for the entry of a final judgment, (ii) we and Grupo Modelo agreed to the prompt and certain divestiture of certain rights and assets held by them, (iii) we and Constellation Brands, Inc. agreed to amend certain agreements that were executed in connection with the acquisition of the equity interest in Crown Imports LLC and the brewery, (iv) Constellation Brands, Inc. is obligated to build out and expand the Brewery to a nominal capacity of at least 20 million hectoliters of packaged beer annually by 31 December 2016, and to use its best efforts to achieve certain construction milestones by specified dates, (v) the United States
has approval rights, in its sole discretion, for amendments or modifications to the agreements between us and Constellation Brands, Inc., and (vi) the United States has a right of approval, in its sole discretion, of any extension beyond three years of the term of the interim supply agreement, which was executed by us and Constellation Brands, Inc. at the closing of the acquisition.

As part of the settlement with the U.S. Department of Justice, we completed the sale of our glass production plant and other assets on the same site in Nava, Coahuila, Mexico to Constellation Brands, Inc. in a transaction related to the Grupo Modelo combination. The sale price for all of these assets was approximately USD 300 million. Our transition services agreement and interim supply agreement with Constellation Brands, Inc. were amended as part of this sale and in 2015, the interim supply agreement was extended for an additional year. These amendments are filed as Exhibits 4.22 and 4.23 to this Form 20-F.

D. EXCHANGE CONTROLS

There are no Belgian exchange control regulations that would affect the remittance of dividends to non-resident holders of our shares. See “Item 5. Operating and Financial Review—G. Liquidity and Capital Resources—Transfers from Subsidiaries” for a discussion of various restrictions applicable to transfers of funds by our subsidiaries.

E. TAXATION

Belgian Taxation

The following paragraphs are a summary of material Belgian tax consequences of the ownership of our shares or ADSs by an investor. The summary is based on laws, treaties and regulatory interpretations in effect in Belgium on the date of this document, all of which are subject to change, including changes that could have retroactive effect.

The summary only discusses Belgian tax aspects which are relevant to U.S. holders of our shares or ADSs (“Holders”). This summary does not address Belgian tax aspects which are relevant to persons who are residents in Belgium or engaged in a trade or business in Belgium through a permanent establishment or a fixed base in Belgium. This summary does not purport to be a description of all of the tax consequences of the ownership of our shares or ADSs, and does not take into account the specific circumstances of any particular investor, some of which may be subject to special rules, or the tax laws of any country other than Belgium. This summary does not describe the tax treatment of investors that are subject to special rules, such as banks insurance companies, collective investment undertakings, dealers in securities or currencies, persons that hold, or will hold, our shares or ADSs in a position in a straddle, share-repurchase transaction, conversion transaction, synthetic security or other integrated financial transaction. Investors should consult their own advisors regarding the tax consequences of an investment in our shares or ADSs in the light of their particular circumstances, including the effect of any state, local or other national laws.

Dividend Withholding Tax

As a general rule, a withholding tax of 27% (increase from 25% to 27% effective as of 1 January 2016) is levied on the gross amount of dividends paid on or attributed to our shares or ADSs, subject to such relief as may be available under applicable domestic or tax treaty provisions. Dividends subject to the dividend withholding tax include all benefits paid on or attributed to our shares or ADSs, irrespective of their form, as well as reimbursements of statutory share capital, except reimbursements of fiscal capital made in accordance with the Belgian Companies Code. In principle, fiscal capital includes paid-up statutory share capital, and subject to certain conditions, the paid-up issue premiums and the cash amounts subscribed to at the time of the issue of profit-sharing certificates.

If we redeem our own shares or ADSs, the redemption distribution (after deduction of the portion of fiscal capital represented by our redeemed shares or ADSs) will be treated as a dividend, which in certain circumstances may be subject to a withholding tax of 27%, subject to such relief as may be available under applicable domestic or tax treaty provisions. No withholding tax will be triggered if such redemption is carried out on a stock exchange and meets certain conditions. In case of our liquidation, any amounts distributed in excess of the fiscal capital will be subject to a 27% withholding tax, subject to such relief as may be available under applicable domestic or tax treaty provisions.
For non-resident individuals and companies, the dividend withholding tax will be the only tax on dividends in Belgium, unless the non-resident holds our shares or ADSs in connection with a business conducted in Belgium, through a fixed base in Belgium or a Belgian permanent establishment.

**Relief of Belgian Dividend Withholding Tax**

Under the income tax convention between the United States of America and Belgium (the “Treaty”), there is a reduced Belgian withholding tax rate of 15% on dividends paid by us to a U.S. resident that beneficially owns the dividends and is entitled to claim the benefits of the Treaty under the limitation of benefits article included in the Treaty (“Qualifying Holders”). If such Qualifying Holder is a company that owns directly at least 10% of our voting stock, the Belgian withholding tax rate is further reduced to 5%. No withholding tax is, however, applicable if the Qualifying Holder is: (i) a company that is a resident of the United States that has owned directly our shares or ADSs representing at least 10% of our capital for a 12-month period ending on the date the dividend is declared, or (ii) a pension fund that is a resident of the United States, provided that such dividends are not derived from the carrying on of a business by the pension fund or through an associated enterprise. A reduced withholding tax rate of 1.6995% will apply on dividends paid by us to a company that is a resident of the United States, provided that (i) it has owned directly our shares or ADSs for a 12-month period ending on the date the dividend is declared, representing less than 10% of our capital but with an acquisition value of at least EUR 2,500,000 and (ii) if, and to the extent that, the ordinary withholding tax (at the rate of 27%) is, in principle, neither creditable nor reimbursable in the hands of the company that is a resident of the United States.

Under the normal procedure, we or our paying agent must withhold the full Belgian withholding tax (without taking into account the Treaty rate). Qualifying Holders may make a claim for reimbursement for amounts withheld in excess of the rate defined by the Treaty. The reimbursement form (Form 276 Div-Aut.) may be obtained from the Bureau Central de Taxation Bruxelles-Etranger, 33 Boulevard Roi Albert II, 33 (North Galaxy Tower B7), 1030 Brussels, Belgium. Qualifying Holders may also, subject to certain conditions, obtain the reduced Treaty rate at source. Qualifying Holders should deliver a duly completed Form 276 Div-Aut. no later than ten days after the date on which the dividend becomes payable. U.S. holders should consult their own tax advisers as to whether they qualify for reduction in withholding tax upon payment or attribution of dividends, and as to the procedural requirements for obtaining a reduced withholding tax upon the payment of dividends or for making claims for reimbursement.

Withholding tax is also not applicable, pursuant to Belgian domestic tax law, on dividends paid to a U.S. pension fund which satisfies the following conditions: (i) it is a legal entity with fiscal residence in the United States; (ii) whose corporate purpose consists solely in managing and investing funds collected in order to pay legal or complementary pensions; (iii) whose activity is limited to the investment of funds collected in the exercise of its statutory mission, without any profit making aim; (iv) which is exempt from income tax in the United States; and (v) provided that it is not contractually obligated to redistribute the dividends to any ultimate beneficiary of such dividends for whom it would manage the shares or ADSs, nor obligated to pay a manufactured dividend with respect to the shares or ADSs under a securities borrowing transaction. The exemption will only apply if the U.S. pension fund provides a certificate confirming that it is the full legal owner or usufruct holder of the shares or ADSs and that the above conditions are satisfied. The organization must then forward that certificate to us or our paying agent.

**Capital Gains and Losses**

Pursuant to the Treaty, capital gains and/or losses realized by a Qualifying Holder from the sale, exchange or other disposition of our shares or ADSs do not fall within the scope of application of Belgian domestic tax law.

Capital gains realized on our shares or ADSs by a corporate Holder which is not entitled to claim the benefits of the Treaty under the limitation of benefits article included in the Treaty are generally not subject to taxation and losses are not deductible (provided that our shares or ADSs are neither held in connection with a business conducted in Belgium, nor through a fixed base or permanent establishment in Belgium).
Private individual Holders who are not entitled to claim the benefits of the Treaty under the limitation of benefits article included in the Treaty and who are holding our shares or ADSs as a private investment will, as a rule, not be subject to tax on any capital gains arising out of a disposal of our shares or ADSs and capital losses will, as a rule, not be deductible in Belgium, subject to the exceptions below.

If capital gains realized by Private individual Holders who are not entitled to claim the benefits of the Treaty under the limitation of benefits article included in the Treaty on our shares or ADSs are deemed to be realized outside the scope of the normal management of such individual’s private estate and the capital gain is obtained or received in Belgium, the gain will be subject to a final professional withholding tax of 30.28%. The Official Commentary to the ITC 1992 stipulates that occasional transactions on a stock exchange regarding our shares or ADSs should not be considered as transactions realized outside the scope of normal management of one’s own private estate.

Capital gains realized by such individual Holders on the disposal of our shares or ADSs for consideration, outside the exercise of a professional activity, to a non-resident company (or a body constituted in a similar legal form), to a foreign State (or one of its political subdivisions or local authorities) or to a non-resident legal entity that is established outside the European Economic Area, are in principle taxable at a rate of 16.5% if, at any time during the five years preceding the sale, such individual Holder has owned directly or indirectly, alone or with his/her spouse or with certain relatives, a substantial shareholding in us (that is, a shareholding of more than 25% of our shares).

As of 1 January 2016, a so-called “speculation tax” of 33% (not subject to local surcharges) applies to capital gains (if any) realized on our shares or ADSs which have been acquired for consideration less than six months before the transfer for consideration, other than in the framework of a professional activity, by Private individual Holders who are not entitled to claim the benefits of the Treaty under the limitation of benefits article included in the Treaty, provided such capital gains are obtained or received in Belgium. The speculation tax also applies to capital gains on our shares or ADSs acquired by way of gift, if our shares or ADSs are transferred for consideration within six months from the date of their acquisition for consideration by the direct or indirect donor.

In case of multiple acquisitions, the six months holding period is calculated by applying a “Last In First Out” method on a share per share basis with the same ISIN code. In the case of short transactions (shorttransactie / vente à découvert, as provided under Article 2, 1st indent, b) of EU Regulation n° 236/2012 of 14 March 2012) with respect to our shares or ADSs, the six-month period is calculated between the date of the last short sale of our shares or ADSs and the concerned purchase date of our shares or ADSs.

The speculation tax is levied by way of a withholding tax due by an intermediary who intervenes in the transaction in Belgium.

The taxable base of the speculation tax is equal to the difference between (i) the price received for our shares or ADSs (in whatever form), reduced with the Belgian tax on stock exchange transactions (see “—Belgian Tax on Stock Exchange Transactions” below) borne by the taxpayer on the transfer, if any, and the acquisition price paid by the taxpayer (or the donor in case of a gift) increased with the Belgian tax on stock exchange transactions borne by the taxpayer (or donor) on the acquisition, if any. If the acquisition price is unknown, the withholding tax is applied on the entire price received for our shares or ADSs (less the Belgian tax on stock exchange transactions, if any) and any excess speculation tax may be reclaimed through a Belgian income tax return. Under certain circumstances, in case of a sales transaction involving our shares or ADSs acquired at different times during the six month period prior to such sales transaction, capital losses incurred on certain of our shares or ADSs may offset capital gains realized on the other shares or ADSs with the same ISIN code, but the total net result cannot be lower than zero.

Certain capital gains on our shares or ADSs are excluded from the speculation tax. These include capital gains realized upon transfer of our shares or ADSs for consideration solely at our initiative and where no choice is
available to the investor. According to the preparatory documents to the law introducing the speculation tax, this includes forms of imposed reorganizations of companies (such as mergers and demergers) and dividends in shares where the taxpayer does not have an option to choose between cash and shares.

The speculation tax applies on qualifying sales of our shares or ADSs acquired as from 1 January 2016. With respect to short sales of our shares or ADSs, the tax applies on sales occurring as from 1 January 2016.

Capital gains realized by a Holder upon the redemption of our shares or ADSs or upon our liquidation will generally be taxable as a dividend (see above).

**Estate and Gift Tax**

There is no Belgium estate tax on the transfer of our shares or ADSs on the death of a Belgian non-resident.

Donations of our shares or ADSs made in Belgium may or may not be subject to gift tax depending on the modalities under which the donation is carried out.

**Belgian Tax on Stock Exchange Transactions**

A stock market tax is normally levied on the purchase and sale and on any other acquisition and transfer for consideration in Belgium of our existing shares or ADSs through a professional intermediary established in Belgium on the secondary market (so-called "secondary market transactions"). The applicable rate amounts to 0.27% of the consideration paid, but with a cap of EUR 800 (USD 734.82) per transaction and per party.

Belgian non-residents who purchase or otherwise acquire or transfer, for consideration, existing shares or ADSs in Belgium for their own account through a professional intermediary may be exempt from the stock market tax if they deliver a sworn affidavit to the intermediary in Belgium confirming their non-resident status.

In addition to the above, no stock market tax is payable by: (i) professional intermediaries described in Article 2, 9° and 10° of the Law of 2 August 2002 acting for their own account, (ii) insurance companies described in Article 2, § 1 of the Law of 9 July 1975 acting for their own account, (iii) professional retirement institutions referred to in Article 2, 1° of the Law of 27 October 2006 relating to the control of professional retirement institutions acting for their own account, (iv) collective investment institutions or (v) public and institutional regulated real estate companies as described in Article 2 of the Belgian Act of 12 May 2014 acting for their own account.

No stock market tax will thus be due by Holders on the subscription, purchase or sale of existing shares or ADSs, if the Holders are acting for their own account. In order to benefit from this exemption, the Holders must file with the professional intermediary in Belgium a sworn affidavit evidencing that they are non-residents for Belgian tax purposes.

**U.S. Taxation**

This section describes the material United States federal income tax consequences of the ownership and disposition of shares or ADSs. It applies to you only if you are a U.S. holder, as described below, and you hold your shares or ADSs as capital assets for United States federal income tax purposes. This section does not apply to you if you are a member of a special class of holders subject to special rules, including:

- a bank;
- a dealer in securities;
- a trader in securities that elects to use a mark-to-market method of accounting for securities holdings;
This section is based on the Internal Revenue Code of 1986, as amended, its legislative history, existing and proposed regulations, published rulings and court decisions, all as currently in effect, as well as on the Treaty. These laws are subject to change, possibly on a retroactive basis. In addition, this section is based in part upon the representations of the Depositary and the assumption that each obligation in the deposit agreement and any related agreement will be performed in accordance with its terms.

You are a U.S. holder if you are a beneficial owner of shares or ADSs and you are:

- a tax exempt organization;
- a life insurance company;
- a person liable for alternative minimum tax;
- a person that actually or constructively owns 10% or more of our voting stock;
- a person that holds shares or ADSs as part of a straddle or a hedging or conversion transaction;
- a person that purchases or sells shares or ADSs as part of a wash sale for tax purposes; or
- a person whose functional currency is not the U.S. dollar.

You should consult your own tax advisor regarding the United States federal, state, local, foreign and other tax consequences of owning and disposing of our shares and ADSs in your particular circumstances. In particular, you should confirm whether you qualify for the benefits of the Treaty and the consequences of failing to do so.

If a partnership holds our shares or ADSs, the United States federal income tax treatment of a partner will generally depend on the status of the partner and the tax treatment of the partnership. If you hold our shares or ADSs as a partner in a partnership, you should consult your tax advisor with regard to the United States federal income tax treatment of an investment in our shares or ADSs.

**Taxation of Dividends**

Under the United States federal income tax laws, and subject to the passive foreign investment company (or PFIC) rules discussed below, if you are a U.S. holder, the gross amount of any dividend we pay out of our current or accumulated earnings and profits (as determined for United States federal income tax purposes) is subject to United States federal income taxation. If you are a non-corporate U.S. holder, dividends that constitute qualified dividend income will be taxable to you at the preferential rates applicable to long-term capital gains, provided that you hold our shares or ADSs for more than 60 days during the 121-day period beginning 60 days before the ex-dividend date and meet other holding period requirements. Dividends we pay with respect to the shares or ADSs generally will be qualified dividend income.

You must include any Belgian tax withheld from the dividend payment in this gross amount even though you do not in fact receive it. The dividend is taxable to you when you, in the case of shares, or the Depositary, in the case of ADSs, receive the dividend, actually or constructively. The dividend will not be eligible for the dividends-
received deduction generally allowed to United States corporations in respect of dividends received from other United States corporations. If the dividend is paid in euros, the amount of the dividend distribution that you must include in your income as a U.S. holder will be the U.S. dollar value of the euro payments made, determined at the spot euro/U.S. dollar rate on the date the dividend distribution is includible in your income, regardless of whether the payment is in fact converted into U.S. dollars. Generally, any gain or loss resulting from currency exchange fluctuations during the period from the date you include the dividend payment in income to the date you convert the payment into U.S. dollars will be treated as ordinary income or loss and will not be eligible for the special tax rate applicable to qualified dividend income. The gain or loss generally will be income or loss from sources within the United States for foreign tax credit limitation purposes. Distributions in excess of current and accumulated earnings and profits, as determined for United States federal income tax purposes, will be treated as a non-taxable return of capital to the extent of your basis in the shares or ADSs and thereafter as capital gain. However, we do not calculate earnings and profits in accordance with United States federal income tax principles. Accordingly, you should expect to generally treat distributions we make as dividends.

Subject to certain limitations, the Belgian tax withheld in accordance with the Treaty and paid over to Belgium will be creditable against your United States federal income tax liability. Special rules apply in determining the foreign tax credit limitation with respect to dividends that are subject to the preferential tax rates. To the extent a refund of the tax withheld is available to you under Belgian law or under the Treaty, the amount of tax withheld that is refundable will not be eligible for credit against your United States federal income tax liability. In addition, if you are eligible under the Treaty for a lower rate of Belgian withholding tax on a distribution with respect to the shares or ADSs, yet you do not claim such lower rate and as a result, you are subject to a greater Belgian withholding tax on the distribution than you could have obtained by claiming benefits under the Treaty, such additional Belgian withholding tax would likely not be eligible for credit against your United States federal income tax liability.

Dividends will generally be income from sources outside the United States, and depending on your circumstances, will generally be either “passive” or “general” income for purposes of computing the foreign tax credit allowable to you.

**Taxation of Capital Gains**

Subject to the PFIC rules discussed below, if you are a U.S. holder and you sell or otherwise dispose of your shares or ADSs, you will recognize capital gain or loss for United States federal income tax purposes equal to the difference between the U.S. dollar value of the amount that you realize and your tax basis, determined in U.S. dollars, in your shares or ADSs. Capital gain of a non-corporate U.S. holder is generally taxed at preferential rates where the property is held for more than one year. The gain or loss will generally be income or loss from sources within the United States for foreign tax credit limitation purposes. Your ability to deduct capital losses is subject to limitations.

**PFIC Rules**

We believe that our shares and ADSs should not be treated as stock of a PFIC for United States federal income tax purposes, but this conclusion is a factual determination that is made annually and thus may be subject to change. A company is considered a PFIC if, for any taxable year, either (i) at least 75% of its gross income is passive income or (ii) at least 50% of the value of its assets is attributable to assets that produce or are held for the production of passive income. If we were to be treated as a PFIC, unless a U.S. holder elects to be taxed annually on a mark-to-market basis with respect to the shares or ADSs or makes a “qualified electing fund” (“QEF”) election the first taxable year in which we are treated as a PFIC, gain realized on the sale or other disposition of your shares or ADSs would in general not be treated as capital gain. Instead, if you are a U.S. holder, you would be treated as if you had realized such gain and certain excess distributions ratably over your holding period for the shares or ADSs and would be taxed at the highest tax rate in effect for each such year to which the gain was allocated, together with an interest charge in respect of the tax attributable to each such year. With certain exceptions, your shares or ADSs will be treated as stock in a PFIC if we were a PFIC at any time during your holding period in your shares or ADSs. Dividends that you receive from us will not be eligible for the special tax rates applicable to qualified dividend income if we are treated as a PFIC either in the taxable year of the distribution or the preceding taxable year, but instead will be taxable at rates applicable to ordinary income. The QEF election is conditioned upon our furnishing you annually with certain tax information. We may not take the action necessary for a U.S. shareholder to make a QEF election in the event our company is determined to be a PFIC.
Belgian Stock Market Tax

Any Belgian stock market tax that you pay will likely not be a creditable tax for United States federal income tax purposes. However, U.S. holders are exempt from such tax if they act for their own account and certain information is provided to relevant professional intermediaries (as described under “—Belgian Taxation—Belgian Tax on Stock Exchange Transactions”). U.S. holders are urged to consult their own tax advisors regarding the potential application of Belgian tax law to the ownership and disposition of our shares or ADSs.

F. DIVIDENDS AND PAYING AGENTS

Not applicable.

G. STATEMENT BY EXPERTS

Not applicable.

H. DOCUMENTS ON DISPLAY

You may read and copy any reports or other information that we file at the public reference rooms of the SEC at 100 F Street, N.E., Washington, D.C. 20549, and at the SEC’s regional offices located at 3 World Financial Center, Suite 400, New York, NY 10281 and 175 W. Jackson Boulevard, Suite 900, Chicago, IL 60604. Please call the SEC at 1-800-SEC-0330 for further information on the operation of the public reference rooms. Electronic filings made through the Electronic Data Gathering, Analysis and Retrieval system are also publicly available through the SEC’s website on the Internet at http://www.sec.gov.

We also make available on our website, free of charge, our annual reports on Form 20-F, as well as certain other SEC filings, as soon as reasonably practicable after they are electronically filed with or furnished to the SEC. Our website address is http://www.ab-inbev.com. The information on our website is not incorporated by reference in this document.

We have filed our amended and restated articles of association and all other deeds that are to be published in the annexes to the Belgian State Gazette with the clerk’s office of the Commercial Court of Brussels (Belgium), where they are available to the public. A copy of the articles of association dated 29 April 2015 has been filed as Exhibit 99.1 to Form 6-K filed on 6 May 2015, and is also available on our website under http://www.ab-inbev.com//corporate-governance/bylaws.html.

In accordance with Belgian law, we must prepare audited annual statutory and consolidated financial statements. The audited annual statutory and consolidated financial statements and the reports of our Board and statutory auditor relating thereto are filed with the Belgian National Bank, where they are available to the public. Furthermore, as a listed company, we publish an annual announcement preceding the publication of our annual financial report (which includes the audited annual financial statements, the report of our Board and the statutory auditor’s report). In addition, we publish interim management statements. Copies of these documents are available on our website under:

- http://legacy.ab-inbev.com/go/investors/reports_and_publications/statutory_accounts.cfm;
- http://legacy.ab-inbev.com/go/investors/reports_and_publications/annual_and_hy_reports.cfm; and
We also disclose price sensitive information (inside information) and certain other information to the public. In accordance with the Belgian Royal Decree of 14 November 2007 on the obligations of issuers of financial instruments that are admitted to trading on a regulated market, such information and documentation is made available through our website, press releases and the communication channels of Euronext Brussels.

Our head office is located at Brouwerijplein 1, 3000 Leuven, Belgium. Our telephone number is +32 (0)1 627 6111 and our website is http://www.ab-inbev.com. The contents of our website do not form a part of this Form 20-F. Although certain references are made to our website in this Form 20-F, no information on our website forms part of this Form 20-F.

Documents related to us that are available to the public (reports, our Corporate Governance Charter, written communications, financial statements and our historical financial information for each of the three financial years preceding the publication of this Form 20-F) can be consulted on our website (http://www.ab-inbev.com) and at: Anheuser-Busch InBev SA/NV, Brouwerijplein 1, 3000 Leuven, Belgium.

Unless stated otherwise in this Form 20-F, none of these documents form part of this Form 20-F.

I. SUBSIDIARY INFORMATION

Not applicable.

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market Risk, Hedging and Financial Instruments

Our activities expose us to a variety of financial risks: market risk (including currency risk, fair value interest risk, cash flow interest risk, commodity risk and equity risk), credit risk and liquidity risk. We analyze each of these risks individually as well as on an interconnected basis, and define strategies to manage the economic impact on our performance in line with our financial risk management policy. Management meets on a frequent basis and is responsible for reviewing the results of the risk assessment, approving recommended risk management strategies, monitoring compliance with the financial risk management policy and reporting to the Finance Committee of our Board.

Some of our risk management strategies include the usage of derivatives. The main derivative instruments used are foreign currency rate agreements, exchange traded foreign currency futures and options, interest rate swaps and forwards, cross currency interest rate swaps, exchange traded interest rate futures, commodity swaps, exchange traded commodity futures and equity swaps. We do not, as a matter of policy, make use of derivative financial instruments in the context of speculative trading.

Financial markets experienced significant volatility over the past years, which we have addressed and are continuing to address through our existing risk management policies.

Please refer to note 27 to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015 for a fuller quantitative and qualitative discussion on the market risks to which we are subject and our policies with respect to managing those risks.

Foreign Currency Risk

We are exposed to foreign currency risk on borrowings, investments, (forecasted) sales, (forecasted) purchases, royalties, dividends, licenses, management fees and interest expense/income whenever they are denominated in a currency other than the functional currency of our subsidiary engaged in the relevant transaction. To manage this risk, we primarily make use of foreign currency rate agreements, exchange traded foreign currency futures and cross-currency interest rate swaps.
As far as foreign currency risk on firm commitments and forecasted transactions is concerned, our policy is to hedge operational transactions that are reasonably expected to occur (for example, cost of goods sold and sales and marketing, general and administrative expenses) within the forecast period determined in the financial risk management policy. Operational transactions that are certain are hedged without any limitation in time. Non-operational transactions (such as acquisitions and disposals of subsidiaries) are hedged as soon as they are certain.

As of 31 December 2015, we have substantially locked in our anticipated exposures related to firm commitments and forecasted transactions for 2016 for the most important currency pairs such as USD/Brazilian real, USD/Mexican peso and USD/Argentine peso. Some exposures in certain countries had been mostly or partially covered due to the fact that hedging can be limited in such countries as the local foreign exchange market prevents us from hedging at a reasonable cost. Open positions can also be the result of our risk management policy.

We have performed analyses in relation to our foreign currency transaction exposures using a currency sensitivity model that identified varying ranges of possible closing rates for 2015, factoring in the possible volatility in those exchange rates (see note 27 to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015). Based on such analysis, we estimate that if certain currencies had weakened or strengthened against the U.S. dollar or euro during 2015, our 2015 profit before taxes would have been USD 71 million higher or lower, respectively, while the pre-tax translation reserves in equity would have been USD 895 million higher or lower, respectively.

Foreign exchange rates have been subject to significant volatility in the recent past and may be again in the future. See note 27 to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015 for details of the above sensitivity analyses, a fuller quantitative and qualitative discussion on the foreign currency risks to which we are subject and our policies with respect to managing those risks.

**Foreign exchange risk on the proposed acquisition of SABMiller**

Following the announcement of the proposed acquisition of SABMiller, we entered into derivative foreign exchange forward contracts with respect to GBP 45 billion of the purchase price, to hedge against exposure to changes in the USD exchange rate for the cash component of the purchase consideration in GBP. The GBP 45 billion has been hedged at an average rate of USD 1.5295 per GBP. Although these derivatives are considered to be economic hedges, only a portion of such derivatives could qualify for hedge accounting under IFRS rules, as Anheuser-Busch InBev SA/NV, the acquiring company has a euro functional currency for accounting purposes.

The mark-to-market of the financial instruments that qualify for a hedge relationship will be reported in equity until the closing of the Transaction, whereas the mark-to-market of the financial instruments that do not qualify for hedge accounting will be reported in the profit and loss account until the closing of the Transaction.

As of 31 December 2015, financial instruments for approximately USD 45.0 billion equivalent qualified for hedge accounting, and a mark-to-market of USD 1,738 million loss was reported in equity. Additionally, financial instruments for approximately USD 23.9 billion did not qualify for hedge accounting, and a mark-to-market of USD 688 million loss was reported as an exceptional finance cost in the profit and loss account. See notes 8, 11 and 27 to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015.

**Interest Rate Risk**

We are exposed to interest rate risk on our variable-rate interest-bearing financial liabilities. As of 31 December 2015, after certain hedging and fair value adjustments, USD 6.1 billion, or 12.4%, of our interest-bearing financial liabilities (which include loans, borrowings and bank overdrafts) bore a variable interest rate. We apply a dynamic interest rate hedging approach where the target mix between fixed and floating rate is reviewed periodically. The purpose of our policy is to achieve an optimal balance between cost of funding and volatility of financial results, while taking into account market conditions as well as our overall business strategy. From time to time, we enter into interest rate swap agreements and forward rate agreements to manage our interest rate risk, and also enter into cross-currency interest rate swap agreements to manage both our foreign currency risk and interest rate risk.
We have performed sensitivity analyses in relation to our interest-bearing financial liabilities and assets that bear a variable rate of interest, factoring in a range of possible volatilities in the different markets where we hold such instruments (see note 27 to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015). We have estimated that a change in market interest rates based on the range of volatilities considered in our analysis could have impacted our 2015 interest expense by plus or minus USD 5 million in relation to our floating rate debt. Such increase or decrease would be more than offset by a USD 50 million decrease or increase in interest income on our interest-bearing financial assets.

Interest rates have been subject to significant volatility in the recent past and may be again in the future. See note 27 to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015 for details of the above sensitivity analyses, a fuller quantitative and qualitative discussion on the interest rate risks to which we are subject and our policies with respect to managing those risks.

**Commodity Price Risk**

We have significant exposures to the following commodities: aluminum, barley, corn grits, coal, corn syrup, corrugated cardboard, fuel oil, diesel, glass, hops, labels, malt, natural gas, orange juice, plastics, rice, steel and wheat. The commodity markets have experienced and are expected to continue to experience price fluctuation in the future. We therefore use both fixed-price purchasing contracts and commodity derivatives to minimize exposure to commodity price volatility, such as for aluminum.

As of 31 December 2015, we had the following commodity derivatives outstanding, by maturity:

<table>
<thead>
<tr>
<th>Commodities</th>
<th>Notional &lt;1 year</th>
<th>1-5 years</th>
<th>&gt;5 years</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aluminum swaps</td>
<td>1,509</td>
<td>172</td>
<td>—</td>
<td>1,681</td>
</tr>
<tr>
<td>Other commodity derivatives</td>
<td>1,227</td>
<td>82</td>
<td>—</td>
<td>1,309</td>
</tr>
</tbody>
</table>

Notes:

(1) Represents the excess of assets over liabilities as of 31 December 2015.

These hedges are designated in a cash flow hedge accounting relationship in accordance with IAS 39.

See note 27 to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015 for a fuller quantitative and qualitative discussion on the commodity risks that we are subjected to, and our policies with respect to managing those risks.

**Equity price risk**

We entered into a series of derivative contracts to hedge the risk arising from the different share-based payment programs. The purpose of these derivatives is mainly to effectively hedge the risk that a price increase in our shares could negatively impact future cash flows related to the share-based payments. Furthermore, we entered into a series of derivative contracts to hedge the deferred share instrument related to the Grupo Modelo combination (see also note 11 and 21 to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015) and some share-based payments in connection with the acquisition of SABMiller. Most of these derivative instruments could not qualify for hedge accounting, therefore, they have not been designated in any hedging relationships.

As of 31 December 2015, an exposure for an equivalent of 64.5 million of our shares was hedged, resulting in a total gain of USD 1,337 million recognized in the profit or loss account for the period, of which USD 844 million related to our share-based payment programs, and USD 493 million and USD 18 million related to the Grupo Modelo and SABMiller acquisitions, respectively.
The sensitivity analysis on the share-based payments hedging program, calculated based on a 25.12% reasonable possible volatility\(^1\) of our share price, and with all the other variables held constant, would show USD 2,017 million positive/negative impact on our 2015 profit before tax.

**Other Risks**

See note 27 to our audited consolidated financial statements as of 31 December 2015 and 2014, and for the three years ended 31 December 2015 for a fuller quantitative and qualitative discussion on the equity, credit and liquidity risks to which we are subject and our policies with respect to managing those risks.

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

A. DEBT SECURITIES

Not applicable.

B. WARRANTS AND RIGHTS

Not applicable.

C. OTHER SECURITIES

Not applicable.

D. AMERICAN DEPOSITARY SHARES

Pursuant to our registration statement on Form 20-F declared effective by the SEC on 15 September 2009, we registered American Depositary Shares (“ADSs”) which are represented by American Depositary Receipts (“ADRs”) in a sponsored facility. The deposit agreement is among us, The Bank of New York Mellon, as ADR depositary, and all holders from time to time of ADRs issued under the deposit agreement. Copies of the deposit agreement are also on file at the ADR depositary’s corporate trust office and the office of the custodian. They are open to inspection by owners and holders during business hours.

American Depositary Shares

The Bank of New York Mellon, as depositary, will register and deliver American Depositary Shares, also referred to as ADSs. Each ADS will represent one share (or a right to receive one share) deposited with the principal Brussels office of ING Belgium SA/NV, as custodian for the depositary. Each ADS will also represent any other securities, cash or other property which may be held by the depositary. The depositary’s corporate trust office at which the ADSs will be administered is located at 101 Barclay Street, New York, NY 10286. The Bank of New York Mellon’s principal executive office is located at One Wall Street, New York, NY 10286.

You may hold ADSs either (A) directly (i) by having an American Depositary Receipt, also referred to as an ADR, which is a certificate evidencing a specific number of ADSs, registered in your name, or (ii) by having ADSs registered in your name in the Direct Registration System, or (B) indirectly by holding a security entitlement in ADSs through your broker or other financial institution. If you hold ADSs directly, you are a registered ADS holder, also referred to as an ADS holder. This description assumes you are an ADS holder. If you hold the ADSs indirectly, you must rely on the procedures of your broker or other financial institution to assert the rights of ADS holders described in this section. You should consult with your broker or financial institution to find out what those procedures are.

\(^1\) Sensitivity analysis is assessed based on the yearly volatility using daily observable market data during 250 days at 31 December 2015.
The Direct Registration System, or DRS, is a system administered by The Depository Trust Company, also referred to as DTC, pursuant to which the depositary may register the ownership of uncertificated ADSs, which ownership shall be evidenced by periodic statements sent by the depositary to the registered holders of uncertificated ADSs.

As an ADS holder, we will not treat you as one of our shareholders and you will not have shareholder rights. Belgian law governs shareholder rights. The depositary will be the holder of the shares underlying your ADSs. As a registered holder of ADSs, you will have ADS holder rights. A deposit agreement among us, the depositary and you, as an ADS holder, and all other persons indirectly holding ADSs sets out ADS holder rights as well as the rights and obligations of the depositary. New York law governs the deposit agreement and the ADSs.

The following is a summary of the fee provisions of the deposit agreement. For more complete information regarding ADRs, you should read the entire deposit agreement and the form of ADR.

**Fees and Expenses Payable by Holders**

<table>
<thead>
<tr>
<th>Persons depositing or withdrawing shares or ADS holders must pay:</th>
<th>For:</th>
</tr>
</thead>
<tbody>
<tr>
<td>$5.00 (or less) per 100 ADSs (or portion of 100 ADSs)</td>
<td>Issuance of ADSs, including issuances resulting from a distribution of shares or rights or other property</td>
</tr>
<tr>
<td></td>
<td>Cancellation of ADSs for the purpose of withdrawal, including if the deposit agreement terminates</td>
</tr>
<tr>
<td>The greater of (a) $0.02 per ADS (or portion thereof) and (b) 6% of the cash distribution amount per ADS</td>
<td>Any cash distribution to ADS holders</td>
</tr>
<tr>
<td>A fee equivalent to the fee that would be payable if securities distributed to you had been shares and the shares had been deposited for issuance of ADSs</td>
<td>Distribution of securities to holders of deposited securities by the depositary to ADS holders</td>
</tr>
<tr>
<td>$0.02 (or less) per ADSs per calendar year</td>
<td>Depositary services. The fee for depositary services will not exceed $0.02 per ADS for any year</td>
</tr>
<tr>
<td>Registration or transfer fees</td>
<td>Transfer and registration of shares on our share register to or from the name of the depositary or its agent when you deposit or withdraw shares</td>
</tr>
<tr>
<td>Expenses of the depositary</td>
<td>Cable, telex and facsimile transmissions (when expressly provided in the deposit agreement)</td>
</tr>
<tr>
<td></td>
<td>Converting foreign currency to U.S. dollars</td>
</tr>
<tr>
<td>Taxes and other governmental charges that the depositary or the custodian has to pay on any ADS or share underlying an ADS, for example, stock transfer taxes, stamp duty or withholding taxes</td>
<td>As necessary</td>
</tr>
<tr>
<td>Telex or facsimile charges provided for in the deposit agreement</td>
<td>Expenses for depositary services</td>
</tr>
<tr>
<td>Any unavoidable charges incurred by the depositary or its agents for servicing the deposited securities</td>
<td>As necessary</td>
</tr>
</tbody>
</table>
The depositary collects its fees for delivery and surrender of ADSs directly from investors depositing shares or surrendering ADSs for the purpose of withdrawal or from intermediaries acting for them. The depositary collects fees for making distributions to investors by deducting those fees from the amounts distributed or by selling a portion of distributable property to pay the fees. The depositary may collect its annual fee for depositary services by deduction from cash distributions or by directly billing investors or by charging the book-entry system accounts of participants acting for them. The depositary may generally refuse to provide fee-attracting services until its fees for those services are paid.

Payment of Taxes

You will be responsible for any taxes or other governmental charges payable on your ADSs or on the deposited securities represented by any of your ADSs. The depositary may refuse to register any transfer of your ADSs or allow you to withdraw the deposited securities represented by your ADSs until such taxes or other charges are paid. It may apply payments owed to you or sell deposited securities represented by your ADSs to pay any taxes owed and you will remain liable for any deficiency. If the depositary sells deposited securities, it will, if appropriate, reduce the number of ADSs to reflect the sale and pay to ADS holders any proceeds, or send to ADS holders any property remaining after it has paid the taxes.

Fees Payable by the Depositary

For the year ended 31 December 2015, the depositary reimbursed us for expenses we incurred, or paid amounts on our behalf to third parties in connection with the ADS program for a total sum of USD 14,300,357.30.

<table>
<thead>
<tr>
<th>Expenses the depositary reimbursed us</th>
<th>Amount (in USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maintenance expenses</td>
<td>14,300,357.30</td>
</tr>
<tr>
<td>Total</td>
<td>14,300,357.30</td>
</tr>
</tbody>
</table>

The depositary has also agreed to waive fees for standard costs associated with the administration of the program and has paid certain expenses directly to third parties on our behalf. The table below sets forth those expenses that the depositary paid directly to third parties for the year ended 31 December 2015.

<table>
<thead>
<tr>
<th>Expenses the depositary paid to third parties on our behalf</th>
<th>Amount (in USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard out-of-pocket maintenance costs</td>
<td>131,433.83</td>
</tr>
<tr>
<td>Total</td>
<td>131,433.83</td>
</tr>
</tbody>
</table>
ITEM 13. Defaults, Dividend Arrearages and Delinquencies

None.

ITEM 14. Material Modifications to the Rights of Security Holders and Use of Proceeds

None.

ITEM 15. Controls and Procedures

Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial & Technology Officer, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures pursuant to Exchange Act Rule 13a-15(b) as of 31 December 2015. While there are inherent limitations to the effectiveness of any system of disclosure controls and procedures, including the possibility of human error and the circumvention or overriding of the controls and procedures, our disclosure controls and procedures are designed to provide reasonable assurance of achieving their objectives. Based upon our evaluation, as of 31 December 2015, the Chief Executive Officer and Chief Financial & Technology Officer have concluded that the disclosure controls and procedures, in accordance with Exchange Act Rule 13a-15(e), (i) are effective at that level of reasonable assurance in ensuring that information required to be disclosed in the reports that are filed or submitted under the Exchange Act, is recorded, processed, summarized and reported within the time periods specified in the Commission’s rules and forms, and (ii) are effective at that level of reasonable assurance in ensuring that information to be disclosed in the reports that are filed or submitted under the Exchange Act is accumulated and communicated to the management of our company, including the Chief Executive Officer and the Chief Financial & Technology Officer, to allow timely decisions regarding required disclosure.

Management’s Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Our internal control over financial reporting is a process designed, under the supervision of the Chief Executive Officer and Chief Financial & Technology Officer, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of our financial statements for external reporting purposes in accordance with generally accepted accounting principles.

Our internal control over financial reporting includes policies and procedures that pertain to the maintenance of records that, in reasonable detail, accurately and fairly, reflect transactions and dispositions of assets, provide reasonable assurance that transactions are recorded in the manner necessary to permit the preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures are only carried out in accordance with the authorization of our management and directors, and provide reasonable assurance regarding the prevention or timely detection of any unauthorized acquisition, use or disposition of our assets that could have a material effect on our financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Moreover, projections of any evaluation of the effectiveness of internal control to future periods are subject to a risk that controls may become inadequate because of changes in conditions and that the degree of compliance with the policies or procedures may deteriorate.

Our management has assessed the effectiveness of internal control over financial reporting based on the Internal Control–Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in 2013. Based on this assessment, our management has concluded that our internal control over financial reporting as of 31 December 2015 was effective.
The effectiveness of internal control over financial reporting as of 31 December 2015 has been audited by PricewaterhouseCoopers Bedrijfsrevisoren bcvba, our independent registered public accounting firm, as represented by Koen Hens. Their audit report, including their opinion on management’s assessment of internal control over financial reporting, is included in our audited consolidated financial statements included in this Form 20-F.

Changes in Internal Control over Financial Reporting

During the period covered by this Form 20-F, we have not made any change to our internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT

Our board of directors has determined that M. Michele Burns and Olivier Goudet are “audit committee financial experts” as defined in Item 16A of Form 20-F under the Exchange Act and are independent directors under Rule 10A-3 under the Exchange Act.

ITEM 16B. CODE OF ETHICS

We have adopted a Code of Business Conduct and Code of Dealing, each of which applies to all of our employees, including our principal executive, principal financial and principal accounting officers. Our Code of Business Conduct and Code of Dealing are together intended to meet the definition of “code of ethics” under Item 16B of Form 20-F under the Exchange Act. Our Code of Business Conduct and Code of Dealing are filed as Exhibits 11.1 and 11.2 to this Form 20-F.

If the provisions of the code that apply to our principal executive officer, principal financial officer or principal accounting officer are amended, or if a waiver is granted, we will disclose such amendment or waiver.

ITEM 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES

PwC Bedrijfsrevisoren bcvba acted as our independent auditor for the fiscal years ended 31 December 2015 and 2014. The table below sets forth the total amount billed to us by PwC Bedrijfsrevisoren bcvba for services performed in 2015 and 2014, and breaks down these amounts by category of service:

<table>
<thead>
<tr>
<th>Service Type</th>
<th>2015 (USD thousands)</th>
<th>2014 (USD thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit Fees</td>
<td>6,939</td>
<td>14,698</td>
</tr>
<tr>
<td>Audit-Related Fees</td>
<td>2,164</td>
<td>564</td>
</tr>
<tr>
<td>Tax Fees</td>
<td>2,664</td>
<td>3,925</td>
</tr>
<tr>
<td>All Other Fees</td>
<td>204</td>
<td>1,299</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>11,971</strong></td>
<td><strong>20,486</strong></td>
</tr>
</tbody>
</table>

Audit Fees

Audit fees are fees billed for services that provide assurance on the fair presentation of financial statements and encompass the following specific elements:

- An audit opinion on our consolidated financial statements;
- An audit opinion on the statutory financial statements of individual companies within the AB InBev Group, where legally required;
- A review opinion on interim financial statements;
Audit-Related Fees

Audit-related fees are fees for assurance services or other work traditionally provided to us by external audit firms in their role as statutory auditors. These services usually result in a certification or specific opinion on an investigation or specific procedures applied, and include opinions/audit reports on information provided by us at the request of a third party (for example, prospectuses, comfort letters).

Over the last two years, audit-related services were mainly incurred in relation to the potential acquisition of SABMiller and services in connection with rights and bonds issuances, interim dividends, responsible drinking certification and capital increases.

Tax Fees

Tax fees in 2015 were related to expat services and other services. In 2014, the majority of our tax fees related to the Grupo Modelo integration, expat services and other services.

All Other Fees

All other fees were primarily related to the review of an e-commerce project in 2015 and to a study on the craft beer category in the U.S. and other services in 2014.

Pre-Approval Policies and Procedures

The advance approval of the Audit Committee or member thereof, to whom approval authority has been delegated, is required for all audit and non-audit services provided by our auditors.

The Audit Committee decided as of 27 April 2012 to change the Pre-Approval Procedure. The advance approval of the Chairman of the Audit Committee is required for all audit and non-audit services provided by our auditors. The Vice-President of Corporate Audit can no longer pre-approve services provided by our auditors.

Our auditors and management report, on a quarterly basis, to the Audit Committee regarding the extent of the services provided and the fees for the services performed to date.

ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

None.

ITEM 16E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER

The Board approved a share buyback program for an amount of USD 1.0 billion. The share buyback was executed under the powers granted at the General Meeting of Shareholders on 30 April 2014, and was conducted during the course of 2015. See “Item 8. Financial Information—B. Significant Changes” for details on this program.
The following table sets forth certain information related to purchases made by the AB InBev Group of our shares or ADSs:

<table>
<thead>
<tr>
<th>Date of Purchase</th>
<th>Total Number of Shares Purchased (number of shares)</th>
<th>Average Price Paid per Share (USD)</th>
<th>Total Number of Shares Purchased as part of Publicly Announced Plans or Programs (number of shares)</th>
<th>Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs (USD million)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 January 2015 – 31 January 2015</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>1 February 2015 – 28 February 2015</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>1 March 2015 – 31 March 2015</td>
<td>1,434,884(1)</td>
<td>122.32</td>
<td>1,434,884(1)</td>
<td>824.5</td>
</tr>
<tr>
<td>1 April 2015 – 30 April 2015</td>
<td>2,366,967(1)</td>
<td>123.08</td>
<td>2,366,967(1)</td>
<td>533.2</td>
</tr>
<tr>
<td>1 May 2015 – 31 May 2015</td>
<td>3,106,262(1)</td>
<td>121.34</td>
<td>3,106,262(1)</td>
<td>156.2</td>
</tr>
<tr>
<td>1 June 2015 – 30 June 2015</td>
<td>1,291,977(1)</td>
<td>120.93</td>
<td>1,291,977(1)</td>
<td>—</td>
</tr>
<tr>
<td>1 July 2015 – 31 July 2015</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>1 August 2015 – 31 August 2015</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>1 September 2015 – 30 September 2015</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>1 October 2015 – 31 October 2015</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>1 November 2015 – 30 November 2015</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>1 December 2015 – 31 December 2015</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Total</td>
<td>8,200,090(1)</td>
<td>121.95</td>
<td>8,200,090(1)</td>
<td>—</td>
</tr>
</tbody>
</table>

Notes:

(1) Under certain of our share-based compensation plans, shares are granted to employees at a discount. See “Item 6. Directors, Senior Management and Employees—B. Compensation—Share-Based Payment Plans.” The discount is granted in the form of additional shares, and if such employees leave the AB InBev Group prior to the end of the applicable vesting period, we take back the shares representing the discount. Technically, all of the “discount” shares are repurchased from the employee by our subsidiary, Brandbrew, for an aggregate price of EUR 1, or USD 1 if the individual is located in the United States.

**ITEM 16F. CHANGE IN REGISTRANT’S CERTIFYING ACCOUNTANT**

In accordance with Belgian Company Law, PwC Bedrijfsrevisoren bcvba was appointed to act as our independent registered accounting firm for a three-year period to audit our consolidated financial statements for the fiscal years ending 31 December 2013, 31 December 2014 and 31 December 2015. In 2014, we invited auditing firms to submit engagement proposals for their services for the next three-year period following the expiration of PwC Bedrijfsrevisoren bcvba’s statutory audit mandate, covering the years ending December 31, 2016, 2017 and 2018. On 26 November 2014, our Audit Committee approved the recommendation to our 2016 general shareholders meeting of the engagement of Deloitte Bedrijfsrevisoren BV o.v.e. CVBA to act as our independent registered public accounting firm for our financial periods beginning as of 1 January 2016. As a result, following completion of the audit of our financial statements for the year ended 31 December 2015 and the audit of the effectiveness of internal control over financial reporting as of 31 December 2015, Deloitte Bedrijfsrevisoren BV o.v.e. CVBA will become our independent registered accounting firm, subject to approval by shareholders at our general shareholders meeting scheduled for 27 April 2016.

PwC Bedrijfsrevisoren bcvba’s reports on our consolidated financial statements for the three-year period ending 31 December 2015 did not contain an adverse opinion or disclaimer of opinion or report, nor was any report qualified or modified as to uncertainty, audit scope or accounting principles.
During our two most recent fiscal years, there were no disagreements with PwC Bedrijfsrevisoren bcvba, whether or not resolved, on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedures, which disagreement, if not resolved to the satisfaction of PwC Bedrijfsrevisoren bcvba, would have caused PwC Bedrijfsrevisoren bcvba to make a reference to the subject matter of the disagreement in connection with any reports it would have issued, and there were no “reportable events” as that term is defined in Item 16F(a)(1)(v) of Form 20-F.

We have provided PwC Bedrijfsrevisoren bcvba with a copy of the foregoing disclosure, and we have requested that it furnish us with a letter addressed to the SEC stating whether or not it agrees with the above disclosures. A copy of this letter is filed as Exhibit 15.4 to this Form 20-F.

We did not consult Deloitte Bedrijfsrevisoren BV o.v.v.e. CVBA during our two most recent fiscal years or any subsequent interim period regarding (i) the application of accounting principles to a specified transaction, either completed or proposed or the type of audit opinion that might be rendered on our financial statements; or (ii) any matter that was the subject of a disagreement as that term is used in Item 16F(a)(1)(iv) of Form 20-F or a “reportable event” as described in Item 16F(a)(1)(v) of Form 20-F.

ITEM 16G. CORPORATE GOVERNANCE

We believe the following to be the significant differences between our corporate governance practices and those applicable to U.S. companies under the NYSE listing standards.

In general, the 2009 Belgian Corporate Governance Code that applies to us is a code of best practices applied to listed companies on a non-binding basis. The Code applies a “comply or explain” approach. That is, companies may depart from the Code’s provisions if they give a reasoned explanation of the reasons for doing so.

Under the NYSE listing standards, a majority of the directors of a listed U.S. company are required to be independent, while in Belgium, only three directors need to be independent. As of 31 December 2015, our Board of Directors comprised four independent directors and 10 non-independent directors. None of the 10 non-independent directors serve as part of our management, and these 10 directors are deemed not to be “independent” under the NYSE listing standards. Of these 10 directors, eight are considered non-independent solely because they serve as directors of our majority shareholder, the Stichting. The remaining two of the 10 directors, María Asunción Aramburuzabala and Valentín Diez Morodo, members of the Advisory Board of Grupo Modelo and former members of the Board of Directors of Grupo Modelo, are considered non-independent under NYSE listing standards because they purchased a deferred share entitlement to acquire the equivalent of approximately 23.1 million AB InBev shares, to be delivered within five years, for consideration of approximately USD 1.5 billion on 5 June 2013.

The NYSE rules further require that the audit, nominating and compensation committees of a listed U.S. company be composed entirely of independent directors, including that there be a minimum of three members on the audit committee. The Belgian Corporate Governance Code recommends only that a majority of the directors on each of these committees meet the technical requirements for independence under Belgian corporate law. As of 1 January 2016, all voting members of the Audit Committee are independent under the NYSE rules and Rule 10A-3 of the Securities Exchange Act of 1934. However, four of the five directors on our Nomination Committee and one of the three directors on our Remuneration Committee would not meet the NYSE independence requirements. As the Nomination Committee and Remuneration Committee are composed exclusively of non-executive directors who are independent of management and free from any business relationship that could materially interfere with the exercise of their independent judgment, we consider that the composition of these committees achieves the Belgian Corporate Governance Code’s aim of avoiding potential conflicts of interest.

We consider that the terms of reference of our board committees are generally responsive to the relevant NYSE rules, but may not address all aspects of these rules.

ITEM 16H. MINE SAFETY DISCLOSURE

Not applicable.
PART III

ITEM 17. FINANCIAL STATEMENTS

We have elected to provide financial statements pursuant to Item 18.

ITEM 18. FINANCIAL STATEMENTS

The audited consolidated financial statements as required under Item 18 are attached hereto starting on page F-1 of this Form 20-F. The audit report of PwC Bedrijfsrevisoren bvba, independent registered public accounting firm, is included herein preceding the audited consolidated financial statements.

ITEM 19. EXHIBITS


2.3 Tenth Supplemental Indenture, dated as of 7 April 2010, among Anheuser-Busch InBev Worldwide Inc., Anheuser-Busch InBev SA/NV, the Subsidiary Guarantors named therein, and The Bank of New York Mellon Trust Company, N.A., as Trustee (incorporated by reference to Exhibit 2.3 to Form 20-F (File No. 001-34455) filed by Anheuser-Busch InBev SA/NV on 13 April 2011).


2.5 Twenty-Ninth Supplemental Indenture, dated as of 20 December 2012, among Anheuser-Busch InBev Worldwide Inc., Anheuser-Busch InBev NV/SA, the Subsidiary Guarantors party thereto from time to time and The Bank of New York Mellon Trust Company, N.A., as Trustee (incorporated by reference to Exhibit 4.2 to Form F-3/A (File No. 333-169514) filed by Anheuser-Busch InBev SA/NV on 21 December 2012).


3.1 Voting Agreement between Stichting Anheuser-Busch InBev, Fonds Baillet Latour SPRL and Fonds Voorzitter Verhelst SPRL, effective 1 November 2015 (incorporated by reference to Exhibit 2.36 to Amendment No. 15 to Schedule 13D filed by Anheuser-Busch InBev SA/NV on 9 March 2016).


4.1 2010 Senior Facilities Agreement for Anheuser-Busch InBev SA/NV and Anheuser-Busch InBev Worldwide Inc., dated 26 February 2010 (incorporated by reference to Exhibit 4.2 to Form 20-F filed by Anheuser-Busch InBev SA/NV on 15 April 2010).*

4.2 Letter of Amendment dated 23 June 2011, amending the 2010 Senior Facilities Agreement dated 26 February 2010 (incorporated by reference to Exhibit 4.2 to Form 20-F filed by Anheuser-Busch InBev SA/NV on 13 April 2012).*

4.3 Letter of Amendment dated 20 August 2013, amending the 2010 Senior Facilities Agreement dated 26 February 2010 (incorporated by reference to Exhibit 4.3 to Form 20-F filed by Anheuser-Busch InBev SA/NV on 24 March 2015).

4.4 Amendment and Restatement Agreement dated 28 August 2015, amending the 2010 Senior Facilities Agreement dated 26 February 2010 (filed herewith).


4.6 Share-Based Compensation Plan Relating to Shares of Anheuser-Busch InBev (incorporated by reference to Exhibit 4.3 to Form S-8 (File No. 333-172069) filed by Anheuser-Busch InBev SA/NV on 4 February 2011).

4.7 Share-Based Compensation Plan Relating to American Depositary Shares of Anheuser-Busch InBev (incorporated by reference to Exhibit 4.4 to Form S-8 (File No. 333-172069) filed by Anheuser-Busch InBev SA/NV on 4 February 2011).

4.8 Long-Term Incentive Plan Relating to Shares of Anheuser-Busch InBev (most recent version is incorporated by reference to Exhibit 4.3 to Form S-8 (File No. 333-208634) filed by Anheuser-Busch InBev SA/NV on 18 December 2015).

4.9 Long-Term Incentive Plan Relating to American Depositary Shares of Anheuser-Busch InBev (most recent version is incorporated by reference to Exhibit 4.4 to Form S-8 (File No. 333-208634) filed by Anheuser-Busch InBev SA/NV on 18 December 2015).

4.10 Exceptional Incentive Restricted Stock Units Programme (most recent version is incorporated by reference to Exhibit 4.4 to Form S-8 (File No. 333-208634) filed by Anheuser-Busch InBev SA/NV on 18 December 2015).

4.11 Discretionary Restricted Stock Units Programme (incorporated by reference to Exhibit 4.3 to Form S-8 (File No. 333-169272) filed by Anheuser-Busch InBev SA/NV on 8 September 2010).


4.14 Forms of Stock Option Plan underlying the Dividend Waiver and Exchange Program (incorporated by reference to Exhibit 4.5 to Form S-8 (File No. 333-165065) filed by Anheuser-Busch InBev SA/NV on 25 February 2010 and post-effectively amended by Post-Effective Amendment No. 1 to Form S-8 filed by Anheuser-Busch InBev SA/NV on 4 February 2011).

4.15 Share-Based Compensation Plan March 2010 (incorporated by reference to Exhibit 4.6 to Form S-8 (File No. 333-165065) filed by Anheuser-Busch InBev SA/NV on 25 February 2010 and post-effectively amended by Post-Effective Amendment No. 1 to Form S-8 filed by Anheuser-Busch InBev SA/NV on 4 February 2011).

4.16 Share-Based Compensation Plan March 2010 for EBM, GHQ & NY (incorporated by reference to Exhibit 4.7 to Form S-8 filed by Anheuser-Busch InBev SA/NV on 25 February 2010 and post-effectively amended by Post-Effective Amendment No. 1 to Form S-8 filed by Anheuser-Busch InBev SA/NV on 4 February 2011).

4.17 2020 Dream Incentive Plan (incorporated by reference to Exhibit 4.6 to Form S-8 (File No. 333-208634) filed by Anheuser-Busch InBev SA/NV on 18 December 2015).


4.20 Stock Purchase Agreement between Anheuser-Busch InBev SA/NV and Constellation Brands, Inc. dated 13 February 2012 (incorporated by reference to Exhibit 4.17 to Form 20-F filed by Anheuser-Busch InBev SA/NV on 25 March 2013).*


4.22 First Amendment to Amended and Restated Membership Interest Purchase Agreement, dated as of 19 April 2013, among Anheuser-Busch SA/NV, Constellation Beers Ltd., Constellation Brands Beach Holdings, Inc. and Constellation Brands, Inc., as part of the Grupo Modelo settlement agreement (incorporated by reference to Exhibit 4.19 to Amendment No. 1 to Form 20-F filed by Anheuser-Busch InBev SA/NV on 30 June 2014).*

4.23 First Amendment to Stock Purchase Agreement, dated as of 19 April 2013, between Anheuser-Busch InBev SA/NV and Constellation Brands, Inc., as part of the Grupo Modelo settlement agreement (incorporated by reference to Exhibit 4.20 to Amendment No. 1 to Form 20-F filed by Anheuser-Busch InBev SA/NV on 30 June 2014).*

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4.24 First Amendment to Interim Supply Agreement, dated as of 30 October 2014, between CIH International S.â.R.L., as successor by assignment to Crown Imports LLC, and Grupo Modelo S.A.B. de C.V., as part of the Grupo Modelo settlement agreement (incorporated by reference to Exhibit 4.21 to Form 20-F filed by Anheuser-Busch InBev SA/NV on 24 March 2015).*

4.25 First Amendment to Transition Services Agreement, dated as of 16 December 2014, between Anheuser-Busch InBev SA/NV and Constellation Brands, Inc., as part of the Grupo Modelo settlement agreement (incorporated by reference to Exhibit 4.22 to Form 20-F filed by Anheuser-Busch InBev SA/NV on 24 March 2015).*


4.28 Purchase Agreement, dated as of 11 November 2015, between Anheuser-Busch InBev SA/NV and Molson Coors Brewing Company (incorporated by reference to Exhibit 99.7 to Anheuser-Busch InBev SA/NV’s Current Report on Form 6-K filed with the SEC on 12 November 2015).†


4.30 Irrevocable Undertaking from BEVCO Ltd., dated as of 11 November 2015 (incorporated by reference to Exhibit 99.9 to Anheuser-Busch InBev SA/NV’s Current Report on Form 6-K filed with the SEC on 12 November 2015).

4.31 Irrevocable Undertaking from Stichting Anheuser-Busch InBev, dated as of 11 November 2015 (incorporated by reference to Exhibit 99.10 to Anheuser-Busch InBev SA/NV’s Current Report on Form 6-K filed with the SEC on 12 November 2015).


6.1 Description of earnings per share (included in note 21 to our audited consolidated financial statements included in this Form 20-F).

7.1 Description of ratios.

8.1 List of significant subsidiaries (included in note 34 to our audited consolidated financial statements included in this Form 20-F).

11.1 Anheuser-Busch InBev Code of Dealing, dated as of February 2010 (incorporated by reference to Exhibit 11.2 to Form 20-F filed by Anheuser-Busch InBev SA/NV on 13 April 2012).

11.2 Anheuser-Busch InBev Code of Business Conduct, dated as of May 2015 (filed herewith).
12.1 Principal Executive Officer Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
12.2 Principal Financial Officer Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
13.1 Principal Executive Officer and Principal Financial Officer Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
15.1 Consent of PricewaterhouseCoopers Bedrijfsrevisoren.
15.2 Consent of Deloitte Touche Tohmatsu Auditores Independentes.
15.3 Rule 2.7 Announcement, dated as of 11 November 2015, relating to the proposed acquisition of SABMiller plc (incorporated by reference to Exhibit 99.1 to Anheuser-Busch InBev SA/NV’s Current Report on Form 6-K filed with the SEC on 12 November 2015).
15.4 Letter of PwC Bedrijfsrevisoren bcvba dated as of 14 March 2016.

Notes:
* Certain terms are omitted pursuant to a request for confidential treatment.
† This filing excludes certain schedules and exhibits, which the Registrant agrees to furnish supplementally to the SEC upon request by the SEC.
SIGNATURES

Pursuant to the requirements of Section 12 of the Securities Exchange Act of 1934, the Registrant certifies that it meets all of the requirements for filing on Form 20-F and has duly caused this annual report to be signed on its behalf by the undersigned, thereunto duly authorized.

Anheuser-Busch InBev SA/NV
(Registrant)

Date: 14 March 2016

By:  /s/ Sabine Chalmers
Name: Sabine Chalmers
Title: Chief Legal and Corporate Affairs Officer

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AB INBEV GROUP AUDITED CONSOLIDATED FINANCIAL STATEMENTS

Reports of Independent Registered Public Accounting Firms F-2
Consolidated income statement for the years ended 31 December 2015, 2014 and 2013 F-6
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F-1
To the Board of Directors and Shareholders of Anheuser-Busch InBev SA/NV

Report of Independent Registered Public Accounting Firm

In our opinion, based on our audits and the report of other auditors, the accompanying consolidated statements of financial position and the related consolidated statements of income, comprehensive income, changes in equity and cash flows present fairly, in all material respects, the financial position of Anheuser-Busch InBev SA/NV and its subsidiaries at 31 December 2015 and 2014, and the results of their operations and their cash flows for each of the three years in the period ended 31 December 2015 in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board and in conformity with International Financial Reporting Standards as adopted by the European Union. Also in our opinion, based on our audit and the report of other auditors, the Company maintained, in all material respects, effective internal control over financial reporting as of 31 December 2015, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company’s management is responsible for these financial statements, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in “Management’s annual report on internal control over financial reporting” as set out in Part II, Item 15. Our responsibility is to express opinions on these financial statements and on the Company’s internal control over financial reporting based on our integrated audits. We did not audit the consolidated financial statements of AmBev S.A. and its subsidiaries as of and for the year ended December 31, 2015 nor did we audit the effectiveness of AmBev S.A. and its subsidiaries’ internal control over financial reporting as of December 31, 2015. Those statements reflect total assets of USD 23,094 million as of 31 December 2015, and total revenues of USD 14,333 million in the year then ended. The consolidated financial statements and internal control over financial reporting of AmBev S.A. and its subsidiaries were audited by other auditors whose reports thereon have been furnished to us, and our opinion on the consolidated financial statements expressed herein, insofar as it relates to the amounts included for AmBev S.A. and its subsidiaries and the effectiveness of AmBev S.A. and its subsidiaries’ internal control over financial reporting, is based solely on the reports of the other auditors. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits and the report of other auditors provide a reasonable basis for our opinions.

PwC Bedrijfsrevisoren cvba, burgerlijke vennootschap met handelsvorm - PwC Reviseurs d’Entreprises scrl, société civile à forme commerciale - Financial Assurance Services
Maatschappelijke zetel/Siège social: Woluwedal 18, B-1932 Sint-Stevens-Woluwe
T: +32 (0)2 710 4211, F: +32 (0)2 710 4299, www.pwc.com
BTW/TVA BE 0429.501.944 / RPR Brussel - RPM Bruxelles / ING BE43 3101 3811 9501 - BIC BBRUBEBB / RBS BE89 7205 4043 3185 - BIC ABNABEBR

F-2
A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

PwC Bedrijfsrevisoren BCVBA
Represented by

/s/ Koen Hens
Koen Hens
Bedrijfsrevisor

Sint-Stevens-Woluwe, 14 March 2016
REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of
Ambev S.A. and Subsidiaries
Sao Paulo, Brazil

We have audited the consolidated balance sheet of Ambev S.A. and subsidiaries (the “Company”) as of December 31, 2015, and the related consolidated statements of income, comprehensive income, changes in equity, and cash flows for the year then ended. These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of Ambev S.A. and subsidiaries as of December 31, 2015, and the results of their operations and their cash flows for the year then in conformity with International Financial Reporting Standards – IFRS, as issued by the International Accounting Standards Board – IASB.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Company’s internal control over financial reporting as of December 31, 2015, based on the criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated March 14, 2016 expressed an unqualified opinion on the Company’s internal control over financial reporting.

/s/ Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU
Auditeores Independentes
Sao Paulo, Brazil

March 14, 2016
REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of
Ambev S.A. and Subsidiaries
Sao Paulo, Brazil

We have audited the internal control over financial reporting of Ambev S.A. and subsidiaries (the “Company”) as of December 31, 2015, based on the criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in Management’s Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company’s internal control over financial reporting is a process designed by, or under the supervision of, the company’s principal executive and principal financial officers, or persons performing similar functions, and effected by the company’s board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2015, based on the criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements as of and for the year ended December 31, 2015 of the Company and our report dated March 14, 2016 expressed an unqualified opinion on those financial statements.

/s/ Deloitte Touche Tohmatsu
DELOITTE TOUCHE TOHMATSU
Auditeores Independentes
Sao Paulo, Brazil

March 14, 2016
## Consolidated financial statements

### Consolidated income statement

For the year ended 31 December

<table>
<thead>
<tr>
<th>Million US dollar, except earnings per shares in US dollar</th>
<th>Notes</th>
<th>2015</th>
<th>2014(^1)</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td>43 604</td>
<td>47 063</td>
<td>43 195</td>
</tr>
<tr>
<td>Cost of sales</td>
<td></td>
<td>(17 137)</td>
<td>(18 756)</td>
<td>(17 594)</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td></td>
<td>26 467</td>
<td>28 307</td>
<td>25 601</td>
</tr>
<tr>
<td>Distribution expenses</td>
<td></td>
<td>(4 259)</td>
<td>(4 558)</td>
<td>(4 061)</td>
</tr>
<tr>
<td>Sales and marketing expenses</td>
<td></td>
<td>(6 913)</td>
<td>(7 036)</td>
<td>(5 958)</td>
</tr>
<tr>
<td>Administrative expenses</td>
<td></td>
<td>(2 560)</td>
<td>(2 791)</td>
<td>(2 539)</td>
</tr>
<tr>
<td>Other operating income/(expenses)</td>
<td></td>
<td>7</td>
<td>1 032</td>
<td>1 160</td>
</tr>
<tr>
<td>Restructuring</td>
<td></td>
<td>8</td>
<td>(171)</td>
<td>(158)</td>
</tr>
<tr>
<td>Business and asset disposal</td>
<td></td>
<td>8</td>
<td>524</td>
<td>157</td>
</tr>
<tr>
<td>Acquisition costs business combinations</td>
<td></td>
<td>8</td>
<td>(55)</td>
<td>(77)</td>
</tr>
<tr>
<td>Impairment of assets</td>
<td></td>
<td>8</td>
<td>(82)</td>
<td>(119)</td>
</tr>
<tr>
<td>Judicial settlement</td>
<td></td>
<td>8</td>
<td>(80)</td>
<td>—</td>
</tr>
<tr>
<td>Fair value adjustments</td>
<td></td>
<td>8</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td><strong>Profit from operations</strong></td>
<td></td>
<td>13 904</td>
<td>15 111</td>
<td>20 443</td>
</tr>
<tr>
<td>Finance cost</td>
<td></td>
<td>11</td>
<td>(3 142)</td>
<td>(2 797)</td>
</tr>
<tr>
<td>Finance income</td>
<td></td>
<td>11</td>
<td>1 689</td>
<td>1 478</td>
</tr>
<tr>
<td><strong>Net finance income/(cost)</strong></td>
<td></td>
<td>(1 453)</td>
<td>(1 319)</td>
<td>(2 203)</td>
</tr>
<tr>
<td>Share of result of associates</td>
<td></td>
<td>10</td>
<td>9</td>
<td>294</td>
</tr>
<tr>
<td><strong>Profit before tax</strong></td>
<td></td>
<td>12 461</td>
<td>13 801</td>
<td>18 534</td>
</tr>
<tr>
<td>Income tax expense</td>
<td></td>
<td>12</td>
<td>(2 594)</td>
<td>(2 499)</td>
</tr>
<tr>
<td><strong>Profit</strong></td>
<td></td>
<td>9 867</td>
<td>11 302</td>
<td>16 518</td>
</tr>
<tr>
<td>Attributable to:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity holders of AB InBev</td>
<td></td>
<td>8 273</td>
<td>9 216</td>
<td>14 394</td>
</tr>
<tr>
<td>Non-controlling interest</td>
<td></td>
<td>1 594</td>
<td>2 086</td>
<td>2 124</td>
</tr>
<tr>
<td>Basic earnings per share</td>
<td></td>
<td>21</td>
<td>5.05</td>
<td>5.64</td>
</tr>
<tr>
<td>Diluted earnings per share</td>
<td></td>
<td>21</td>
<td>4.96</td>
<td>5.54</td>
</tr>
</tbody>
</table>

1 Reclassified to conform to the 2015 presentation.

The accompanying notes are an integral part of these consolidated financial statements.

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F-6
## Consolidated statement of comprehensive income

For the year ended 31 December

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Profit</strong></td>
<td>9,867</td>
<td>11,302</td>
<td>16,518</td>
</tr>
<tr>
<td><strong>Other comprehensive income: Items that will not be reclassified to profit or loss:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Re-measurements of post-employment benefits</td>
<td>45</td>
<td>(491)</td>
<td>503</td>
</tr>
<tr>
<td><strong>Other comprehensive income: Items that may be reclassified subsequently to profit or loss:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exchange differences on translation of foreign operations</td>
<td>(6,898)</td>
<td>(4,793)</td>
<td>(3,500)</td>
</tr>
<tr>
<td>Foreign exchange contracts recognized in equity in relation to the SABMiller proposed combination</td>
<td>(1,738)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Effective portion of changes in fair value of net investment hedges</td>
<td>(201)</td>
<td>33</td>
<td>(66)</td>
</tr>
<tr>
<td>Cash flow hedges recognized in equity</td>
<td>281</td>
<td>314</td>
<td>579</td>
</tr>
<tr>
<td>Removed from equity and included in profit or loss</td>
<td>(240)</td>
<td>(190)</td>
<td>(36)</td>
</tr>
<tr>
<td><strong>Other comprehensive income, net of tax</strong></td>
<td>(8,796)</td>
<td>(4,636)</td>
<td>(3,090)</td>
</tr>
<tr>
<td><strong>Total comprehensive income</strong></td>
<td>1,116</td>
<td>6,175</td>
<td>13,931</td>
</tr>
</tbody>
</table>

Attributable to:

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity holders of AB InBev</td>
<td>389</td>
<td>4,465</td>
<td>12,285</td>
</tr>
<tr>
<td>Non-controlling interest</td>
<td>727</td>
<td>1,710</td>
<td>1,646</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these consolidated financial statements.
Consolidated statement of financial position

As at 31 December
Million US dollar

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>Notes</th>
<th>2015</th>
<th>20141</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>13</td>
<td>18 952</td>
<td>20 263</td>
</tr>
<tr>
<td>Goodwill</td>
<td>14</td>
<td>65 061</td>
<td>70 758</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>15</td>
<td>29 677</td>
<td>29 923</td>
</tr>
<tr>
<td>Investments in associates and joint ventures</td>
<td>212</td>
<td>212</td>
<td>198</td>
</tr>
<tr>
<td>Investment securities</td>
<td>16</td>
<td>48</td>
<td>30</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>17</td>
<td>1 181</td>
<td>1 058</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>23</td>
<td>2</td>
<td>10</td>
</tr>
<tr>
<td>Derivatives</td>
<td>27H</td>
<td>295</td>
<td>507</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>19</td>
<td>913</td>
<td>1 262</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td></td>
<td>116 341</td>
<td>124 009</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment securities</td>
<td>16</td>
<td>55</td>
<td>301</td>
</tr>
<tr>
<td>Inventories</td>
<td>18</td>
<td>2 862</td>
<td>2 974</td>
</tr>
<tr>
<td>Income tax receivable</td>
<td></td>
<td>687</td>
<td>359</td>
</tr>
<tr>
<td>Derivatives</td>
<td>27H</td>
<td>3 268</td>
<td>1 737</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>19</td>
<td>4 451</td>
<td>4 712</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>20</td>
<td>6 923</td>
<td>8 357</td>
</tr>
<tr>
<td>Assets held for sale</td>
<td></td>
<td>48</td>
<td>101</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td></td>
<td>18 294</td>
<td>18 541</td>
</tr>
<tr>
<td><strong>EQUITY AND LIABILITIES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Issued capital</td>
<td>21</td>
<td>1 736</td>
<td>1 736</td>
</tr>
<tr>
<td>Share premium</td>
<td></td>
<td>17 620</td>
<td>17 620</td>
</tr>
<tr>
<td>Reserves</td>
<td></td>
<td>(13 168)</td>
<td>(4 558)</td>
</tr>
<tr>
<td>Retained earnings</td>
<td></td>
<td>35 949</td>
<td>35 174</td>
</tr>
<tr>
<td><strong>Equity attributable to equity holders of AB InBev</strong></td>
<td></td>
<td>42 137</td>
<td>49 972</td>
</tr>
<tr>
<td><strong>Non-controlling interest</strong></td>
<td></td>
<td>3 582</td>
<td>4 285</td>
</tr>
<tr>
<td><strong>Total equity and liabilities</strong></td>
<td></td>
<td>45 719</td>
<td>54 257</td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest-bearing loans and borrowings</td>
<td>22</td>
<td>43 541</td>
<td>43 630</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>23</td>
<td>2 725</td>
<td>3 050</td>
</tr>
<tr>
<td>Deferred tax liabilities</td>
<td>17</td>
<td>11 961</td>
<td>12 701</td>
</tr>
<tr>
<td>Derivatives</td>
<td>27H</td>
<td>315</td>
<td>64</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>26</td>
<td>1 241</td>
<td>1 006</td>
</tr>
<tr>
<td>Provisions</td>
<td>25</td>
<td>677</td>
<td>634</td>
</tr>
<tr>
<td><strong>Total equity and liabilities</strong></td>
<td></td>
<td>60 460</td>
<td>61 085</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank overdrafts</td>
<td>20</td>
<td>13</td>
<td>41</td>
</tr>
<tr>
<td>Interest-bearing loans and borrowings</td>
<td>22</td>
<td>5 912</td>
<td>7 451</td>
</tr>
<tr>
<td>Income tax payable</td>
<td></td>
<td>669</td>
<td>629</td>
</tr>
<tr>
<td>Derivatives</td>
<td>27H</td>
<td>3 980</td>
<td>1 013</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>26</td>
<td>17 662</td>
<td>17 909</td>
</tr>
<tr>
<td>Provisions</td>
<td>25</td>
<td>220</td>
<td>165</td>
</tr>
<tr>
<td><strong>Total equity and liabilities</strong></td>
<td></td>
<td>28 456</td>
<td>27 208</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these consolidated financial statements.

1 Reclassified to conform to the 2015 presentation.
### Consolidated Statement of Changes in Equity

<table>
<thead>
<tr>
<th>Year</th>
<th>Million US dollars</th>
<th>Non-Controlling Interest</th>
<th>Total Shareholders’ Equity</th>
<th>Non-Controlling Interest</th>
<th>Total Shareholders’ Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>192</td>
<td>23</td>
<td>215</td>
<td>23</td>
<td>215</td>
</tr>
<tr>
<td>2013</td>
<td>126</td>
<td>8</td>
<td>134</td>
<td>8</td>
<td>134</td>
</tr>
<tr>
<td>2012</td>
<td>65</td>
<td>9</td>
<td>74</td>
<td>9</td>
<td>74</td>
</tr>
<tr>
<td>2011</td>
<td>46</td>
<td>5</td>
<td>51</td>
<td>5</td>
<td>51</td>
</tr>
<tr>
<td>2010</td>
<td>37</td>
<td>4</td>
<td>41</td>
<td>4</td>
<td>41</td>
</tr>
<tr>
<td>2009</td>
<td>33</td>
<td>2</td>
<td>35</td>
<td>2</td>
<td>35</td>
</tr>
<tr>
<td>2008</td>
<td>34</td>
<td>3</td>
<td>37</td>
<td>3</td>
<td>37</td>
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<td>35</td>
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<td>39</td>
<td>4</td>
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<td>36</td>
<td>5</td>
<td>41</td>
<td>5</td>
<td>41</td>
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<tr>
<td>2005</td>
<td>37</td>
<td>6</td>
<td>43</td>
<td>6</td>
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<tr>
<td>2004</td>
<td>38</td>
<td>7</td>
<td>45</td>
<td>7</td>
<td>45</td>
</tr>
</tbody>
</table>

**Notes:**
- As per 1 January 2014 and 1 December 2014.
- Share of non-controlling interest of AB InBev is calculated based on its proportionate interest in the equity of the company as a whole.

**Other comprehensive income**
- Re-measurements of post-employment benefits
- Cash flow hedges
- Foreign operations (gains/(losses))
- Translation of financial statements of foreign operations
- Exchange differences on translation of financial statements
- Cash flow hedges
- Foreign operations (gains/(losses))
- Translation of financial statements of foreign operations
- Exchange differences on translation of financial statements

**Consolidated statement of changes in equity**
- As per 1 January 2014 and 1 December 2014.
- Shareholders’ equity includes:
  - Treasury shares
  - Shares issued
  - Total comprehensive income

**Assumptions:**
- Mil...
The accompanying notes are an integral part of these consolidated financial statements.

<table>
<thead>
<tr>
<th>Part 10</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>1 January 2015</th>
<th>1 January 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>As per</td>
<td>As per</td>
</tr>
<tr>
<td>31 December</td>
<td>31 December</td>
</tr>
</tbody>
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<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>Total comprehensive income</td>
<td>8 273</td>
<td>389</td>
<td>727</td>
<td>47</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Exchange differences on translation of foreign operations (gains/(losses))</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>(6 157)</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
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<tr>
<td>Foreign exchange contracts recognized in equity in relation to the SABMiller proposed combination</td>
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<td>—</td>
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<tr>
<td>Cash flow hedges</td>
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<td>—</td>
<td>—</td>
<td>(36)</td>
<td>77</td>
<td>41</td>
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<tr>
<td>Re-measurements of post-employment benefits</td>
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<td>—</td>
<td>47</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Other comprehensive income</td>
<td>(6 157)</td>
<td>(1 774)</td>
<td>(727)</td>
<td>(1116)</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
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<tr>
<td>Dividends</td>
<td>(103)</td>
<td>(7 191)</td>
<td>(7 294)</td>
<td>(1 305)</td>
<td>(8 599)</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
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<tr>
<td>Treasury shares</td>
<td>—</td>
<td>—</td>
<td>(807)</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
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<tr>
<td>Share-based payments</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>184</td>
<td>—</td>
<td>—</td>
<td>—</td>
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<tr>
<td>Scope and other changes</td>
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<table>
<thead>
<tr>
<th>As per 1 January 2015</th>
<th>1 January 2016</th>
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<tbody>
<tr>
<td>31 December</td>
<td>31 December</td>
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<tbody>
<tr>
<td>Total</td>
<td>45 719</td>
<td>42 137</td>
<td>3 582</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
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<tr>
<td>Non-controlling interest</td>
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<td>Issued share capital</td>
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<td>Share premium reserve</td>
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<td>Capital redemption reserve</td>
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<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
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</tr>
<tr>
<td>Share-based payment reserves</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Treasury share</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
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<tr>
<td>Deferred tax reserves</td>
<td>—</td>
<td>—</td>
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<td>—</td>
<td>—</td>
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<td>Translation reserves</td>
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<tr>
<td>Translation reserves used in determining deferred tax reserves</td>
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<td>—</td>
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<td>—</td>
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<tr>
<td>Retained earnings</td>
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<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Total equity</td>
<td>45 719</td>
<td>42 137</td>
<td>3 582</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>As per 1 January 2015</td>
<td>35 174</td>
<td>49 972</td>
<td>4 285</td>
<td>54 257</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Total</td>
<td>1 736</td>
<td>17 620</td>
<td>(819)</td>
<td>1 080</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
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</tr>
</tbody>
</table>
### Consolidated cash flow statement

**For the year ended 31 December**

**Million US dollar**

<table>
<thead>
<tr>
<th>OPERATING ACTIVITIES</th>
<th>Notes</th>
<th>2015</th>
<th>2014(^1)</th>
<th>2013(^1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit</td>
<td></td>
<td>9,867</td>
<td>11,302</td>
<td>16,518</td>
</tr>
<tr>
<td>Depreciation, amortization and impairment</td>
<td>10</td>
<td>3,153</td>
<td>3,353</td>
<td>2,985</td>
</tr>
<tr>
<td>Impairment losses on receivables, inventories and other assets</td>
<td></td>
<td>64</td>
<td>108</td>
<td>91</td>
</tr>
<tr>
<td>Additions/(reversals) in provisions and employee benefits</td>
<td></td>
<td>324</td>
<td>(85)</td>
<td>109</td>
</tr>
<tr>
<td>Net finance cost</td>
<td>11</td>
<td>1,453</td>
<td>1,319</td>
<td>2,203</td>
</tr>
<tr>
<td>Loss/(gain) on sale of property, plant and equipment and intangible assets</td>
<td></td>
<td>(189)</td>
<td>4</td>
<td>(25)</td>
</tr>
<tr>
<td>Loss/(gain) on sale of subsidiaries, associates and assets held for sale</td>
<td>(362)</td>
<td>(219)</td>
<td>(85)</td>
<td></td>
</tr>
<tr>
<td>Revaluation of initial investment in Grupo Modelo</td>
<td>—</td>
<td>—</td>
<td>(6,415)</td>
<td></td>
</tr>
<tr>
<td>Equity-settled share-based payment expense</td>
<td></td>
<td>324</td>
<td>(85)</td>
<td>109</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>12</td>
<td>2,594</td>
<td>2,499</td>
<td>2,016</td>
</tr>
<tr>
<td>Other non-cash items included in the profit</td>
<td></td>
<td>(389)</td>
<td>(190)</td>
<td>(105)</td>
</tr>
<tr>
<td>Share of result of associates</td>
<td>(10)</td>
<td>(9)</td>
<td>(294)</td>
<td></td>
</tr>
</tbody>
</table>

**Cash flow from operating activities before changes in working capital and use of provisions**

<table>
<thead>
<tr>
<th>16,726</th>
<th>18,331</th>
<th>17,238</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decrease/(increase) in trade and other receivables</td>
<td>(138)</td>
<td>(371)</td>
</tr>
<tr>
<td>Decrease/(increase) in inventories</td>
<td>(424)</td>
<td>(354)</td>
</tr>
<tr>
<td>Increase/(decrease) in trade and other payables</td>
<td>2,348</td>
<td>1,540</td>
</tr>
<tr>
<td>Pension contributions and use of provisions</td>
<td>(449)</td>
<td>(458)</td>
</tr>
</tbody>
</table>

**Cash generated from operations**

<table>
<thead>
<tr>
<th>18,063</th>
<th>18,688</th>
<th>17,451</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest paid</td>
<td>(1,943)</td>
<td>(2,476)</td>
</tr>
<tr>
<td>Interest received</td>
<td>334</td>
<td>273</td>
</tr>
<tr>
<td>Dividends received</td>
<td>22</td>
<td>30</td>
</tr>
<tr>
<td>Income tax paid</td>
<td>(2,355)</td>
<td>(2,371)</td>
</tr>
</tbody>
</table>

**CASH FLOW FROM OPERATING ACTIVITIES**

<table>
<thead>
<tr>
<th>14,121</th>
<th>14,144</th>
<th>13,864</th>
</tr>
</thead>
</table>

**INVESTING ACTIVITIES**

| Proceeds from sale of property, plant and equipment and of intangible assets | 412 | 273 | 257 |
| Sale of subsidiaries, net of cash disposed of | 6 | 72 | 426 |
| Acquisition of subsidiaries, net of cash acquired | 6 | (990) | (7,126) |
| Acquisition of property, plant and equipment and of intangible assets | 13/15 | 4,749 | 4,395 | (3,869) |
| Net of tax proceeds from the sale of assets held for sale | 397 | (65) | 4,002 |
| Net proceeds from sale/(acquisition) of investment in short-term debt securities | 16 | 169 | (187) | 6,707 |
| Net proceeds from sale/(acquisition) of other assets | (195) | 15 | (13) |
| Net repayments/(payments) of loans granted | (46) | (1) | 131 |

**CASH FLOW FROM INVESTING ACTIVITIES**

<table>
<thead>
<tr>
<th>(4,930)</th>
<th>(11,060)</th>
<th>(10,182)</th>
</tr>
</thead>
</table>

**FINANCING ACTIVITIES**

| Purchase of non-controlling interest | 21 | (296) | (92) |
| Net proceeds from the issue of share capital | 21 | 5 | 83 |
| Proceeds from borrowings | 16,237 | 18,382 | 22,464 |
| Payments on borrowings | (15,780) | (15,159) | (18,006) |
| Cash received for deferred shares instrument | — | — | 1,500 |
| Cash net finance (cost)/income other than interests | (481) | 239 | 563 |
| Share buyback | (1,000) | — | — |
| Dividends paid | (7,966) | (7,400) | (6,253) |

**CASH FLOW FROM FINANCING ACTIVITIES**

<table>
<thead>
<tr>
<th>(9,281)</th>
<th>(3,947)</th>
<th>(242)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net increase/(decrease) in cash and cash equivalents</td>
<td>(90)</td>
<td>(863)</td>
</tr>
<tr>
<td>Cash and cash equivalents less bank overdrafts at beginning of year</td>
<td>8,316</td>
<td>9,833</td>
</tr>
<tr>
<td>Effect of exchange rate fluctuations</td>
<td>(1,316)</td>
<td>(654)</td>
</tr>
<tr>
<td>Cash and cash equivalents less bank overdrafts at end of period</td>
<td>20</td>
<td>6,910</td>
</tr>
</tbody>
</table>

The accompanying notes are an integral part of these consolidated financial statements.

\(^1\) Reclassified to conform to the 2015 presentation.
Notes to the consolidated financial statements

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Statement of compliance .................................... 2
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1. CORPORATE INFORMATION

Anheuser-Busch InBev is a publicly traded company (Euronext: ABI) based in Leuven, Belgium, with a secondary listing on the Mexico (MEXBOL: ABI) and South Africa (JSE: ANB) stock exchanges and with American Depositary Receipts on the New York Stock Exchange (NYSE: BUD). It is the leading global brewer and one of the world’s top five consumer products companies. Beer, the original social network, has been bringing people together for thousands of years and the company’s portfolio of well over 200 beer brands continues to forge strong connections with consumers. This includes global brands Budweiser®, Corona® and Stella Artois®; international brands Beck’s®, Leffe® and Hoegaarden®; and local champions Bud Light®, Skol®, Brahma®, Antarctica®, Quilmes®, Victoria®, Modelo Especial®, Michelob Ultra®, Harbin®, Sedrin®, Klinskoye®, Sibirskaya Korona®, Chernigovske®, Cass® and Jupiler®. Anheuser-Busch InBev’s dedication to quality goes back to a brewing tradition of more than 600 years and the Den Hoorn brewery in Leuven, Belgium, as well as the pioneering spirit of the Anheuser & Co brewery, with origins in St. Louis, USA since 1852. Geographically diversified with a balanced exposure to developed and developing markets, Anheuser Busch InBev leverages the collective strengths of more than 150,000 employees based in 26 countries worldwide. In 2015, AB InBev realized 43.6 billion US dollar revenue. The company strives to be the Best Beer Company Bringing People Together For a Better World.

The consolidated financial statements of the company for the year ended 31 December 2015 comprise the company and its subsidiaries (together referred to as “AB InBev” or the “company”) and the company’s interest in associates and joint ventures and operations.

The financial statements were authorized for issue by the Board of Directors on 24 February 2016.

2. STATEMENT OF COMPLIANCE

The consolidated financial statements are prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IASB”) and in conformity with IFRS as adopted by the European Union up to 31 December 2015 (collectively “IFRS”). AB InBev did not early apply any new IFRS requirements that were not yet effective in 2015 and did not apply any European carve-outs from IFRS.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements by the company and its subsidiaries.

(A) BASIS OF PREPARATION AND MEASUREMENT

Depending on the applicable IFRS requirements, the measurement basis used in preparing the financial statements is cost, net realizable value, fair value or recoverable amount. Whenever IFRS provides an option between cost and another measurement basis (e.g. systematic re-measurement), the cost approach is applied.

(B) FUNCTIONAL AND PRESENTATION CURRENCY

Unless otherwise specified, all financial information included in these financial statements have been stated in US dollar and has been rounded to the nearest million. The functional currency of the parent company is the euro.

(C) USE OF ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

(D) PRINCIPLES OF CONSOLIDATION

Subsidiaries are those entities controlled by AB InBev. AB InBev controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing
control, potential voting rights are taken into account. Control is presumed to exist where AB InBev owns, directly or indirectly, more than one half of the voting rights (which does not always equate to economic ownership), unless it can be demonstrated that such ownership does not constitute control. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Total comprehensive income of subsidiaries is attributed to the owners of the company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Associates are undertakings in which AB InBev has significant influence over the financial and operating policies, but which it does not control. This is generally evidenced by ownership of between 20% and 50% of the voting rights. A joint venture is an arrangement in which AB InBev has joint control, whereby AB InBev has rights to the net assets of the arrangement, rather than
rights to its assets and obligations for its liabilities. Associates and joint ventures are accounted for by the equity method of accounting, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. When AB InBev’s share of losses exceeds the carrying amount of the associate or joint venture, the carrying amount is reduced to nil and recognition of further losses is discontinued except to the extent that AB InBev has incurred legal or constructive obligations on behalf of the associate or joint venture.

Joint operations arise when AB InBev has rights to the assets and obligations to the liabilities of a joint arrangement. AB InBev accounts for its share of the assets, liabilities, revenues and expenses as from the moment joint operation commences until the date that joint operation ceases.

The financial statements of the company’s subsidiaries, joint ventures, joint operations and associates are prepared for the same reporting year as the parent company, using consistent accounting policies. In exceptional cases when the financial statements of a subsidiary, joint venture, joint operation or associate are prepared as of a different date from that of AB InBev (e.g. Modelo prior to the AB InBev and Grupo Modelo combination), adjustments are made for the effects of significant transactions or events that occur between that date and the date of AB InBev’s financial statements. In such cases, the difference between the end of the reporting period of these subsidiaries, joint ventures, joint operations or associates from AB InBev’s reporting period is no more than three months.

All intercompany transactions, balances and unrealized gains and losses on transactions between group companies have been eliminated. Unrealized gains arising from transactions with joint ventures, joint operations and associates are eliminated to the extent of AB InBev’s interest in the entity. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

A listing of the company’s most important subsidiaries, joint ventures, joint operations and associates is set out in Note 34 AB InBev companies.

(E) SUMMARY OF CHANGES IN ACCOUNTING POLICIES

A number of new standards, amendment to standards and new interpretations became mandatory for the first time for the financial year beginning 1 January 2015, and have not been listed in these consolidated financial statements because of either their non-applicability to or their immateriality to AB InBev’s consolidated financial statements.

(F) FOREIGN CURRENCIES

FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are accounted for at exchange rates prevailing at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the balance sheet date rate. Gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement. Non-monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rate prevailing at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to US dollar at foreign exchange rates ruling at the dates the fair value was determined.

TRANSLATION OF THE RESULTS AND FINANCIAL POSITION OF FOREIGN OPERATIONS

Assets and liabilities of foreign operations are translated to US dollar at foreign exchange rates prevailing at the balance sheet date. Income statements of foreign operations, excluding foreign entities in hyperinflationary economies, are translated to US dollar at exchange rates for the year approximating the foreign exchange rates prevailing at the dates of the transactions. The components of shareholders’ equity are translated at historical rates. Exchange differences arising from the translation of shareholders’ equity to US dollar at period-end exchange rates are taken to other comprehensive income (translation reserves).

In hyperinflationary economies, re-measurement of the local currency denominated non-monetary assets, liabilities, income statement accounts as well as equity accounts is made by applying a general price index. These re-measured accounts are used for conversion into US dollar at the closing exchange rate. AB InBev did not operate in hyperinflationary economies in 2014 and 2015.
EXCHANGE RATES

The most important exchange rates that have been used in preparing the financial statements are:

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentinean peso</td>
<td>13.004955</td>
<td>8.552034</td>
<td>6.518027</td>
<td>9.101728</td>
<td>8.119265</td>
<td>5.446585</td>
</tr>
<tr>
<td>Brazilian real</td>
<td>3.904803</td>
<td>2.656197</td>
<td>2.342604</td>
<td>3.259601</td>
<td>2.348760</td>
<td>2.157419</td>
</tr>
<tr>
<td>Canadian dollar</td>
<td>1.388446</td>
<td>1.158305</td>
<td>1.063810</td>
<td>1.270237</td>
<td>1.099011</td>
<td>1.030040</td>
</tr>
<tr>
<td>Euro</td>
<td>0.918527</td>
<td>0.823655</td>
<td>0.725111</td>
<td>0.899096</td>
<td>0.747695</td>
<td>0.755485</td>
</tr>
<tr>
<td>South Korean won</td>
<td>1 176.09</td>
<td>1 090.93</td>
<td>—</td>
<td>1 129.52</td>
<td>1 045.73</td>
<td>—</td>
</tr>
<tr>
<td>Pound sterling</td>
<td>0.674152</td>
<td>0.641544</td>
<td>0.604525</td>
<td>0.653179</td>
<td>0.605515</td>
<td>0.640409</td>
</tr>
<tr>
<td>Russian ruble</td>
<td>72.881615</td>
<td>56.256744</td>
<td>32.729000</td>
<td>59.186097</td>
<td>36.741769</td>
<td>31.859528</td>
</tr>
<tr>
<td>Ukrainian hryvnia</td>
<td>24.000600</td>
<td>15.768560</td>
<td>7.993022</td>
<td>21.493019</td>
<td>11.426006</td>
<td>7.993027</td>
</tr>
</tbody>
</table>
(G) INTANGIBLE ASSETS

RESEARCH AND DEVELOPMENT
Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognized in the income statement as an expense as incurred.

Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalized if the product or process is technically and commercially feasible, future economic benefits are probable and the company has sufficient resources to complete development. The expenditure capitalized includes the cost of materials, direct labor and an appropriate proportion of overheads. Other development expenditure is recognized in the income statement as an expense as incurred. Capitalized development expenditure is stated at cost less accumulated amortization (see below) and impairment losses (refer to accounting policy P).

Amortization related to research and development intangible assets is included within the cost of sales if production related and in sales and marketing if related to commercial activities.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets.

SUPPLY AND DISTRIBUTION RIGHTS
A supply right is the right for AB InBev to supply a customer and the commitment by the customer to purchase from AB InBev. A distribution right is the right to sell specified products in a certain territory.

Acquired distribution rights are measured initially at cost or fair value when obtained through a business combination.

Amortization related to supply and distribution rights is included within sales and marketing expenses.

BRANDS
If part of the consideration paid in a business combination relates to trademarks, trade names, formulas, recipes or technological expertise these intangible assets are considered as a group of complementary assets that is referred to as a brand for which one fair value is determined. Expenditure on internally generated brands is expensed as incurred.

SOFTWARE
Purchased software is measured at cost less accumulated amortization. Expenditure on internally developed software is capitalized when the expenditure qualifies as development activities; otherwise, it is recognized in the income statement when incurred.

Amortization related to software is included in cost of sales, distribution expenses, sales and marketing expenses or administrative expenses based on the activity the software supports.

OTHER INTANGIBLE ASSETS
Other intangible assets, acquired by the company, are recognized at cost less accumulated amortization and impairment losses.

Other intangible assets also include multi-year sponsorship rights acquired by the company. These are initially recognized at the present value of the future payments and subsequently measured at cost less accumulated amortization and impairment losses.

SUBSEQUENT EXPENDITURE
Subsequent expenditure on capitalized intangible assets is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditures are expensed as incurred.

AMORTIZATION
Intangible assets with a finite life are amortized using the straight-line method over their estimated useful lives. Licenses, brewing, supply and distribution rights are amortized over the period in which the rights exist. Brands are considered to have an indefinite life unless plans exist to discontinue the brand. Discontinuance of a brand can be either through sale or termination of marketing support. When AB InBev purchases distribution rights for its own products the life of these rights is considered indefinite, unless the...
The company has a plan to discontinue the related brand or distribution. Software and capitalized development costs related to technology are amortized over 3 to 5 years.

Brands are deemed intangible assets with indefinite useful lives and, therefore, are not amortized but tested for impairment on an annual basis (refer to accounting policy P).

**GAINS AND LOSSES ON SALE**

Net gains on sale of intangible assets are presented in the income statement as other operating income. Net losses on sale are included as other operating expenses. Net gains and losses are recognized in the income statement when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs can be estimated reliably, and there is no continuing managerial involvement with the intangible assets.

**(H) BUSINESS COMBINATIONS**

The company applies the acquisition method of accounting to account for acquisitions of businesses. The cost of an acquisition is measured as the aggregate of the fair values at the date of exchange of the assets given, liabilities incurred and equity instruments issued. Identifiable assets, liabilities and contingent liabilities acquired or assumed are measured separately at their fair value as of the acquisition date. The excess of the cost of the acquisition over the company’s interest in the fair value of the identifiable net assets acquired is recorded as goodwill.
The allocation of fair values to the identifiable assets acquired and liabilities assumed is based on various assumptions requiring management judgment.

Acquisition-related costs are expensed as incurred.

If the business combination is achieved in stages, the acquisition date carrying value of AB InBev’s previously held interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognized in profit or loss.

(I) GOODWILL
Goodwill is determined as the excess of the consideration paid over AB InBev’s interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquired subsidiary, jointly controlled entity or associate recognized at the date of acquisition. All business combinations are accounted for by applying the purchase method.

In conformity with IFRS 3 Business Combinations, goodwill is stated at cost and not amortized but tested for impairment on an annual basis and whenever there is an indicator that the cash generating unit to which goodwill has been allocated, may be impaired (refer to accounting policy P).

Goodwill is expressed in the currency of the subsidiary or jointly controlled entity to which it relates and is translated to US dollar using the year-end exchange rate.

In respect of associates and joint ventures, the carrying amount of goodwill is included in the carrying amount of the investment in the associate.

If AB InBev’s interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognized exceeds the cost of the business combination such excess is recognized immediately in the income statement as required by IFRS 3 Business Combinations.

Expenditure on internally generated goodwill is expensed as incurred.

(J) PROPERTY, PLANT AND EQUIPMENT
Property, plant and equipment is measured at cost less accumulated depreciation and impairment losses (refer to accounting policy P). Cost includes the purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management (e.g. nonrefundable tax and transport cost). The cost of a self-constructed asset is determined using the same principles as for an acquired asset. The depreciation methods, residual value, as well as the useful lives are reassessed and adjusted if appropriate, annually.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets.

SUBSEQUENT EXPENDITURE
The company recognizes in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item when that cost is incurred if it is probable that the future economic benefits embodied with the item will flow to the company and the cost of the item can be measured reliably. All other costs are expensed as incurred.

DEPRECIATION
The depreciable amount is the cost of an asset less its residual value. Residual values, if not insignificant, are reassessed annually. Depreciation is calculated from the date the asset is available for use, using the straight-line method over the estimated useful lives of the assets.
The estimated useful lives are defined in terms of the asset’s expected utility to the company and can vary from one geographical area to another. On average the estimated useful lives are as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Useful Life</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industrial buildings – other real estate properties</td>
<td>20 - 33 years</td>
</tr>
<tr>
<td>Production plant and equipment:</td>
<td></td>
</tr>
<tr>
<td>Production equipment</td>
<td>10 - 15 years</td>
</tr>
<tr>
<td>Storage, packaging and handling equipment</td>
<td>5 - 7 years</td>
</tr>
<tr>
<td>Returnable packaging:</td>
<td></td>
</tr>
<tr>
<td>Kegs</td>
<td>2 - 10 years</td>
</tr>
<tr>
<td>Crates</td>
<td>2 - 10 years</td>
</tr>
<tr>
<td>Bottles</td>
<td>2 - 5 years</td>
</tr>
<tr>
<td>Point of sale furniture and equipment</td>
<td>5 years</td>
</tr>
<tr>
<td>Vehicles</td>
<td>5 years</td>
</tr>
<tr>
<td>Information processing equipment</td>
<td>3 - 5 years</td>
</tr>
</tbody>
</table>

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Land is not depreciated as it is deemed to have an indefinite life.
GAINS AND LOSSES ON SALE

Net gains on sale of items of property, plant and equipment are presented in the income statement as other operating income. Net losses on sale are presented as other operating expenses. Net gains and losses are recognized in the income statement when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs can be estimated reliably, and there is no continuing managerial involvement with the property, plant and equipment.

(K) ACCOUNTING FOR LEASES

Leases of property, plant and equipment where the company assumes substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are recognized as assets and liabilities (interest-bearing loans and borrowings) at amounts equal to the lower of the fair value of the leased property and the present value of the minimum lease payments at inception of the lease. Amortization and impairment testing for depreciable leased assets is the same as for depreciable assets that are owned (refer to accounting policies J and P).

Lease payments are apportioned between the outstanding liability and finance charges so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Leases of assets under which all the risks and rewards of ownership are substantially retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the term of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognized as an expense in the period in which termination takes place.

(L) INVESTMENTS

All investments are accounted for at trade date.

INVESTMENTS IN EQUITY SECURITIES

Investments in equity securities are undertakings in which AB InBev does not have significant influence or control. This is generally evidenced by ownership of less than 20% of the voting rights. Such investments are designated as available-for-sale financial assets which are at initial recognition measured at fair value unless the fair value cannot be reliably determined in which case they are measured at cost. Subsequent changes in fair value, except those related to impairment losses which are recognized in the income statement, are recognized directly in other comprehensive income.

On disposal of an investment, the cumulative gain or loss previously recognized directly in other comprehensive income is recognized in profit or loss.

INVESTMENTS IN DEBT SECURITIES

Investments in debt securities classified as trading or as being available-for-sale are carried at fair value, with any resulting gain or loss respectively recognized in the income statement or directly in other comprehensive income. Fair value of these investments is determined as the quoted bid price at the balance sheet date. Impairment charges and foreign exchange gains and losses are recognized in the income statement.

Investments in debt securities classified as held to maturity are measured at amortized cost.

In general, investments in debt securities with maturities of more than three months when acquired and remaining maturities of less than one year are classified as short-term investments. Investments with maturities beyond one year may be classified as short-term based on their highly liquid nature and because such marketable securities represent the investment of cash that is available for current operations.

OTHER INVESTMENTS

Other investments held by the company are classified as available-for-sale and are carried at fair value, with any resulting gain or loss recognized directly in other comprehensive income. Impairment charges are recognized in the income statement.
(M) INVENTORIES

Inventories are valued at the lower of cost and net realizable value. Cost includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. The weighted average method is used in assigning the cost of inventories.

The cost of finished products and work in progress comprises raw materials, other production materials, direct labor, other direct cost and an allocation of fixed and variable overhead based on normal operating capacity. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated completion and selling costs.

Inventories are written down on a case-by-case basis if the anticipated net realizable value declines below the carrying amount of the inventories. The calculation of the net realizable value takes into consideration specific characteristics of each inventory category, such as expiration date, remaining shelf life, slow-moving indicators, amongst others.

(N) TRADE AND OTHER RECEIVABLES

Trade and other receivables are carried at amortized cost less impairment losses. An estimate is made for doubtful receivables based on a review of all outstanding amounts at the balance sheet date.

An allowance for impairment of trade and other receivables is established if the collection of a receivable becomes doubtful. Such receivable becomes doubtful when there is objective evidence that the company will not be able to collect all amounts due according
to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy or financial reorganization, and default or delinquency in payments are considered indicators that the receivable is impaired. The amount of the allowance is the difference between the asset’s carrying amount and the present value of the estimated future cash flows. An impairment loss is recognized in the income statement, as are subsequent recoveries of previous impairments.

(O) CASH AND CASH EQUIVALENTS
Cash and cash equivalents include all cash balances and short-term highly liquid investments with a maturity of three months or less from the date of acquisition that are readily convertible into cash. They are stated at face value, which approximates their fair value. For the purpose of the cash flow statement, cash and cash equivalents are presented net of bank overdrafts.

(P) IMPAIRMENT
The carrying amounts of financial assets, property, plant and equipment, goodwill and intangible assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset’s recoverable amount is estimated. In addition, goodwill, intangible assets that are not yet available for use and intangibles with an indefinite useful life are tested for impairment annually at the business unit level (that is one level below a reporting segment). An impairment loss is recognized whenever the carrying amount of an asset or the related cash-generating unit exceeds its recoverable amount. Impairment losses are recognized in the income statement.

CALCULATION OF RECOVERABLE AMOUNT
The recoverable amount of the company’s investments in unquoted debt securities is calculated as the present value of expected future cash flows, discounted at the debt securities’ original effective interest rate. For equity investments classified as available for sale and quoted debt securities the recoverable amount is their fair value.

The recoverable amount of other assets is determined as the higher of their fair value less costs to sell and value in use. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. The recoverable amount of the cash generating units to which the goodwill and the intangible assets with indefinite useful life belong is based on discounted future cash flows using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded subsidiaries or other available fair value indicators.

Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro rata basis.

REVERSAL OF IMPAIRMENT LOSSES
Non-financial assets other than goodwill and equity investments classified as held for sale that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date. An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(Q) SHARE CAPITAL

REPURCHASE OF SHARE CAPITAL
When AB InBev buys back its own shares, the amount of the consideration paid, including directly attributable costs, is recognized as a deduction from equity under treasury shares.

DIVIDENDS
Dividends are recognized in the consolidated financial statements on the date that the dividends are declared unless minimum statutory dividends are required by local legislation or the bylaws of the company’s subsidiaries. In such instances, statutory minimum dividends are recognized as a liability.

SHARE ISSUANCE COSTS
Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.
(R) PROVISIONS

Provisions are recognized when (i) the company has a present legal or constructive obligation as a result of past events, (ii) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and (iii) a reliable estimate of the amount of the obligation can be made. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

RESTRUCTURING

A provision for restructuring is recognized when the company has approved a detailed and formal restructuring plan, and the restructuring has either commenced or has been announced publicly. Costs relating to the ongoing activities of the company are not provided for. The provision includes the benefit commitments in connection with early retirement and redundancy schemes.
ONEROUS CONTRACTS
A provision for onerous contracts is recognized when the expected benefits to be derived by the company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. Such provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

DISPUTES AND LITIGATIONs
A provision for disputes and litigation is recognized when it is more likely than not that the company will be required to make future payments as a result of past events, such items may include but are not limited to, several claims, suits and actions both initiated by third parties and initiated by AB InBev relating to antitrust laws, violations of distribution and license agreements, environmental matters, employment related disputes, claims from tax authorities, and alcohol industry litigation matters.

(S) EMPLOYEE BENEFITS
POST-EMPLOYMENT BENEFITS
Post-employment benefits include pensions, post-employment life insurance and post-employment medical benefits. The company operates a number of defined benefit and defined contribution plans throughout the world, the assets of which are generally held in separate trustee-managed funds. The pension plans are generally funded by payments from employees and the company, and, for defined benefit plans taking account of the recommendations of independent actuaries. AB InBev maintains funded and unfunded pension plans.

a) Defined contribution plans
Contributions to defined contribution plans are recognized as an expense in the income statement when incurred. A defined contribution plan is a pension plan under which AB InBev pays fixed contributions into a fund. AB InBev has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

b) Defined benefit plans
A defined benefit plan is a pension plan that is not a defined contribution plan. Typically defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation. For defined benefit plans, the pension expenses are assessed separately for each plan using the projected unit credit method. The projected unit credit method considers each period of service as giving rise to an additional unit of benefit entitlement. Under this method, the cost of providing pensions is charged to the income statement so as to spread the regular cost over the service lives of employees in accordance with the advice of qualified actuaries who carry out a full valuation of the plans at least every three years. The amounts charged to the income statement include current service cost, net interest cost (income), past service costs and the effect of any curtailments or settlements. Past service costs are recognized at the earlier of when the amendment / curtailment occurs or when the company recognizes related restructuring or termination costs. The pension obligations recognized in the balance sheet are measured at the present value of the estimated future cash outflows using interest rates based on high quality corporate bond yields, which have terms to maturity approximating the terms of the related liability, less the fair value of any plan assets. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling (excluding net interest) and the return on plan assets (excluding net interest) are recognized in full in the period in which they occur in the statement of comprehensive income. Re-measurements are not reclassified to profit or loss in subsequent periods.

Where the calculated amount of a defined benefit liability is negative (an asset), AB InBev recognizes such pension asset to the extent that economic benefits are available to AB InBev either from refunds or reductions in future contributions.

OTHER POST-EMPLOYMENT OBLIGATIONS
Some AB InBev companies provide post-employment medical benefits to their retirees. The entitlement to these benefits is usually based on the employee remaining in service up to retirement age. The expected costs of these benefits are accrued over the period of employment, using an accounting methodology similar to that for defined benefit pension plans.

TERMINATION BENEFITS
Termination benefits are recognized as an expense at the earlier when the company is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to terminate employment before the normal retirement date and when the company recognizes costs for a restructuring. Termination benefits for voluntary redundancies are recognized if the company has made an offer
encouraging voluntary redundancy, it is probable that the offer will be accepted, and the number of acceptances can be estimated reliably.

**BONUSES**

Bonuses received by company employees and management are based on pre-defined company and individual target achievement. The estimated amount of the bonus is recognized as an expense in the period the bonus is earned. To the extent that bonuses are settled in shares of the company, they are accounted for as share-based payments.

**(T) SHARE-BASED PAYMENTS**

Different share and share option programs allow company senior management and members of the board to acquire shares of the company and some of its affiliates. The fair value of the share options is estimated at grant date, using an option pricing model that is most appropriate for the respective option. Based on the expected number of options that will vest, the fair value of the options granted is expensed over the vesting period. When the options are exercised, equity is increased by the amount of the proceeds received.
(U) **INTEREST-BEARING LOANS AND BORROWINGS**

Interest-bearing loans and borrowings are recognized initially at fair value, less attributable transaction costs. Subsequent to initial recognition, interest-bearing loans and borrowings are stated at amortized cost with any difference between the initial amount and the maturity amount being recognized in the income statement (in accretion expense) over the expected life of the instrument on an effective interest rate basis.

(V) **TRADE AND OTHER PAYABLES**

Trade and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

(W) **INCOME TAX**

Income tax on the profit for the year comprises current and deferred tax. Income tax is recognized in the income statement except to the extent that it relates to items recognized directly in equity, in which case the tax effect is also recognized directly in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantively enacted, at the balance sheet date, and any adjustment to tax payable in respect of previous years.

In accordance with IAS 12 *Income Taxes* deferred taxes are provided using the so-called balance sheet liability method. This means that, for all taxable and deductible differences between the tax bases of assets and liabilities and their carrying amounts in the balance sheet a deferred tax liability or asset is recognized. Under this method a provision for deferred taxes is also made for differences between the fair values of assets and liabilities acquired in a business combination and their tax base. IAS 12 prescribes that no deferred taxes are recognized i) on initial recognition of goodwill, ii) at the initial recognition of assets or liabilities in a transaction that is not a business combination and affects neither accounting nor taxable profit and iii) on differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using currently or substantively enacted tax rates.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously.

The company recognizes deferred tax assets, including assets arising from losses carried forward, to the extent that future probable taxable profit will be available against which the deferred tax asset can be utilized. A deferred tax asset is reduced to the extent that it is no longer probable that the related tax benefit will be realized.

**GOODS SOLD**

In relation to the sale of beverages and packaging, revenue is recognized when the significant risks and rewards of ownership have been transferred to the buyer, and no significant uncertainties remain regarding recovery of the consideration due, associated costs or the possible return of goods, and there is no continuing management involvement with the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts, volume rebates, discounts for cash payments and excise taxes.

**RENTAL AND ROYALTY INCOME**

Rental income is recognized under other operating income on a straight-line basis over the term of the lease. Royalties arising from the use by others of the company’s resources are recognized in other operating income on an accrual basis in accordance with the substance of the relevant agreement.
GOVERNMENT GRANTS

A government grant is recognized in the balance sheet initially as deferred income when there is reasonable assurance that it will be received and that the company will comply with the conditions attached to it. Grants that compensate the company for expenses incurred are recognized as other operating income on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the company for the acquisition of an asset are presented by deducting them from the acquisition cost of the related asset in accordance with IAS 20 Accounting for Government Grants and Disclosure of Government Assistance.

FINANCE INCOME

Finance income comprises interest received or receivable on funds invested, dividend income, foreign exchange gains, losses on currency hedging instruments offsetting currency gains, gains on hedging instruments that are not part of a hedge accounting relationship, gains on financial assets classified as trading as well as any gains from hedge ineffectiveness (refer to accounting policy Z).

Interest income is recognized as it accrues (taking into account the effective yield on the asset) unless collectability is in doubt.
DIVIDEND INCOME
Dividend income is recognized in the income statement on the date that the dividend is declared.

(Y) EXPENSES
FINANCE COSTS
Finance costs comprise interest payable on borrowings, calculated using the effective interest rate method, foreign exchange losses, gains on currency hedging instruments offsetting currency losses, results on interest rate hedging instruments, losses on hedging instruments that are not part of a hedge accounting relationship, losses on financial assets classified as trading, impairment losses on available-for-sale financial assets as well as any losses from hedge ineffectiveness (refer to accounting policy Z).

All interest costs incurred in connection with borrowings or financial transactions are expensed as incurred as part of finance costs. Any difference between the initial amount and the maturity amount of interest bearing loans and borrowings, such as transaction costs and fair value adjustments, are recognized in the income statement (in accretion expense) over the expected life of the instrument on an effective interest rate basis (refer to accounting policy U). The interest expense component of finance lease payments is also recognized in the income statement using the effective interest rate method.

RESEARCH AND DEVELOPMENT, ADVERTISING AND PROMOTIONAL COSTS AND SYSTEMS DEVELOPMENT COSTS
Research, advertising and promotional costs are expensed in the year in which these costs are incurred. Development costs and systems development costs are expensed in the year in which these costs are incurred if they do not meet the criteria for capitalization (refer to accounting policy G).

PURCHASING, RECEIVING AND WAREHOUSING COSTS
Purchasing and receiving costs are included in the cost of sales, as well as the costs of storing and moving raw materials and packaging materials. The costs of storing finished products at the brewery as well as costs incurred for subsequent storage in distribution centers are included within distribution expenses.

(Z) DERIVATIVE FINANCIAL INSTRUMENTS
AB InBev uses derivative financial instruments to mitigate the transactional impact of foreign currencies, interest rates, equity prices and commodity prices on the company’s performance. AB InBev’s financial risk management policy prohibits the use of derivative financial instruments for trading purposes and the company does therefore not hold or issue any such instruments for such purposes. Derivative financial instruments that are economic hedges but that do not meet the strict IAS 39 Financial Instruments: Recognition and Measurement hedge accounting rules, however, are accounted for as financial assets or liabilities at fair value through profit or loss.

Derivative financial instruments are recognized initially at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of derivative financial instruments is either the quoted market price or is calculated using pricing models taking into account current market rates. These pricing models also take into account the current creditworthiness of the counterparties.

Subsequent to initial recognition, derivative financial instruments are re-measured to their fair value at balance sheet date. Depending on whether cash flow or net investment hedge accounting is applied or not, any gain or loss is either recognized directly in other comprehensive income or in the income statement.

Cash flow, fair value or net investment hedge accounting is applied to all hedges that qualify for hedge accounting when the required hedge documentation is in place and when the hedge relation is determined to be effective.

CASH FLOW HEDGE ACCOUNTING
When a derivative financial instrument hedges the variability in cash flows of a recognized asset or liability, the foreign currency risk of a firm commitment or a highly probable forecasted transaction, the effective part of any resulting gain or loss on the derivative financial instrument is recognized directly in other comprehensive income (hedging reserves). When the firm commitment in foreign currency or the forecasted transaction results in the recognition of a non-financial asset or a non-financial liability, the cumulative gain or loss is removed from other comprehensive income and included in the initial measurement of the asset or liability. When the hedge relates to financial assets or liabilities, the cumulative gain or loss on the hedging instrument is reclassified from other
comprehensive income into the income statement in the same period during which the hedged risk affects the income statement (e.g. when the variable interest expense is recognized). The ineffective part of any gain or loss is recognized immediately in the income statement.

When a hedging instrument or hedge relationship is terminated but the hedged transaction is still expected to occur, the cumulative gain or loss (at that point) remains in equity and is reclassified in accordance with the above policy when the hedged transaction occurs. If the hedged transaction is no longer probable, the cumulative gain or loss recognized in other comprehensive income is reclassified into the income statement immediately.

FAIR VALUE HEDGE ACCOUNTING

When a derivative financial instrument hedges the variability in fair value of a recognized asset or liability, any resulting gain or loss on the hedging instrument is recognized in the income statement. The hedged item is also stated at fair value in respect of the risk being hedged, with any gain or loss being recognized in the income statement.

NET INVESTMENT HEDGE ACCOUNTING

When a foreign currency liability hedges a net investment in a foreign operation, exchange differences arising on the translation of the liability to the functional currency are recognized directly in other comprehensive income (translation reserves).
When a derivative financial instrument hedges a net investment in a foreign operation, the portion of the gain or the loss on the hedging instrument that is determined to be an effective hedge is recognized directly in other comprehensive income (translation reserves), while the ineffective portion is reported in the income statement.

Investments in equity instruments or derivatives linked to and to be settled by delivery of an equity instrument are stated at cost when such equity instrument does not have a quoted market price in an active market and for which other methods of reasonably estimating fair value are clearly inappropriate or unworkable.

**OFFSETTING DERIVATIVE ASSETS WITH DERIVATIVE LIABILITIES**

A derivative asset and a derivative liability shall be offset and the net amount presented in the statement of financial position when, and only when, the company has a currently legally enforceable right to set off the recognized amounts; and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

*(AA) SEGMENT REPORTING*

Operating segments are components of the company’s business activities about which separate financial information is available that is evaluated regularly by management.

AB InBev’s operating segment reporting format is geographical because the company’s risks and rates of return are affected predominantly by the fact that AB InBev operates in different geographical areas. The company’s management structure and internal reporting system to the Board of Directors is set up accordingly. A geographical segment is a distinguishable component of the company that is engaged in providing products or services within a particular economic environment, which is subject to risks and returns that are different from those of other segments. In accordance with IFRS 8 Operating segments AB InBev’s reportable geographical segments were determined as North America, Mexico, Latin America North, Latin America South, Europe, Asia Pacific and Global Export and Holding Companies. The company’s assets are predominantly located in the same geographical areas as its customers.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated assets comprise interest bearing loans granted, investment securities, deferred tax assets, income taxes receivable, cash and cash equivalent and derivative assets. Unallocated liabilities comprise equity and non-controlling interest, interest bearing loans, deferred tax liabilities, bank overdrafts, income taxes payable and derivative liabilities.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets other than goodwill.

*(BB) EXCEPTIONAL ITEMS*

Exceptional items are those that in management’s judgment need to be disclosed by virtue of their size or incidence. Such items are disclosed on the face of the consolidated income statement or separately disclosed in the notes to the financial statements. Transactions which may give rise to exceptional items are principally restructuring activities, impairments, gains or losses on disposal of investments and the effect of the accelerated repayment of certain debt facilities.

*(CC) DISCONTINUED OPERATIONS AND NON-CURRENT ASSETS HELD FOR SALE*

A discontinued operation is a component of the company that either has been disposed of or is classified as held for sale and represents a separate major line of business or geographical area of operations and is part of a single coordinated plan to dispose of or is a subsidiary acquired exclusively with a view to resale.

AB InBev classifies a non-current asset (or disposal group) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use if all of the conditions of IFRS 5 are met. A disposal group is defined as a group of assets to be disposed of, by sale or otherwise, together as a group in a single transaction, and liabilities directly associated with those assets that will be transferred. Immediately before classification as held for sale, the company measures the carrying amount of the asset (or all the assets and liabilities in the disposal group) in accordance with applicable IFRS. Then, on initial classification as held for sale, non-current assets and disposal groups are recognized at the lower of carrying amount and fair value less costs to sell. Impairment losses on initial classification as held for sale are included in profit or loss. The same applies to gains and losses on subsequent re-measurement. Non-current assets classified as held for sale are no longer depreciated or amortized.
(DD) RECENTLY ISSUED IFRS

To the extent that new IFRS requirements are expected to be applicable in the future, they have been listed hereafter. For the year ended 31 December 2015 they have not been applied in preparing these consolidated financial statements.

**IFRS 9 Financial Instruments**, effective for annual periods beginning on or after 1 January 2018. Early application is permitted.

**IFRS 15 Revenue from Contracts with Customers**, effective for annual periods beginning on or after 1 January 2018. Early application is permitted.

**IFRS 16 Leases**, effective for annual periods beginning on or after 1 January 2019. Early application is permitted for companies that also apply IFRS 15.
Other Standards, Interpretations and Amendments to Standards

A number of other amendments to standards are effective for annual periods beginning after 1 January 2015, and have not been listed above because of either their non-applicability to or their immateriality to AB InBev’s consolidated financial statements.

4. USE OF ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Although each of its significant accounting policies reflects judgments, assessments or estimates, AB InBev believes that the following accounting policies reflect the most critical judgments, estimates and assumptions that are important to its business operations and the understanding of its results: business combinations, intangible assets, goodwill, impairment, provisions, share-based payments, employee benefits and accounting for current and deferred tax.

The fair values of acquired identifiable intangibles are based on an assessment of future cash flows. Impairment analyses of goodwill and indefinite-lived intangible assets are performed annually and whenever a triggering event has occurred, in order to determine whether the carrying value exceeds the recoverable amount. These calculations are based on estimates of future cash flows.

The company uses its judgment to select a variety of methods including the discounted cash flow method and option valuation models and makes assumptions about the fair value of financial instruments that are mainly based on market conditions existing at each balance sheet date.

Actuarial assumptions are established to anticipate future events and are used in calculating pension and other long-term employee benefit expense and liability. These factors include assumptions with respect to interest rates, rates of increase in health care costs, rates of future compensation increases, turnover rates, and life expectancy.

The company is subject to income tax in numerous jurisdictions. Significant judgment is required in determining the worldwide provision for income tax. There are some transactions and calculations for which the ultimate tax determination is uncertain. Some subsidiaries within the group are involved in tax audits and local enquiries usually in relation to prior years. Investigations and negotiations with local tax authorities are ongoing in various jurisdictions at the balance sheet date and, by their nature, these can take considerable time to conclude. In assessing the amount of any income tax provisions to be recognized in the financial statements, estimation is made of the expected successful settlement of these matters. Estimates of interest and penalties on tax liabilities are also recorded. Where the final outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period such determination is made.

Judgments made by management in the application of IFRS that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are further discussed in the relevant notes hereafter.

In preparing these consolidated financial statements, the significant judgments made by management in applying the company’s accounting policies and the key sources of estimating uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2014.
AB InBev operates its business through seven business segments. Regional and operating company management is responsible for managing performance, underlying risks, and effectiveness of operations. Internally, AB InBev’s management uses performance indicators such as normalized profit from operations (normalized EBIT) and normalized EBITDA as measures of segment performance and to make decisions regarding allocation of resources. These measures are reconciled for the company, to profit in the table presented (figures may not add due to rounding).

All figures in the tables below are stated in million US dollar, except volume (million hls) and Normalized EBITDA margin (in %).

### Table: Segment Reporting

<table>
<thead>
<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Volume</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>North America</td>
<td>118</td>
<td>121</td>
<td>122</td>
<td>42</td>
<td>39</td>
<td>22</td>
<td>123</td>
<td>125</td>
<td>120</td>
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<td>37</td>
<td>37</td>
<td>43</td>
<td>44</td>
<td>46</td>
</tr>
<tr>
<td>Latin America</td>
<td>42</td>
<td>39</td>
<td>22</td>
<td>123</td>
<td>125</td>
<td>120</td>
<td>36</td>
<td>37</td>
<td>37</td>
<td>43</td>
<td>44</td>
<td>46</td>
<td></td>
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<tr>
<td>Europe</td>
<td>9</td>
<td>9</td>
<td>9</td>
<td>9</td>
<td>9</td>
<td>9</td>
<td>9</td>
<td>9</td>
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<td>9</td>
<td>9</td>
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<td>9</td>
<td></td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>88</td>
<td>83</td>
<td>66</td>
<td>7</td>
<td>10</td>
<td>12</td>
<td>457</td>
<td>459</td>
<td>426</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Global Export</td>
<td>5555</td>
<td>5040</td>
<td>3354</td>
<td>1929</td>
<td>2216</td>
<td>1839</td>
<td>43604</td>
<td>47063</td>
<td>43195</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td>15603</td>
<td>16093</td>
<td>16023</td>
<td>3951</td>
<td>4619</td>
<td>2769</td>
<td>9096</td>
<td>11269</td>
<td>11010</td>
<td>3458</td>
<td>2961</td>
<td>3269</td>
<td>4012</td>
<td>4865</td>
<td>4932</td>
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<tr>
<td><strong>Normalized EBITDA</strong></td>
<td>6172</td>
<td>6820</td>
<td>6728</td>
<td>2007</td>
<td>2186</td>
<td>1281</td>
<td>4709</td>
<td>5742</td>
<td>5858</td>
<td>1588</td>
<td>1352</td>
<td>1491</td>
<td>1090</td>
<td>1343</td>
<td>1311</td>
</tr>
<tr>
<td><strong>Normalized EBITDA margin %</strong></td>
<td>39.6</td>
<td>42.4</td>
<td>42.0</td>
<td>50.8</td>
<td>47.3</td>
<td>46.3</td>
<td>51.8</td>
<td>51.0</td>
<td>53.2</td>
<td>45.9</td>
<td>45.6</td>
<td>45.6</td>
<td>27.2</td>
<td>27.6</td>
<td>26.6</td>
</tr>
<tr>
<td><strong>Depreciation, amortization and impairment</strong></td>
<td>(754)</td>
<td>(752)</td>
<td>(796)</td>
<td>(337)</td>
<td>(395)</td>
<td>(226)</td>
<td>(689)</td>
<td>(764)</td>
<td>(707)</td>
<td>(196)</td>
<td>(177)</td>
<td>(180)</td>
<td>(343)</td>
<td>(437)</td>
<td>(491)</td>
</tr>
</tbody>
</table>

**Note:** The information included in this document is presented by geographic segment, consistent with the information that is available and evaluated regularly by the chief operating decision maker.
For the period ended 31 December 2015, net revenue from the beer business amounted to 40,595m US dollar (2014: 43,116m US dollar; 2013: 39,080m US dollar) while the net revenue from the non-beer business (soft drinks and other business) accounted for 3,009m US dollar (2014: 3,947m US dollar; 2013: 4,115m US dollar). On the same basis, net revenue from external customers attributable to AB InBev’s country of domicile (Belgium) and non-current assets located in the country of domicile represented 690m US dollar and 1,169m US dollar (2014: 896m US dollar; 2013: 880m US dollar), respectively.
6. **ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES**

The table below summarizes the impact of acquisitions on the Statement of financial position and cash flows of AB InBev for 31 December 2015 and 2014:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>121</td>
<td>947</td>
<td>(51)</td>
<td>—</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>270</td>
<td>1 255</td>
<td>(19)</td>
<td>—</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>—</td>
<td>47</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>—</td>
<td>56</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Inventories</td>
<td>20</td>
<td>113</td>
<td>(1)</td>
<td>—</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>40</td>
<td>323</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>14</td>
<td>257</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Assets held for sale</td>
<td>—</td>
<td>—</td>
<td>1</td>
<td>(365)</td>
</tr>
<tr>
<td><strong>Non-controlling interest</strong></td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest-bearing loans and borrowings</td>
<td>(7)</td>
<td>(513)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>(45)</td>
<td>(187)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>—</td>
<td>(31)</td>
<td>1</td>
<td>—</td>
</tr>
<tr>
<td>Deferred tax liabilities</td>
<td>(7)</td>
<td>(306)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Provisions</td>
<td>—</td>
<td>—</td>
<td>(3)</td>
<td>—</td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank overdraft</td>
<td>—</td>
<td>(3)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Interest-bearing loans and borrowings</td>
<td>(3)</td>
<td>(96)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Income tax payable</td>
<td>—</td>
<td>(107)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>(12)</td>
<td>(853)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td><strong>Net identifiable assets and liabilities</strong></td>
<td>391</td>
<td>902</td>
<td>(72)</td>
<td>(365)</td>
</tr>
<tr>
<td>Goodwill on acquisitions</td>
<td>288</td>
<td>5 307</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Loss/(gain) on disposal</td>
<td>—</td>
<td>—</td>
<td>(21)</td>
<td>(196)</td>
</tr>
<tr>
<td>Consideration to be paid</td>
<td>(25)</td>
<td>—</td>
<td>—</td>
<td>52</td>
</tr>
<tr>
<td>Net cash paid on prior years acquisitions</td>
<td>485</td>
<td>1 021</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td><strong>Consideration paid/(received), satisfied in cash</strong></td>
<td>1 139</td>
<td>7 226</td>
<td>(93)</td>
<td>(509)</td>
</tr>
<tr>
<td>Cash (acquired)/ disposed of</td>
<td>(14)</td>
<td>(254)</td>
<td>—</td>
<td>24</td>
</tr>
<tr>
<td><strong>Net cash outflow / (inflow)</strong></td>
<td>1 125</td>
<td>6 976</td>
<td>(93)</td>
<td>(485)</td>
</tr>
</tbody>
</table>

**2015 ACQUISITIONS AND DISPOSALS**

During 2015, the company undertook a series of acquisitions and disposals with no significant impact in the company’s consolidated income statement.

During 2015, AB InBev performed a mandatory tender offer and purchased all outstanding Grupo Modelo’s shares held by third parties for a total consideration of 483m US dollar. Following the tender offer, Modelo became a wholly owned subsidiary of AB InBev and Modelo was delisted. An amount of 2m US dollar was recognized as restricted cash for the outstanding consideration payable to former Modelo’s shareholders who did not yet claim their proceeds.

**2014 ACQUISITIONS**

The following transactions took place in 2014:

**Oriental Brewery acquisition**

On 1 April 2014, AB InBev completed the acquisition of Oriental Brewery (“OB”), the leading brewer in South Korea. The acquisition returned OB to the AB InBev portfolio, after AB InBev sold the company in July 2009, following the combination of InBev and Anheuser-Busch, in support of the company’s deleveraging commitment.
The enterprise value for the transaction was 5.8 billion US dollar, and as a result of an agreement entered into in 2009, AB InBev also received approximately 320m US dollar in cash at closing from this transaction, subjected to closing adjustments according to the terms of the transaction.

The transaction resulted in 4.3 billion US dollar of goodwill allocated primarily to the Korean business. The majority of the intangible asset valuation related to brands with indefinite life. These mainly include the Cass brand family and have been fair valued for a total amount of 1.1 billion US dollar.

A deferred tax liability has been accrued on most fair value adjustments considering a tax rate of 24.2%.
2014 Other acquisitions

In 2014, AB InBev completed the acquisition of the Siping Ginsber Draft Beer Co., Ltd. (“Ginsber”), which owns the Ginsber brand in China, as well as the acquisition of three breweries in China. The aggregate purchase price of such transactions was approximately 868m US dollar.

2014 DISPOSALS

During 2014, AB InBev collected 197m US dollar proceeds from prior years’ sale of the Central European operations to CVC Capital Partners.

During 2014, AB InBev sold its investment in the company Comercio y Distribución Modelo (“Extra”) and AB InBev completed the sale of its glass production plant and other assets located in Piedras Negras, Coahuila, Mexico, to affiliates of Constellation Brands Inc. The result of such sales was recorded as a exceptional item – see Note 8 Exceptional items.

7. OTHER OPERATING INCOME/(EXPENSES)

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government grants</td>
<td>668</td>
<td>697</td>
<td>614</td>
</tr>
<tr>
<td>License income</td>
<td>73</td>
<td>123</td>
<td>125</td>
</tr>
<tr>
<td>Net (additions to)/reversals of provisions</td>
<td>(31)</td>
<td>(10)</td>
<td>(31)</td>
</tr>
<tr>
<td>Net gain on disposal of property, plant and equipment, intangible assets and assets held for sale</td>
<td>20</td>
<td>5</td>
<td>32</td>
</tr>
<tr>
<td>Net rental and other operating income</td>
<td>302</td>
<td>573</td>
<td>420</td>
</tr>
<tr>
<td>Research expenses as incurred</td>
<td>207</td>
<td>217</td>
<td>185</td>
</tr>
</tbody>
</table>

The government grants relate primarily to fiscal incentives given by certain Brazilian states and Chinese provinces, based on the company’s operations and developments in those regions.

Net rental and other operating income decreased from 573m US dollar in 2014 to 302m US dollar in 2015. This decrease results mainly from a 2014 one-time positive accounting adjustment of 223m US dollar, following an actuarial reassessment of future liabilities under the company’s post-retirement healthcare benefit plans in the US.

In 2015, the company expensed 207m US dollar in research, compared to 217m US dollar in 2014 and 185m US dollar in 2013. Part of this was expensed in the area of market research, but the majority is related to innovation in the areas of process optimization especially as it pertains to capacity, new product developments and packaging initiatives.

8. EXCEPTIONAL ITEMS

IAS 1 Presentation of financial statements requires material items of income and expense to be disclosed separately. Exceptional items are items, which in management’s judgment, need to be disclosed by virtue of their size or incidence in order for the user to obtain a proper understanding of the financial information. The company considers these items to be of significance in nature, and accordingly, management has excluded these from their segment measure of performance as noted in Note 5 Segment Reporting.

The exceptional items included in the income statement are as follows:

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restructuring</td>
<td>(171)</td>
<td>(158)</td>
<td>(118)</td>
</tr>
<tr>
<td>Fair value adjustments</td>
<td>—</td>
<td>—</td>
<td>6 410</td>
</tr>
<tr>
<td>Acquisition costs business combinations</td>
<td>(55)</td>
<td>(77)</td>
<td>(82)</td>
</tr>
<tr>
<td>Business and asset disposal</td>
<td>524</td>
<td>157</td>
<td>30</td>
</tr>
<tr>
<td>Impairment of assets</td>
<td>(82)</td>
<td>(119)</td>
<td>—</td>
</tr>
<tr>
<td>Judicial settlement</td>
<td>(80)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Impact on profit from operations</td>
<td>136</td>
<td>(197)</td>
<td>6 240</td>
</tr>
</tbody>
</table>

The exceptional restructuring charges for 2015 total (171)m US dollar. These charges primarily relate to the integration of Grupo Modelo and to organizational alignments in North America and Europe. These changes aim to eliminate overlap or duplicated
processes, taking into account the right match of employee profiles with the new organizational requirements. These one-time expenses, as a result of the series of decisions, provide the company with a lower cost base in addition to a stronger focus on AB InBev’s core activities, quicker decision-making and improvements to efficiency, service and quality.

Business and asset disposals resulted in a net gain of 524m US dollar as per 31 December 2015. This gain consists primarily of gains on property sales, and compensation for the termination agreements with Crown imports for the distribution of Grupo Modelo products thought the company’s wholly owned distributors in the US, and with Monster for the distribution of its brands through the Anheuser-Busch distribution system.

During 2015, the group incurred 50m US dollar impairment losses related to goodwill and other assets in respect of its operations in Ukraine and impaired a non-core brand for an amount of 32m US dollar.

\footnote{Reclassified to conform to the 2015 presentation.}
Acquisition costs of business combinations amount to (55)m US dollar by the end of December 2015, primarily related to costs incurred in relation to the proposed combination with SABMiller.

The judicial settlement relates to the agreement reached between CADE, the Brazilian Antitrust Authority and Ambev, regarding the “Tô Contigo” customer loyalty program - see Note 30 Contingencies.

The exceptional restructuring charges for the period ended 31 December 2014 total 158m US dollar. These charges primarily relate to the integration of Grupo Modelo and to organizational alignments in Asia Pacific and Europe.

Acquisition costs of business combinations amount to (77)m US dollar by the end of December 2014 primarily relating to cost incurred for the acquisition of OB that closed on 1 April 2014 – see also Note 6 Acquisitions and disposals of subsidiaries

The business and asset disposals resulted in a net gain of 157m US dollar as per 31 December 2014 mainly attributable to the additional proceeds from the sale of the Central European operations to CVC Capital Partners and the disposal of Extra and the glass production plant located in Piedras Negras, Coahuila, Mexico – see also Note 6 Acquisitions and disposals of subsidiaries.

Impairment of assets for the period ended 31 December 2014 mainly relate to the closure of the Angarsk and Perm breweries in Russia.

The 2013 exceptional restructuring charges of (118)m US dollar related primarily to the integration of Grupo Modelo, the integration of Cervecería Nacional Dominicana S.A. and to organizational alignments in China, Europe, North America, and Latin America. 2013 acquisition costs of business combinations amount to (82)m US dollar related to cost incurred for the combination with Grupo Modelo and the acquisition of four breweries in China on 27 April 2013. The fair value adjustments recognized in 2013 for a total of 6 410m US dollar mainly related to non-cash impact of revaluing the initial investment held in Grupo Modelo and the recycling to the consolidated income statement of amounts related to the investment, previously recognized in the consolidated statement of comprehensive income in line with IFRS 3. The company also incurred exceptional finance cost of (214)m US dollar for the period ended 31 December 2015 (31 December 2014: 509m US dollar; 2013: 283m US dollar) - see Note 11 Finance cost and income.

All the above amounts are before income taxes. The exceptional income taxes as of 31 December 2015 increased income taxes by (201) m US dollar (31 December 2014: 25m US dollar decrease of income taxes and 2013: (70)m US dollar increase of income taxes). Exceptional income taxes include (105)m US dollar related to unfavorable tax claims in Korea related to the period prior to OB acquisition.

Non-controlling interest on the exceptional items amounts to 39m US dollar for the period ended 31 December 2015 (31 December 2014: 14m US dollar; 2013: 5m US dollar).

9. PAYROLL AND RELATED BENEFITS

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages and salaries</td>
<td>(3 706)</td>
<td>(3 844)</td>
<td>(4 137)</td>
</tr>
<tr>
<td>Social security contributions</td>
<td>(633)</td>
<td>(663)</td>
<td>(722)</td>
</tr>
<tr>
<td>Other personnel cost</td>
<td>(648)</td>
<td>(682)</td>
<td>(807)</td>
</tr>
<tr>
<td>Pension expense for defined benefit plans</td>
<td>(212)</td>
<td>206</td>
<td>(141)</td>
</tr>
<tr>
<td>Share-based payment expense</td>
<td>(225)</td>
<td>(251)</td>
<td>(243)</td>
</tr>
<tr>
<td>Contributions to defined contribution plans</td>
<td>(90)</td>
<td>(145)</td>
<td>(117)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>(5 514)</strong></td>
<td><strong>(5 379)</strong></td>
<td><strong>(6 167)</strong></td>
</tr>
</tbody>
</table>

Number of full time equivalents (FTE)

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>AB InBev NV (parent company)</td>
<td>191</td>
<td>185</td>
<td>184</td>
</tr>
<tr>
<td>Other subsidiaries</td>
<td>152 130</td>
<td>153 844</td>
<td>152 441</td>
</tr>
<tr>
<td>Proportionally consolidated entities</td>
<td>—</td>
<td>—</td>
<td>1 962</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>152 321</strong></td>
<td><strong>154 029</strong></td>
<td><strong>154 587</strong></td>
</tr>
</tbody>
</table>

The number of full time equivalents can be split as follows:

Effective 1 January 2014, the company discontinued the proportional consolidation of certain operations – see also Note 4 Use of estimates and judgments.
10. ADDITIONAL INFORMATION ON OPERATING EXPENSES BY NATURE

Depreciation, amortization and impairment charges are included in the following line items of the 2015 income statement:

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>Depreciation and impairment of property, plant and equipment</th>
<th>Amortization and impairment of intangible assets</th>
<th>Impairment of goodwill</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of sales</td>
<td>2 122</td>
<td>17</td>
<td>—</td>
</tr>
<tr>
<td>Distribution expenses</td>
<td>122</td>
<td>1</td>
<td>—</td>
</tr>
<tr>
<td>Sales and marketing expenses</td>
<td>285</td>
<td>173</td>
<td>—</td>
</tr>
<tr>
<td>Administrative expenses</td>
<td>170</td>
<td>177</td>
<td>—</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>4</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Exceptional items</td>
<td>12</td>
<td>32</td>
<td>38</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2 715</strong></td>
<td><strong>400</strong></td>
<td><strong>38</strong></td>
</tr>
</tbody>
</table>

Depreciation, amortization and impairment charges were included in the following line items of the 2014 income statement:

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>Depreciation and impairment of property, plant and equipment</th>
<th>Amortization and impairment of intangible assets</th>
<th>Impairment of goodwill</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of sales</td>
<td>2 258</td>
<td>12</td>
<td>—</td>
</tr>
<tr>
<td>Distribution expenses</td>
<td>127</td>
<td>1</td>
<td>—</td>
</tr>
<tr>
<td>Sales and marketing expenses</td>
<td>292</td>
<td>189</td>
<td>—</td>
</tr>
<tr>
<td>Administrative expenses</td>
<td>170</td>
<td>180</td>
<td>—</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>—</td>
<td>5</td>
<td>—</td>
</tr>
<tr>
<td>Exceptional items</td>
<td>119</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2 967</strong></td>
<td><strong>388</strong></td>
<td>—</td>
</tr>
</tbody>
</table>

Depreciation, amortization and impairment charges were included in the following line items of the 2013 income statement:

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>Depreciation and impairment of property, plant and equipment</th>
<th>Amortization and impairment of intangible assets</th>
<th>Impairment of goodwill</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of sales</td>
<td>2 123</td>
<td>10</td>
<td>—</td>
</tr>
<tr>
<td>Distribution expenses</td>
<td>117</td>
<td>1</td>
<td>—</td>
</tr>
<tr>
<td>Sales and marketing expenses</td>
<td>253</td>
<td>194</td>
<td>—</td>
</tr>
<tr>
<td>Administrative expenses</td>
<td>146</td>
<td>132</td>
<td>—</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>2</td>
<td>7</td>
<td>—</td>
</tr>
<tr>
<td>Exceptional items</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2 641</strong></td>
<td><strong>344</strong></td>
<td>—</td>
</tr>
</tbody>
</table>

The depreciation, amortization and impairment of property, plant and equipment included a full-cost reallocation of 3m US dollar in 2015 from the aggregate depreciation, amortization and impairment expense to cost of goods sold (2014 and 2013: 4m US dollar).

11. FINANCE COST AND INCOME

RECOGNIZED IN PROFIT OR LOSS

FINANCE COSTS

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest expense</td>
<td>(1 833)</td>
<td>(2 008)</td>
<td>(2 043)</td>
</tr>
<tr>
<td>Capitalization of borrowing costs</td>
<td>28</td>
<td>39</td>
<td>38</td>
</tr>
<tr>
<td>Net interest on net defined benefit liabilities</td>
<td>(118)</td>
<td>(124)</td>
<td>(156)</td>
</tr>
<tr>
<td>Accretion expense</td>
<td>(326)</td>
<td>(364)</td>
<td>(360)</td>
</tr>
<tr>
<td>Net foreign exchange losses (net of the effect of foreign exchange derivative instruments)</td>
<td>—</td>
<td>—</td>
<td>(295)</td>
</tr>
</tbody>
</table>
Finance costs, excluding exceptional items, decreased by 380m US dollar from prior year mainly driven by lower interest expenses and other financial costs. 2014 finance costs, excluding exceptional items, decreased by 250m US dollar from prior year mainly driven by lower net foreign exchange losses.

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax on financial transactions</td>
<td>(61)</td>
<td>(36)</td>
<td>(47)</td>
</tr>
<tr>
<td>Other financial costs, including bank fees</td>
<td>(107)</td>
<td>(304)</td>
<td>(184)</td>
</tr>
<tr>
<td></td>
<td>(2 417)</td>
<td>(2 797)</td>
<td>(3 047)</td>
</tr>
<tr>
<td>Exceptional finance cost</td>
<td>(725)</td>
<td>—</td>
<td>(101)</td>
</tr>
<tr>
<td></td>
<td>(3 142)</td>
<td>(2 797)</td>
<td>(3 148)</td>
</tr>
</tbody>
</table>

Finance costs, excluding exceptional items, decreased by 380m US dollar from prior year mainly driven by lower interest expenses and other financial costs. 2014 finance costs, excluding exceptional items, decreased by 250m US dollar from prior year mainly driven by lower net foreign exchange losses.
Borrowing costs capitalized relate to the capitalization of interest expenses directly attributable to the acquisition and construction of qualifying assets mainly in Brazil and China. Interests are capitalized at a borrowing rate ranging from 4% to 8%.

In the light of the announced proposed combination with SABMiller, AB InBev recognized exceptional expenses of 725m US dollar, of which:

- 688m US dollar as a result of derivative foreign exchange forward contracts entered into with respect to 45 billion pound sterling purchase price, for which a portion of the hedges could not qualify for hedge accounting—see also Note 27 Risks arising from financial instruments;
- 19m US dollar related to commitment fees for the 2015 Committed Senior Acquisition Facilities Agreement and other expenses. Such commitment fees accrue and are payable periodically on any undrawn but available funds under these facilities. See also Note 22 Interest-bearing loans and borrowings and
- 18m US dollar exceptional finance costs resulting from mark-to-market adjustments on derivative instruments entered into to hedge the shares to be issued in relation to the proposed combination—see also Note 27 Risks arising from financial instruments.

Interest expense is presented net of the effect of interest rate derivative instruments hedging AB InBev’s interest rate risk—see also Note 27 Risks arising from financial instruments.

**FINANCE INCOME**

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest income</td>
<td>339</td>
<td>335</td>
<td>286</td>
</tr>
<tr>
<td>Net foreign exchange gains (net of the effect of foreign exchange derivative instruments)</td>
<td>378</td>
<td>319</td>
<td>—</td>
</tr>
<tr>
<td>Net gains on hedging instruments that are not part of a hedge accounting relationship</td>
<td>399</td>
<td>275</td>
<td>186</td>
</tr>
<tr>
<td>Other financial income</td>
<td>62</td>
<td>40</td>
<td>89</td>
</tr>
<tr>
<td><strong>Exceptional finance income</strong></td>
<td><strong>511</strong></td>
<td><strong>509</strong></td>
<td><strong>384</strong></td>
</tr>
<tr>
<td><strong>Finance income, excluding exceptional items</strong></td>
<td><strong>1 689</strong></td>
<td><strong>1 478</strong></td>
<td><strong>945</strong></td>
</tr>
</tbody>
</table>

Finance income, excluding exceptional items, increased by 209m US dollar mainly as a result of net foreign exchange gains on US dollar cash held in Mexico and the mark-to-market result on certain derivatives related to the hedging of share-based payment programs which reached net gains of 844m US dollar in 2015 (2014: 711m US dollar income; 2013: 456m US dollar income).

Exceptional finance income for the period ended 31 December 2015 was 511m US dollar resulting from mark-to-market adjustments on derivative instruments entered into to hedge the deferred share instrument issued in a transaction related to the combination with Grupo Modelo (31 December 2014: 509m US dollar income). By 31 December 2015, 100% of the deferred share instrument had been hedged at an average price of approximately 68 euro per share. See also Note 21 Changes in equity and earnings per share.

No interest income was recognized on impaired financial assets.

The interest income stems from the following financial assets:

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>254</td>
<td>227</td>
<td>209</td>
</tr>
<tr>
<td>Investment debt securities held for trading</td>
<td>37</td>
<td>33</td>
<td>21</td>
</tr>
<tr>
<td>Other loans and receivables</td>
<td>48</td>
<td>75</td>
<td>56</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>339</strong></td>
<td><strong>335</strong></td>
<td><strong>286</strong></td>
</tr>
</tbody>
</table>

The interest income on other loans and receivables includes the interest accrued on cash deposits given as guarantees for certain legal proceedings pending resolution.

For further information on instruments hedging AB InBev’s foreign exchange risk see Note 27 Risks arising from financial instruments.

12. INCOME TAXES
Income taxes recognized in the income statement can be detailed as follows:

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current tax expense</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current year</td>
<td>(2 300)</td>
<td>(2 332)</td>
<td>(2 130)</td>
</tr>
<tr>
<td>(Underprovided)/overprovided in prior years</td>
<td>(95)</td>
<td>18</td>
<td>132</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>(2 395)</td>
<td>(2 314)</td>
<td>(1 998)</td>
</tr>
<tr>
<td><strong>Deferred tax (expense)/income</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Origination and reversal of temporary differences</td>
<td>(242)</td>
<td>(293)</td>
<td>(174)</td>
</tr>
<tr>
<td>(Utilization)/recognition of deferred tax assets on tax losses</td>
<td>3</td>
<td>96</td>
<td>153</td>
</tr>
<tr>
<td>Recognition of previously unrecognized tax losses</td>
<td>40</td>
<td>12</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>(199)</td>
<td>(185)</td>
<td>(18)</td>
</tr>
<tr>
<td><strong>Total income tax expense in the income statement</strong></td>
<td>(2 594)</td>
<td>(2 499)</td>
<td>(2 016)</td>
</tr>
</tbody>
</table>
The reconciliation of the effective tax rate with the aggregated weighted nominal tax rate can be summarized as follows:

### Adjustments on taxable basis

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>One-time events related to the Grupo Modelo combination</td>
<td>(6 577)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foreign source income</td>
<td>(969)</td>
<td>(523)</td>
<td>(679)</td>
</tr>
<tr>
<td>Government incentives</td>
<td>(948)</td>
<td>(701)</td>
<td>(638)</td>
</tr>
<tr>
<td>Taxable intercompany dividends</td>
<td>173</td>
<td>331</td>
<td>135</td>
</tr>
<tr>
<td>Expenses not deductible for tax purposes</td>
<td>1 559</td>
<td>1 186</td>
<td>801</td>
</tr>
<tr>
<td>Other non-taxable income</td>
<td>(165)</td>
<td>(530)</td>
<td>(649)</td>
</tr>
<tr>
<td><strong>Aggregated weighted nominal tax rate</strong></td>
<td>30.5%</td>
<td>31.6%</td>
<td>33.3%</td>
</tr>
<tr>
<td><strong>Income tax (losses)/gains</strong></td>
<td>(2 594)</td>
<td>(2 499)</td>
<td>(2 016)</td>
</tr>
</tbody>
</table>

### Adjustments on tax expense

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Utilization of tax losses not previously recognized</td>
<td>32</td>
<td>93</td>
<td>16</td>
</tr>
<tr>
<td>Recognition of deferred tax assets on previous years’ tax losses</td>
<td>40</td>
<td>12</td>
<td>3</td>
</tr>
<tr>
<td>Write-down of deferred tax assets on tax losses and current year losses for which no deferred tax asset is recognized</td>
<td>(195)</td>
<td>(151)</td>
<td>(74)</td>
</tr>
<tr>
<td>(Underprovided)/overprovided in prior years</td>
<td>(95)</td>
<td>18</td>
<td>132</td>
</tr>
<tr>
<td>Deductions from interest on equity</td>
<td>643</td>
<td>971</td>
<td>610</td>
</tr>
<tr>
<td>Deductions from goodwill</td>
<td>66</td>
<td>113</td>
<td>264</td>
</tr>
<tr>
<td>Other tax deductions</td>
<td>1 033</td>
<td>1 006</td>
<td>746</td>
</tr>
<tr>
<td>Change in tax rate</td>
<td>12</td>
<td>46</td>
<td>116</td>
</tr>
<tr>
<td>Withholding taxes</td>
<td>(450)</td>
<td>(436)</td>
<td>(425)</td>
</tr>
<tr>
<td>Other tax adjustments</td>
<td>7</td>
<td>117</td>
<td>141</td>
</tr>
<tr>
<td><strong>Effective tax rate</strong></td>
<td>20.8%</td>
<td>18.1%</td>
<td>11.1%</td>
</tr>
</tbody>
</table>

The total income tax expense amounts to 2 594m US dollar in 2015 compared to 2 499m US dollar in 2014. The effective tax rate increase from 18.1% to 20.8% from 2014 to 2015 (2013: 11.1%), mainly resulting from non-deductible foreign exchange losses from certain derivatives entered into in relation to the proposed combination with SABMiller that could not qualify for hedge accounting under IFRS rules, as well as unfavorable outcome of tax claims and uncertain tax positions. Changes in country profit mix are also impacting the effective tax rate. Please refer to Note 27 *Risks arising from financial instruments* and Note 8 *Exceptional items*.

The Company benefits from tax exempted income and tax credits which are expected to continue in the future, except for the tax deductibility of existing goodwill in Brazil, which will expire in 2017. The Company does not have significant benefits coming from low tax rates in any particular jurisdiction.

Income taxes were directly recognized in other comprehensive income as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Re-measurements of post-employment benefits</td>
<td>(37)</td>
<td>308</td>
<td>(289)</td>
</tr>
<tr>
<td>Cash flow and net investment hedges</td>
<td>930</td>
<td>24</td>
<td>(4)</td>
</tr>
<tr>
<td><strong>Effective tax rate</strong></td>
<td>20.8%</td>
<td>18.1%</td>
<td>11.1%</td>
</tr>
</tbody>
</table>
### 13. PROPERTY, PLANT AND EQUIPMENT

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Land and buildings</td>
<td>Plant and equipment</td>
</tr>
<tr>
<td><strong>Acquisition cost</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at end of previous year</td>
<td>9 988</td>
<td>22 471</td>
</tr>
<tr>
<td>Effect of movements in foreign exchange</td>
<td>(1 111)</td>
<td>(3 024)</td>
</tr>
<tr>
<td>Acquisitions</td>
<td>255</td>
<td>1 410</td>
</tr>
<tr>
<td>Acquisitions through business combinations</td>
<td>47</td>
<td>49</td>
</tr>
<tr>
<td>Disposals</td>
<td>(116)</td>
<td>(914)</td>
</tr>
<tr>
<td>Disposals through the sale of subsidiaries</td>
<td>(63)</td>
<td>(105)</td>
</tr>
<tr>
<td>Transfer (to)/from other asset categories and other movements</td>
<td>239</td>
<td>1 088</td>
</tr>
<tr>
<td><strong>Balance at end of the period</strong></td>
<td>9 239</td>
<td>20 975</td>
</tr>
</tbody>
</table>

**Depreciation and impairment losses**

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Land and buildings</td>
<td>Plant and equipment</td>
</tr>
<tr>
<td><strong>Balance at end of previous year</strong></td>
<td>(2 826)</td>
<td>(12 240)</td>
</tr>
<tr>
<td>Effect of movements in foreign exchange</td>
<td>336</td>
<td>1 666</td>
</tr>
<tr>
<td>Disposals</td>
<td>69</td>
<td>784</td>
</tr>
<tr>
<td>Disposals through the sale of subsidiaries</td>
<td>36</td>
<td>87</td>
</tr>
<tr>
<td>Depreciation</td>
<td>(375)</td>
<td>(1 897)</td>
</tr>
<tr>
<td>Impairment losses</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfer to/(from) other asset categories and other movements</td>
<td>15</td>
<td>32</td>
</tr>
<tr>
<td><strong>Balance at end of the period</strong></td>
<td>(2 745)</td>
<td>(11 613)</td>
</tr>
</tbody>
</table>

**Carrying amount**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>at 31 December 2014</td>
<td>7 162</td>
<td>10 231</td>
</tr>
<tr>
<td>at 31 December 2015</td>
<td>6 494</td>
<td>9 362</td>
</tr>
</tbody>
</table>

The carrying amount of property, plant and equipment subject to restrictions on title amounts to 21m US dollar.

Contractual commitments to purchase property, plant and equipment amounted to 750m US dollar as at 31 December 2015 (2014: 647m US dollar). The increase results from projects mainly in Mexico and North America.

### LEASED ASSETS

The company leases land and buildings as well as equipment under a number of finance lease agreements. The carrying amount as at 31 December 2015 of leased land and buildings was 141m US dollar (2014: 151m US dollar).

### 14. GOODWILL

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Acquisition cost</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at end of previous year</td>
<td>70 765</td>
<td>69 933</td>
</tr>
<tr>
<td>Effect of movements in foreign exchange</td>
<td>(5 956)</td>
<td>(4 410)</td>
</tr>
<tr>
<td>Purchases of non-controlling interest</td>
<td>2</td>
<td>(5)</td>
</tr>
<tr>
<td>Disposals through the sale of subsidiaries</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisitions through business combinations</td>
<td></td>
<td>288</td>
</tr>
<tr>
<td><strong>Balance at end of year</strong></td>
<td>65 099</td>
<td>70 765</td>
</tr>
</tbody>
</table>

**Impairment losses**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at end of previous year</td>
<td></td>
<td>(7)</td>
</tr>
<tr>
<td>Impairment losses</td>
<td></td>
<td>(38)</td>
</tr>
<tr>
<td>Effect of movements in foreign exchange and other movements</td>
<td></td>
<td>7</td>
</tr>
<tr>
<td><strong>Balance at end of year</strong></td>
<td></td>
<td>(38)</td>
</tr>
</tbody>
</table>

**Carrying amount**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>at 31 December 2014</td>
<td>70 758</td>
<td>70 758</td>
</tr>
<tr>
<td>at 31 December 2015</td>
<td>65 061</td>
<td>—</td>
</tr>
</tbody>
</table>
During 2015, the group incurred 38m US dollar goodwill impairment loss in respect of its operations in Ukraine as a result of the country’s continued political instability and deteriorating macroeconomic conditions – see Note 8 Exceptional items.

In 2014, acquisitions through business combinations primarily reflect the OB acquisition in South Korea and the acquisition of Ginsber and three breweries in China. The 2014 disposals relate to the sale of the glass production plant in Mexico.

1 The transfer (to)/from other asset categories and other movements mainly relates to transfers from assets under construction to their respective asset categories, to contributions of assets to pension plans and to the separate presentation in the balance sheet of property, plant and equipment held for sale in accordance with IFRS 5 Non-current assets held for sale and discontinued operations.
The carrying amount of goodwill was allocated to the different business unit levels as follows:

<table>
<thead>
<tr>
<th>Business unit</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA</td>
<td>32,831</td>
<td>32,718</td>
</tr>
<tr>
<td>Mexico</td>
<td>14,630</td>
<td>17,100</td>
</tr>
<tr>
<td>Brazil</td>
<td>4,613</td>
<td>6,764</td>
</tr>
<tr>
<td>South Korea</td>
<td>3,739</td>
<td>4,031</td>
</tr>
<tr>
<td>China</td>
<td>2,901</td>
<td>3,031</td>
</tr>
<tr>
<td>Canada</td>
<td>1,583</td>
<td>1,786</td>
</tr>
<tr>
<td>Germany/Italy/Switzerland/Austria</td>
<td>1,212</td>
<td>1,352</td>
</tr>
<tr>
<td>Dominican Republic</td>
<td>1,024</td>
<td>1,040</td>
</tr>
<tr>
<td>Argentina and other Hispanic Latin America countries</td>
<td>899</td>
<td>1,031</td>
</tr>
<tr>
<td>Global Export/Spain/Czech Republic</td>
<td>603</td>
<td>679</td>
</tr>
<tr>
<td>UK/Ireland</td>
<td>559</td>
<td>588</td>
</tr>
<tr>
<td>Russia/Ukraine</td>
<td>385</td>
<td>547</td>
</tr>
<tr>
<td>Belgium/Netherlands/Canada/France/Luxemburg</td>
<td>82</td>
<td>91</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>65,061</strong></td>
<td><strong>70,758</strong></td>
</tr>
</tbody>
</table>

AB InBev completed its annual impairment test for goodwill and concluded, based on the assumptions described below, that exception made for its operations in Ukraine, no impairment charge was warranted.

The company cannot predict whether an event that triggers impairment will occur, when it will occur or how it will affect the asset values reported. AB InBev believes that all of its estimates are reasonable: they are consistent with the internal reporting and reflect management’s best estimates. However, inherent uncertainties exist that management may not be able to control. During its valuation, the company ran sensitivity analysis for key assumptions including the weighted average cost of capital and the terminal growth rate, in particular for the valuations of the US, Brazil and Mexico, countries that show the highest goodwill, as well as for Russia and Ukraine due to continued political instability and deteriorating macroeconomic conditions. While a change in the estimates used could have a material impact on the calculation of the fair values and trigger an impairment charge, the company, based on the sensitivity analysis performed is not aware of any reasonably possible change in a key assumption used that would cause a business unit’s carrying amount to materially exceed its recoverable amount.

Goodwill impairment testing relies on a number of critical judgments, estimates and assumptions. Goodwill, which accounted for approximately 48% of AB InBev’s total assets as at 31 December 2015, is tested for impairment at the business unit level (that is one level below the reporting segments). The business unit level is the lowest level at which goodwill is monitored for internal management purposes. Whenever a business combination occurs, goodwill is allocated as from the acquisition date, to each of AB InBev’s business units that are expected to benefit from the synergies of the combination.

AB InBev’s impairment testing methodology is in accordance with IAS 36, in which fair-value-less-cost-to-sell and value in use approaches are taken into consideration. This consists in applying a discounted free cash flow approach based on acquisition valuation models for its major business units and the business units showing a high invested capital to EBITDA multiple, and valuation multiples for its other business units.

The key judgments, estimates and assumptions used in the discounted free cash flow calculations are generally as follows:

- The first year of the model is based on management’s best estimate of the free cash flow outlook for the current year;
- In the second to fourth year of the model, free cash flows are based on AB InBev’s strategic plan as approved by key management. AB InBev’s strategic plan is prepared per business unit and is based on external sources in respect of macroeconomic assumptions, industry, inflation and foreign exchange rates, past experience and identified initiatives in terms of market share, revenue, variable and fixed cost, capital expenditure and working capital assumptions;
- For the subsequent six years of the model, data from the strategic plan is extrapolated generally using simplified assumptions such as constant volumes and variable cost per hectoliter and fixed cost linked to inflation, as obtained from external sources;
- Cash flows after the first ten-year period are extrapolated generally using expected annual long-term consumer price indices (CPI), based on external sources, in order to calculate the terminal value, considering sensitivities on this metric. For the three main cash generating units, the terminal growth rate applied ranged between 0.0% and 2.4% for the US; 0.0% and 3.4% for Brazil and 0.0% and 2.6% for Mexico;
- Projections are made in the functional currency of the business unit and discounted at the unit’s weighted average cost of capital (WACC), considering sensitivities on this metric. The WACC ranged primarily between 7% and 17% in US dollar...
nominal terms for goodwill impairment testing conducted for 2015. For the three main cash generating units, the WACC applied in US dollar nominal terms ranged between 7% and 9% for the US, 9% and 11% for Brazil, and 8% and 10% for Mexico.

- Cost to sell is assumed to reach 2% of the entity value based on historical precedents.

The above calculations are corroborated by valuation multiples, quoted share prices for publicly-traded subsidiaries or other available fair value indicators (i.e. recent market transactions from peers).

Although AB InBev believes that its judgments, assumptions and estimates are appropriate, actual results may differ from these estimates under different assumptions or market or macro-economic conditions.

F-33
AB InBev is the owner of some of the world’s most valuable brands in the beer industry. As a result, brands and certain distribution rights are expected to generate positive cash flows for as long as the company owns the brands and distribution rights. Given AB InBev’s more than 600-year history, brands and certain distribution rights have been assigned indefinite lives.

Acquisitions and expenditures of commercial intangibles mainly represent supply and distribution rights, exclusive multi-year sponsorship rights and other commercial intangibles.

Intangible assets with indefinite useful lives are comprised primarily of brands and certain distribution rights that AB InBev purchases for its own products, and are tested for impairment during the fourth quarter of the year or whenever a triggering event has occurred. As of 31 December 2015, the carrying amount of the intangible assets amounted to 29 677m US dollar (31 December 2014: 29 923m US dollar) of which 27 722m US dollar was assigned an indefinite useful life (31 December 2014: 28 159m US dollar) and 1 955m US dollar a finite life (31 December 2014: 1 764m US dollar).

The carrying amount of intangible assets with indefinite useful lives was allocated to the different countries as follows:

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA</td>
<td>21 484</td>
<td>21 468</td>
</tr>
<tr>
<td>Mexico</td>
<td>3 503</td>
<td>4 091</td>
</tr>
<tr>
<td>South Korea</td>
<td>960</td>
<td>1 035</td>
</tr>
<tr>
<td>Dominican Republic</td>
<td>598</td>
<td>386</td>
</tr>
<tr>
<td>China</td>
<td>399</td>
<td>417</td>
</tr>
<tr>
<td>Paraguay</td>
<td>153</td>
<td>186</td>
</tr>
<tr>
<td>Bolivia</td>
<td>171</td>
<td>171</td>
</tr>
<tr>
<td>Argentina</td>
<td>111</td>
<td>169</td>
</tr>
<tr>
<td>UK</td>
<td>102</td>
<td>107</td>
</tr>
<tr>
<td>Other countries</td>
<td>241</td>
<td>129</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>27 722</strong></td>
<td><strong>28 159</strong></td>
</tr>
</tbody>
</table>

Intangible assets with indefinite useful lives have been tested for impairment using the same methodology and assumptions as disclosed in Note 14 Goodwill. Based on the assumptions described in that note, AB InBev concluded that no impairment charge is warranted. While a change in the estimates used could have a material impact on the calculation of the fair values and trigger an impairment charge, the company is not aware of any reasonable possible change in a key assumption used that would cause a business unit’s carrying amount to materially exceed its recoverable amount.

1 Reclassified to conform to the 2015 presentation.
As of 31 December 2015, current debt securities of 55m US dollar mainly represented investments in Brazilian real denominated
government debt securities. The company’s investments in such short-term debt securities are primarily to facilitate liquidity and for
capital preservation.

The securities available for sale consist mainly of investments in unquoted companies and are measured at cost as their fair value
cannot be reliably determined.

17. DEFERRED TAX ASSETS AND LIABILITIES
The amount of deferred tax assets and liabilities by type of temporary difference can be detailed as follows:

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>20141</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property, plant and equipment</td>
<td>514</td>
<td>(2 482)</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>221</td>
<td>(9 709)</td>
</tr>
<tr>
<td>Inventories</td>
<td>103</td>
<td>(97)</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>91</td>
<td>(59)</td>
</tr>
<tr>
<td>Interest-bearing loans and borrowings</td>
<td>569</td>
<td>(403)</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>751</td>
<td>(28)</td>
</tr>
<tr>
<td>Provisions</td>
<td>337</td>
<td>(36)</td>
</tr>
<tr>
<td>Derivatives</td>
<td>92</td>
<td>(47)</td>
</tr>
<tr>
<td>Other items</td>
<td>151</td>
<td>(997)</td>
</tr>
<tr>
<td>Loss carry forwards</td>
<td>249</td>
<td>—</td>
</tr>
<tr>
<td><strong>Gross deferred tax assets/(liabilities)</strong></td>
<td><strong>3 078</strong></td>
<td><strong>(13 858)</strong></td>
</tr>
<tr>
<td><strong>Netting by taxable entity</strong></td>
<td><strong>(1 897)</strong></td>
<td><strong>1 897</strong></td>
</tr>
<tr>
<td><strong>Net deferred tax assets/(liabilities)</strong></td>
<td><strong>1 181</strong></td>
<td><strong>(11 961)</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>20141</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Property, plant and equipment</td>
<td>457</td>
<td>(2 765)</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>264</td>
<td>(9 891)</td>
</tr>
<tr>
<td>Inventories</td>
<td>140</td>
<td>(102)</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>51</td>
<td>(98)</td>
</tr>
<tr>
<td>Interest-bearing loans and borrowings</td>
<td>163</td>
<td>(585)</td>
</tr>
<tr>
<td>Employee benefits</td>
<td>899</td>
<td>(51)</td>
</tr>
<tr>
<td>Provisions</td>
<td>368</td>
<td>(40)</td>
</tr>
<tr>
<td>Derivatives</td>
<td>50</td>
<td>(6)</td>
</tr>
<tr>
<td>Other items</td>
<td>614</td>
<td>(1 501)</td>
</tr>
<tr>
<td>Loss carry forwards</td>
<td>390</td>
<td>—</td>
</tr>
<tr>
<td><strong>Gross deferred tax assets/(liabilities)</strong></td>
<td><strong>3 396</strong></td>
<td><strong>(15 039)</strong></td>
</tr>
<tr>
<td><strong>Netting by taxable entity</strong></td>
<td><strong>(2 338)</strong></td>
<td><strong>2 338</strong></td>
</tr>
<tr>
<td><strong>Net deferred tax assets/(liabilities)</strong></td>
<td><strong>1 058</strong></td>
<td><strong>(12 701)</strong></td>
</tr>
</tbody>
</table>

1 Reclassified to conform to the 2015 presentation.
The change in net deferred taxes recorded in the consolidated statement of financial position can be detailed as follows:

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014¹</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance at 1 January</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recognized in profit or loss</td>
<td>(11 643)</td>
<td>(11 661)</td>
<td>(10 361)</td>
</tr>
<tr>
<td>Recognized in other comprehensive income</td>
<td>893</td>
<td>332</td>
<td>(293)</td>
</tr>
<tr>
<td>Acquisitions through business combinations</td>
<td>(7)</td>
<td>(250)</td>
<td>(1 143)</td>
</tr>
<tr>
<td>Other movements and effect of changes in foreign exchange rates</td>
<td>176</td>
<td>121</td>
<td>154</td>
</tr>
<tr>
<td><strong>Balance at 31 December</strong></td>
<td>(10 780)</td>
<td>(11 643)</td>
<td>(11 661)</td>
</tr>
</tbody>
</table>

Most of the temporary differences are related to the fair value adjustment on intangible assets with indefinite useful lives and property, plant and equipment acquired in a business combination. The realization of such temporary differences is unlikely to revert within 12 months.

On 31 December 2015, a deferred tax liability of 235m US dollar (2014: 283m US dollar) relating to investment in subsidiaries has not been recognized because management believes that this liability will not be incurred in the foreseeable future.

Tax losses carried forward and deductible temporary differences on which no deferred tax asset is recognized amount to 2 766m US dollar (2014: 2 397m US dollar). 812m US dollar of these tax losses and deductible temporary differences do not have an expiration date, 66m US dollar, 60m US dollar and 164m US dollar expire within respectively 1, 2 and 3 years, while 1 664m US dollar have an expiration date of more than 3 years. Deferred tax assets have not been recognized on these items because it is not probable that future taxable profits will be available against which these tax losses and deductible temporary differences can be utilized and the company has no tax planning strategy currently in place to utilize these tax losses and deductible temporary differences.

18. INVENTORIES

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepayments</td>
<td>103</td>
<td>86</td>
</tr>
<tr>
<td>Raw materials and consumables</td>
<td>1 539</td>
<td>1 723</td>
</tr>
<tr>
<td>Work in progress</td>
<td>294</td>
<td>315</td>
</tr>
<tr>
<td>Finished goods</td>
<td>819</td>
<td>795</td>
</tr>
<tr>
<td>Goods purchased for resale</td>
<td>107</td>
<td>55</td>
</tr>
<tr>
<td><strong>Inventories other than work in progress</strong></td>
<td>2 862</td>
<td>2 974</td>
</tr>
<tr>
<td>Inventories stated at net realizable value</td>
<td>46</td>
<td>107</td>
</tr>
<tr>
<td>Carrying amount of inventories subject to collateral</td>
<td>—</td>
<td>—</td>
</tr>
</tbody>
</table>

The cost of inventories recognized as an expense in 2015 amounts to 17 137m US dollar, included in cost of sales (2014: 18 756m US dollar; 2013: 17 594m US dollar).


19. TRADE AND OTHER RECEIVABLES

**NON-CURRENT TRADE AND OTHER RECEIVABLES**

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash deposits for guarantees</td>
<td>187</td>
<td>229</td>
</tr>
<tr>
<td>Loans to customers</td>
<td>37</td>
<td>40</td>
</tr>
<tr>
<td>Deferred collection on disposals</td>
<td>25</td>
<td>26</td>
</tr>
<tr>
<td>Tax receivable, other than income tax</td>
<td>86</td>
<td>167</td>
</tr>
<tr>
<td>Trade and other receivables</td>
<td>578</td>
<td>800</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>913</td>
<td>1 262</td>
</tr>
</tbody>
</table>

For the nature of cash deposits for guarantees see Note 29 Collateral and contractual commitments for the acquisition of property, plant and equipment, loans to customers and other.
CURRENT TRADE AND OTHER RECEIVABLES

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade receivables and accrued income</td>
<td>3 241</td>
<td>3 363</td>
</tr>
<tr>
<td>Interest receivable</td>
<td>21</td>
<td>63</td>
</tr>
<tr>
<td>Tax receivable, other than income tax</td>
<td>353</td>
<td>505</td>
</tr>
<tr>
<td>Loans to customers</td>
<td>57</td>
<td>52</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>465</td>
<td>554</td>
</tr>
<tr>
<td>Other receivables</td>
<td>314</td>
<td>175</td>
</tr>
<tr>
<td></td>
<td><strong>4 451</strong></td>
<td><strong>4 712</strong></td>
</tr>
</tbody>
</table>

The fair value of trade and other receivables equals their carrying amounts as the impact of discounting is not significant.

¹ Reclassified to conform to the 2015 presentation.
The ageing of the current trade receivables and accrued income, interest receivable, other receivables and current and non-current loans to customers can be detailed as follows for 2015 and 2014 respectively:

<table>
<thead>
<tr>
<th>Net carrying amount as of December 31, 2015</th>
<th>Of which: neither impaired nor past due on the reporting date</th>
<th>Of which not impaired as of the reporting date and past due</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Less than 30 days</td>
<td>Between 30 and 59 days</td>
</tr>
<tr>
<td>Trade receivables and accrued income</td>
<td>3 241</td>
<td>110</td>
</tr>
<tr>
<td>Loans to customers</td>
<td>94</td>
<td>3</td>
</tr>
<tr>
<td>Interest receivable</td>
<td>21</td>
<td>---</td>
</tr>
<tr>
<td>Other receivables</td>
<td>314</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td><strong>3 670</strong></td>
<td><strong>113</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net carrying amount as of December 31, 2014</th>
<th>Of which: neither impaired nor past due on the reporting date</th>
<th>Of which not impaired as of the reporting date and past due</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Less than 30 days</td>
<td>Between 30 and 59 days</td>
</tr>
<tr>
<td>Trade receivables and accrued income</td>
<td>3 363</td>
<td>152</td>
</tr>
<tr>
<td>Loans to customers</td>
<td>92</td>
<td>1</td>
</tr>
<tr>
<td>Interest receivable</td>
<td>63</td>
<td>---</td>
</tr>
<tr>
<td>Other receivables</td>
<td>175</td>
<td>---</td>
</tr>
<tr>
<td></td>
<td><strong>3 694</strong></td>
<td><strong>153</strong></td>
</tr>
</tbody>
</table>

In accordance with IFRS 7 *Financial Instruments: Disclosures*, the above analysis of the age of financial assets that are past due as at the reporting date but not impaired also includes the non-current part of loans to customers. Past due amounts were not impaired when collection is still considered likely, for instance because the amounts can be recovered from the tax authorities or AB InBev has sufficient collateral. Impairment losses on trade and other receivables recognized in 2015 amount to 44m US dollar (2014: 39m US dollar).

AB InBev’s exposure to credit, currency and interest rate risks is disclosed in Note 27 *Risks arising from financial instruments*.

### 20. CASH AND CASH EQUIVALENTS

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term bank deposits</td>
<td>4 462</td>
<td>5 804</td>
</tr>
<tr>
<td>US Treasury Bills</td>
<td>---</td>
<td>800</td>
</tr>
<tr>
<td>Cash and bank accounts</td>
<td>2 461</td>
<td>1 753</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents</strong></td>
<td><strong>6 923</strong></td>
<td><strong>8 357</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Bank overdrafts</th>
<th>(13)</th>
<th>(41)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total cash and cash equivalents</strong></td>
<td><strong>6 910</strong></td>
<td><strong>8 316</strong></td>
</tr>
</tbody>
</table>

The cash outstanding per 31 December 2015 includes restricted cash for an amount of 5m US dollar. This restricted cash refers to outstanding consideration payable to former Anheuser-Busch and Grupo Modelo shareholders who did not yet claim the proceeds from the 2008 and 2013 combinations, respectively.

### 21. CHANGES IN EQUITY AND EARNINGS PER SHARE

#### STATEMENT OF CAPITAL

The tables below summarize the changes in issued capital and treasury shares during the year:

<table>
<thead>
<tr>
<th>2015:</th>
<th>Issued capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>At the end of the previous year</td>
<td>1 608</td>
</tr>
<tr>
<td>Changes during the year</td>
<td>---</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1 608</strong></td>
</tr>
</tbody>
</table>
As at 31 December 2015, the total issued capital of 1 736m US dollar is represented by 1 608 242 156 shares without face value, of which 471 374 576 registered shares, and 1 136 867 580 dematerialized shares.

The total of authorized, un-issued capital amounts to 40m US dollar (37m euro).

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company. In respect of the company’s shares that are held by AB InBev, rights are suspended.

The shareholders’ structure based on the notifications made to the company pursuant to the Belgian Law of 02 May 2007 on the disclosure of significant shareholdings in listed companies is included in the Corporate Governance section of AB InBev’s annual report.

### CHANGES IN OWNERSHIP INTERESTS

In compliance with IFRS 10, the acquisition of additional shares in a subsidiary is accounted for as an equity transaction with owners.

During 2015, AB InBev purchased non-controlling interests in subsidiaries for a total consideration of 296m US dollar. As the related subsidiaries were already fully consolidated, the purchases did not impact AB InBev’s profit, but reduced the non-controlling interests and thus impacted the profit attributable to equity holders of AB InBev.

### REPORT ACCORDING TO ARTICLE 624 OF THE BELGIAN COMPANIES CODE - PURCHASE OF OWN SHARES

Using the powers granted at the shareholders meeting of 30 April 2014, the Board of Directors approved a share buyback program for an amount of 1 billion US dollar. As of 31 December 2015, AB InBev bought back 8 200 090 shares for a total amount of 1 billion US dollar, corresponding to 0.51% of the total shares outstanding. The shares acquired were mainly used to fulfill the company’s various share delivery commitments under the stock ownership plan.

During 2015, the company proceeded with the following sale transactions:

- 1 190 067 shares were granted to executives of the group according to the company’s executive remuneration policy;
- 1 103 228 shares were sold, as a result of the exercise of options granted to employees of the group;
- Finally, 6 000 400 shares were used to fulfill share delivery commitments.

At the end of the period, the group owned 1 859 625 own shares of which 1 333 731 were held directly by AB InBev.
The par value of the shares is 0.77 euro. As a consequence, the shares that were sold during the year 2015 represent 6,054,778 US dollar (5,561,475 euro) of the subscribed capital and the shares that the company still owned at the end of 2015 represent 1,558,922 US dollar (1,431,911 euro) of the subscribed capital.

**DIVIDENDS**

On 29 October 2015, an interim dividend of 1.60 euro per share or approximately 2.570m euro was approved by the Board of Directors. This interim dividend was paid out on 16 November 2015. On 24 February 2016, in addition to the interim dividend paid on 16 November 2015, a dividend of 2.00 euro per share or approximately 3.206m euro was proposed by the Board of Directors, reflecting a total dividend payment for 2015 fiscal year of 3.60 euro per share or approximately 5.776m euro.

In accordance with IAS 10 *Events after the balance sheet date*, the February 2016 dividend has not been recorded in the 2015 financial statements.

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On 30 October 2014, an interim dividend of 1.00 euro per share or approximately 1 636m euro was approved by the Board of Directors. This interim dividend was paid out on 14 November 2014. On 29 April 2015, in addition to the interim dividend paid on 14 November 2014, a dividend of 2.00 euro per share or approximately 3 276m euro was approved at the shareholders meeting, reflecting a total dividend payment for 2014 fiscal year of 3.00 euro per share or approximately 4 912m euro. This dividend was paid out on 6 May 2015.

TRANSLATION RESERVES
The translation reserves comprise all foreign currency exchange differences arising from the translation of the financial statements of foreign operations. The translation reserves also comprise the portion of the gain or loss on the foreign currency liabilities and on the derivative financial instruments determined to be effective net investment hedges in conformity with IAS 39 Financial Instruments: Recognition and Measurement hedge accounting rules.

HEDGING RESERVES
The hedging reserves comprise the effective portion of the cumulative net change in the fair value of cash flow hedges to the extent the hedged risk has not yet impacted profit or loss – see also Note 27 Risks arising from financial instruments.

TRANSFERS FROM SUBSIDIARIES
The amount of dividends payable to AB InBev by its operating subsidiaries is subject to, among other restrictions, general limitations imposed by the corporate laws, capital transfer restrictions and exchange control restrictions of the respective jurisdictions where those subsidiaries are organized and operate. Capital transfer restrictions are also common in certain emerging market countries, and may affect AB InBev’s flexibility in implementing a capital structure it believes to be efficient. Dividends paid to AB InBev by certain of its subsidiaries are also subject to withholding taxes. Withholding tax, if applicable, generally does not exceed 15%.

DEFERRED SHARE INSTRUMENT
In a transaction related to the combination with Grupo Modelo, select Grupo Modelo shareholders committed, upon tender of their Grupo Modelo shares, to acquire 23 076 923 AB InBev shares to be delivered within 5 years for a consideration of approximately 1.5 billion US dollar. The consideration was paid on 5 June 2013. Pending the delivery of the AB InBev shares, AB InBev will pay a coupon on each undelivered AB InBev share, so that the Deferred Share Instrument holders are compensated on an after tax basis, for dividends they would have received had the AB InBev shares been delivered to them prior to the record date for such dividend.

The deferred share instrument is classified as an equity instrument, in line with IAS 32, as the number of shares and consideration received are fixed. The coupon to compensate for the dividend equivalent is reported through equity. On 6 May 2015, the company paid a coupon of 2.00 euro per share or approximately 62m US dollar. On 16 November 2015, the company paid a coupon of 1.60 euro per share or approximately 41m US dollar.

STOCK LENDING
In order to fulfil AB InBev’s commitments under various outstanding stock option plans, AB InBev entered into stock lending arrangements for up to 15 million of its own ordinary shares. AB InBev shall pay any dividend equivalent, after tax in respect of the loaned securities. This payment will be reported through equity as dividend.

As of 31 December 2015, 10.6 million loaned securities were used to fulfil stock option plan commitments.

EARNINGS PER SHARE
The calculation of basic earnings per share is based on the profit attributable to equity holders of AB InBev of 8 273m US dollar (2014: 9 216m US dollar; 2013: 14 394m US dollar) and a weighted average number of ordinary shares (including deferred share instruments and stock lending) outstanding during the year, calculated as follows:

<table>
<thead>
<tr>
<th>Million shares</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issued ordinary shares at 1 January, net of treasury shares</td>
<td>1 607</td>
<td>1 607</td>
<td>1 602</td>
</tr>
<tr>
<td>Effect of shares issued and share buyback programs</td>
<td>(2)</td>
<td>—</td>
<td>2</td>
</tr>
<tr>
<td>Effect of stock lending</td>
<td>10</td>
<td>4</td>
<td>—</td>
</tr>
<tr>
<td>Effect of undelivered shares under the deferred share instrument</td>
<td>23</td>
<td>23</td>
<td>13</td>
</tr>
<tr>
<td><strong>Weighted average number of ordinary shares at 31 December</strong></td>
<td><strong>1 638</strong></td>
<td><strong>1 634</strong></td>
<td><strong>1 617</strong></td>
</tr>
</tbody>
</table>
The calculation of diluted earnings per share is based on the profit attributable to equity holders of AB InBev of $8.273 billion US dollar (2014: $9.216 billion US dollar; 2013: $14.394 billion US dollar) and a weighted average number of ordinary shares (diluted) outstanding (including deferred share instruments and stock lending) during the year, calculated as follows:

<table>
<thead>
<tr>
<th>Million shares</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weighted average number of ordinary shares at 31 December</td>
<td>1,605</td>
<td>1,607</td>
<td>1,604</td>
</tr>
<tr>
<td>Effect of stock lending</td>
<td>10</td>
<td>4</td>
<td>—</td>
</tr>
<tr>
<td>Effect of undelivered shares under the deferred share instrument</td>
<td>23</td>
<td>23</td>
<td>13</td>
</tr>
<tr>
<td>Effect of share options, warrants and restricted stock units</td>
<td>30</td>
<td>31</td>
<td>33</td>
</tr>
<tr>
<td><strong>Weighted average number of ordinary shares (diluted) at 31 December</strong></td>
<td><strong>1,668</strong></td>
<td><strong>1,665</strong></td>
<td><strong>1,650</strong></td>
</tr>
</tbody>
</table>
The calculation of earnings per share before exceptional items is based on the profit after tax and before exceptional items, attributable to equity holders of AB InBev. A reconciliation of profit before exceptional items, attributable to equity holders of AB InBev to profit attributable to equity holders of AB InBev is calculated as follows:

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit before exceptional items, attributable to equity holders of AB InBev</td>
<td>8 513</td>
<td>8 865</td>
<td>7 936</td>
</tr>
<tr>
<td>Exceptional items, after taxes, attributable to equity holders of AB InBev (refer Note 8)</td>
<td>(26)</td>
<td>(158)</td>
<td>6 175</td>
</tr>
<tr>
<td>Exceptional finance cost, after taxes, attributable to equity holders of AB InBev (refer Note 8)</td>
<td>(214)</td>
<td>509</td>
<td>283</td>
</tr>
<tr>
<td><strong>Profit attributable to equity holders of AB InBev</strong></td>
<td><strong>8 273</strong></td>
<td><strong>9 216</strong></td>
<td><strong>14 394</strong></td>
</tr>
</tbody>
</table>

The table below sets out the EPS calculation:

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Profit attributable to equity holders of AB InBev</td>
<td>8 273</td>
<td>9 216</td>
<td>14 394</td>
</tr>
<tr>
<td>Weighted average number of ordinary shares</td>
<td>1 638</td>
<td>1 634</td>
<td>1 617</td>
</tr>
<tr>
<td><strong>Basic EPS</strong></td>
<td><strong>5.05</strong></td>
<td><strong>5.64</strong></td>
<td><strong>8.90</strong></td>
</tr>
<tr>
<td>Profit before exceptional items, attributable to equity holders of AB InBev</td>
<td>8 513</td>
<td>8 865</td>
<td>7 936</td>
</tr>
<tr>
<td>Weighted average number of ordinary shares</td>
<td>1 638</td>
<td>1 634</td>
<td>1 617</td>
</tr>
<tr>
<td><strong>EPS before exceptional items</strong></td>
<td><strong>5.20</strong></td>
<td><strong>5.43</strong></td>
<td><strong>4.91</strong></td>
</tr>
<tr>
<td>Profit attributable to equity holders of AB InBev</td>
<td>8 273</td>
<td>9 216</td>
<td>14 394</td>
</tr>
<tr>
<td>Weighted average number of ordinary shares (diluted)</td>
<td>1 668</td>
<td>1 665</td>
<td>1 650</td>
</tr>
<tr>
<td><strong>Diluted EPS</strong></td>
<td><strong>4.96</strong></td>
<td><strong>5.54</strong></td>
<td><strong>8.72</strong></td>
</tr>
</tbody>
</table>

The average market value of the company’s shares for purposes of calculating the dilutive effect of share options and restricted stock units was based on quoted market prices for the period that the options and restricted stock units were outstanding. 0.2m share options were anti-dilutive and not included in the calculation of the dilutive effect as at 31 December 2015.

22. INTEREST-BEARING LOANS AND BORROWINGS

This note provides information about the company’s interest-bearing loans and borrowings. For more information about the company’s exposure to interest rate and foreign exposure currency risk - refer to Note 27 Risks arising from financial instruments.

<table>
<thead>
<tr>
<th>NON-CURRENT LIABILITIES</th>
<th>Million US dollar</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secured bank loans</td>
<td>175</td>
<td>169</td>
<td></td>
</tr>
<tr>
<td>Unsecured bank loans</td>
<td>89</td>
<td>260</td>
<td></td>
</tr>
<tr>
<td>Unsecured bond issues</td>
<td>43 112</td>
<td>43 014</td>
<td></td>
</tr>
<tr>
<td>Unsecured other loans</td>
<td>43</td>
<td>57</td>
<td></td>
</tr>
<tr>
<td>Finance lease liabilities</td>
<td>122</td>
<td>130</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>43 541</strong></td>
<td><strong>43 630</strong></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>CURRENT LIABILITIES</th>
<th>Million US dollar</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secured bank loans</td>
<td>102</td>
<td>117</td>
<td></td>
</tr>
<tr>
<td>Commercial papers</td>
<td>2 087</td>
<td>2 211</td>
<td></td>
</tr>
<tr>
<td>Unsecured bank loans</td>
<td>1 380</td>
<td>560</td>
<td></td>
</tr>
<tr>
<td>Unsecured bond issues</td>
<td>2 330</td>
<td>4 535</td>
<td></td>
</tr>
<tr>
<td>Unsecured other loans</td>
<td>9</td>
<td>25</td>
<td></td>
</tr>
<tr>
<td>Finance lease liabilities</td>
<td>4</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5 912</strong></td>
<td><strong>7 451</strong></td>
<td></td>
</tr>
</tbody>
</table>
The current and non-current interest-bearing loans and borrowings amount to 49.5 billion US dollar as of 31 December 2015, compared to 51.1 billion US dollar as of 31 December 2014.

On 20 April 2015, AB InBev issued 3.0 billion euro aggregate principal amount of notes, consisting of 0.75 billion euro aggregate principal amount of floating rate notes due 2018 bearing interest at an annual rate of 25 basis points above three-month EURIBOR; 1.0 billion euro aggregate principal amount of fixed rate notes due 2023 bearing interest at an annual rate of 0.80% and 1.25 billion euro aggregate principal amount of fixed rate notes due 2030 bearing interest at an annual rate of 1.50%. The use of the proceeds of such issuance was for general corporate purposes.

On 23 July 2015, Anheuser-Busch InBev Finance Inc., a subsidiary of AB InBev, issued 565 million US dollar aggregated principal amount of fixed rate notes due 2045. The notes will bear interest at an annual rate of 4.60%.

Commercial papers amount to 2.1 billion US dollar as of 31 December 2015 and include programs in US dollar and euro with a total authorized issuance up to 3.0 billion US dollar and 1.0 billion euro, respectively.
Effective 28 August 2015, AB InBev amended the terms of the 8.0 billion US dollar 5-year 2010 Senior Facilities Agreement, originally entered into in February 2010 and subsequently amended to a 7.2 billion US dollar facility with a revised maturity of July 2018. The August 2015 amendments increased the total amount of the facilities to 9.0 billion US dollar and extended the maturity to August 2020. As of 31 December 2015, there are no amounts drawn under the 9.0 billion US dollar 2010 amended Senior Facilities Agreement.

In connection with the proposed combination with SABMiller, AB InBev entered into a 75.0 billion US dollar Committed Senior Acquisition Facilities agreement dated 28 October 2015 to fund the cash consideration of the transaction. The new financing consists of a 10.0 billion US dollar Disposal Bridge Facility, a 15.0 billion US dollar Cash/DCM Bridge Facility A, a 15.0 billion US dollar Cash/DCM Bridge Facility B, a 25.0 billion US dollar Term Facility A, and a 10.0 billion US dollar Term Facility B, (“2015 Committed Senior Acquisition Facilities Agreement”).

The margins on each facility will be determined based on ratings assigned by rating agencies to AB InBev long-term debt. For the Disposal Bridge Facility, the Cash/DCM Bridge Facility A and the Cash/DCM Bridge Facility B, the margin ranges between 0.85% per annum and 1.30% per annum. For Term Facility A, the margin ranges between 0.90% per annum and 1.35% per annum and for Term Facility B, the margin ranges between 1.00% per annum and 1.45% per annum.

For the purposes of calculating the commitment fees, until such time as S&P and Moody’s have assigned (or indicated on a pro-forma basis assuming completion of the Acquisition) to AB InBev a credit rating taking into account the Acquisition, the margin applicable to each facility shall be calculated on the basis that AB InBev’s credit rating is not higher than A-/A3. At AB InBev’s rating as of 31 December 2015 of A-/A2, the initial margins would have been 1.00%, 1.00%, 1.00%, 1.10%, and 1.25% respectively.

All proceeds from the drawdown under the 2015 Committed Senior Acquisition Facilities Agreement must be applied, directly or indirectly, towards the acquisition of SABMiller, refinancing of existing indebtedness of SABMiller or any costs in connection therewith. As of 31 December 2015, all facilities remain undrawn. Each facility is available to be drawn until 28 October 2016, subject to an extension up to 28 April 2017 at AB InBev’s option. The maximum tenor for Term Facility A and Term Facility B is determined by reference to the date of the 2015 Committed Senior Acquisition Facilities Agreement and will not be affected by an extension of the availability period. Customary commitment fees are payable on any undrawn but available funds under the 2015 Committed Senior Acquisition Facilities Agreement. These fees are recorded as exceptional finance cost.

On 27 January 2016, AB InBev announced that it had cancelled the Bridge to Cash / DCM Facilities A & B totaling 30 billion US dollar and had chosen to make a voluntary cancellation of 12.5 billion US dollar of the Term Facility A of the 75.0 billion US dollar Committed Senior Acquisition Facilities following approximately 47 billion US dollar capital markets issuances in January 2016—see also Note 33: Events after the balance sheet date.

AB InBev is in compliance with all its debt covenants as of 31 December 2015. The 2010 Senior Facilities and the 2015 Committed Senior Acquisition Facilities Agreement do not include restrictive financial covenants.

### TERMS AND DEBT REPAYMENT SCHEDULE AT 31 DECEMBER 2015

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>Total</th>
<th>1 year or less</th>
<th>1-2 years</th>
<th>2-3 years</th>
<th>3-5 years</th>
<th>More than 5 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secured bank loans</td>
<td>277</td>
<td>102</td>
<td>72</td>
<td>20</td>
<td>28</td>
<td>55</td>
</tr>
<tr>
<td>Commercial papers</td>
<td>2 087</td>
<td>2 087</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Unsecured bank loans</td>
<td>1 469</td>
<td>1 380</td>
<td>84</td>
<td>—</td>
<td>5</td>
<td>—</td>
</tr>
<tr>
<td>Unsecured bond issues</td>
<td>45 442</td>
<td>2 330</td>
<td>6 415</td>
<td>4 613</td>
<td>10 163</td>
<td>21 921</td>
</tr>
<tr>
<td>Unsecured other loans</td>
<td>52</td>
<td>9</td>
<td>10</td>
<td>8</td>
<td>9</td>
<td>16</td>
</tr>
<tr>
<td>Finance lease liabilities</td>
<td>126</td>
<td>126</td>
<td>4</td>
<td>4</td>
<td>5</td>
<td>15</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>49 453</strong></td>
<td><strong>5 912</strong></td>
<td><strong>6 585</strong></td>
<td><strong>4 646</strong></td>
<td><strong>10 220</strong></td>
<td><strong>22 090</strong></td>
</tr>
</tbody>
</table>

### TERMS AND DEBT REPAYMENT SCHEDULE AT 31 DECEMBER 2014

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>Total</th>
<th>1 year or less</th>
<th>1-2 years</th>
<th>2-3 years</th>
<th>3-5 years</th>
<th>More than 5 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secured bank loans</td>
<td>286</td>
<td>117</td>
<td>72</td>
<td>28</td>
<td>41</td>
<td>28</td>
</tr>
<tr>
<td>Commercial papers</td>
<td>2 211</td>
<td>2 211</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Unsecured bank loans</td>
<td>820</td>
<td>560</td>
<td>138</td>
<td>63</td>
<td>59</td>
<td>—</td>
</tr>
<tr>
<td>Unsecured bond issues</td>
<td>47 549</td>
<td>4 535</td>
<td>2 383</td>
<td>6 682</td>
<td>10 240</td>
<td>23 709</td>
</tr>
<tr>
<td>Unsecured other loans</td>
<td>82</td>
<td>25</td>
<td>14</td>
<td>10</td>
<td>13</td>
<td>20</td>
</tr>
<tr>
<td>Finance lease liabilities</td>
<td>133</td>
<td>133</td>
<td>3</td>
<td>4</td>
<td>4</td>
<td>14</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>51 081</strong></td>
<td><strong>7 451</strong></td>
<td><strong>2 611</strong></td>
<td><strong>6 787</strong></td>
<td><strong>10 367</strong></td>
<td><strong>23 865</strong></td>
</tr>
</tbody>
</table>
Net debt is defined as non-current and current interest-bearing loans and borrowings and bank overdrafts minus debt securities and cash. Net debt is a financial performance indicator that is used by AB InBev’s management to highlight changes in the company’s overall liquidity position. The company believes that net debt is meaningful for investors as it is one of the primary measures AB InBev’s management uses when evaluating its progress towards deleveraging.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than one year</td>
<td>14</td>
<td>10</td>
<td>4</td>
<td>14</td>
<td>11</td>
<td>3</td>
</tr>
<tr>
<td>Between one and two years</td>
<td>14</td>
<td>10</td>
<td>4</td>
<td>13</td>
<td>10</td>
<td>3</td>
</tr>
<tr>
<td>Between two and three years</td>
<td>14</td>
<td>9</td>
<td>5</td>
<td>14</td>
<td>10</td>
<td>4</td>
</tr>
<tr>
<td>Between three and five years</td>
<td>32</td>
<td>17</td>
<td>15</td>
<td>33</td>
<td>19</td>
<td>14</td>
</tr>
<tr>
<td>More than 5 years</td>
<td>145</td>
<td>47</td>
<td>98</td>
<td>168</td>
<td>59</td>
<td>109</td>
</tr>
<tr>
<td></td>
<td><strong>219</strong></td>
<td><strong>93</strong></td>
<td><strong>126</strong></td>
<td><strong>242</strong></td>
<td><strong>109</strong></td>
<td><strong>133</strong></td>
</tr>
</tbody>
</table>

F-41
AB InBev’s net debt increased to 42.2 billion US dollar as of 31 December 2015, from 42.1 billion US dollar as of 31 December 2014. Apart from operating results net of capital expenditures, the net debt is mainly impacted by share buyback (1.0 billion US dollar), dividend payments to shareholders of AB InBev and Ambev (8.0 billion US dollar), the payment of interests and taxes (4.0 billion US dollar) and the impact of changes in foreign exchange rates (1.1 billion US dollar decrease of net debt).

The following table provides a reconciliation of AB InBev’s net debt as of the dates indicated:

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-current interest-bearing loans and borrowings</td>
<td>43 541</td>
<td>43 630</td>
</tr>
<tr>
<td>Current interest-bearing loans and borrowings</td>
<td>5 912</td>
<td>7 451</td>
</tr>
<tr>
<td></td>
<td><strong>49 453</strong></td>
<td><strong>51 081</strong></td>
</tr>
<tr>
<td>Bank overdrafts</td>
<td>13</td>
<td>41</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>(6 923)</td>
<td>(8 357)</td>
</tr>
<tr>
<td>Interest bearing loans granted (included within Trade and other receivables)</td>
<td>(286)</td>
<td>(308)</td>
</tr>
<tr>
<td>Debt securities (included within Investment securities)</td>
<td>(72)</td>
<td>(322)</td>
</tr>
<tr>
<td>Net debt</td>
<td><strong>42 185</strong></td>
<td><strong>42 135</strong></td>
</tr>
</tbody>
</table>

23. EMPLOYEE BENEFITS

AB InBev sponsors various post-employment benefit plans worldwide. These include pension plans, both defined contribution plans, and defined benefit plans, and other post-employment benefits. In accordance with IAS 19 Employee Benefits post-employment benefit plans are classified as either defined contribution plans or defined benefit plans.

DEFINED CONTRIBUTION PLANS

For defined contribution plans, AB InBev pays contributions to publicly or privately administered pension funds or insurance contracts. Once the contributions have been paid, the group has no further payment obligation. The regular contribution expenses constitute an expense for the year in which they are due. For 2015, contributions paid into defined contribution plans for the company amounted to 90m US dollar compared to 145m US dollar for 2014 and 117m US dollar for 2013.

DEFINED BENEFIT PLANS

During 2015, the company contributed to 62 defined benefit plans, of which 50 are retirement plans and 12 are medical cost plans. Most plans provide retirement and leaving service benefits related to pay and years of service. The Belgian, Brazilian, Dominican Republic, Dutch, Canadian, South Korean, Mexican, UK and US plans are partially funded. When plan assets are funded, the assets are held in legally separate funds set up in accordance with applicable legal requirements and common practice in each country. The medical cost plans in Canada, US, and Brazil provide medical benefits to employees and their families after retirement. Many of the defined benefit plans are closed to new entrants.

The present value of funded obligations includes a 126m US dollar liability related to two medical plans in Brazil, for which the benefits are provided through the Fundação Antonio Helena Zerrenner (“FAHZ”). The FAHZ is a legally distinct entity which provides medical, dental, educational and social assistance to current and retired employees of Ambev. On 31 December 2015, the actuarial liabilities related to the benefits provided by the FAHZ are fully offset by an equivalent amount of assets existing in the fund. The net liability recognized in the balance sheet is nil.

The employee benefit net liability amounts to 2 722m US dollar as of 31 December 2015 compared to 3 039m US dollar as of 31 December 2014. In 2015, the fair value of the plan assets value decreased by 698m US dollar and the defined benefit obligations decreased by 991m US dollar. The decrease in the employee benefit net liability is mainly driven by changes in discount rates and currency translation, partially offset by negative asset returns.

The company’s net liability for post-employment and long-term employee benefit plans comprises the following at 31 December:

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Present value of funded obligations</td>
<td>(6 905)</td>
<td>(7 776)</td>
</tr>
<tr>
<td>Fair value of plan assets</td>
<td>5 075</td>
<td>5 773</td>
</tr>
<tr>
<td><strong>Present value of net obligations for funded plans</strong></td>
<td><strong>(1 830)</strong></td>
<td><strong>(2 003)</strong></td>
</tr>
<tr>
<td>Present value of unfunded obligations</td>
<td>(689)</td>
<td>(809)</td>
</tr>
<tr>
<td><strong>Present value of net obligations</strong></td>
<td><strong>(2 519)</strong></td>
<td><strong>(2 812)</strong></td>
</tr>
<tr>
<td>Description</td>
<td>2016</td>
<td>2015</td>
</tr>
<tr>
<td>-------------------------------------------------</td>
<td>--------</td>
<td>--------</td>
</tr>
<tr>
<td>Unrecognized asset</td>
<td>(137)</td>
<td>(171)</td>
</tr>
<tr>
<td><strong>Net liability</strong></td>
<td><strong>(2,656)</strong></td>
<td><strong>(2,983)</strong></td>
</tr>
<tr>
<td>Other long term employee benefits</td>
<td>(67)</td>
<td>(57)</td>
</tr>
<tr>
<td><strong>Total employee benefits</strong></td>
<td><strong>(2,723)</strong></td>
<td><strong>(3,039)</strong></td>
</tr>
</tbody>
</table>

**Employee benefits amounts in the balance sheet:**

<table>
<thead>
<tr>
<th>Description</th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liabilities</td>
<td><strong>(2,725)</strong></td>
<td><strong>(3,049)</strong></td>
</tr>
<tr>
<td>Assets</td>
<td>2</td>
<td>10</td>
</tr>
<tr>
<td><strong>Net liability</strong></td>
<td><strong>(2,723)</strong></td>
<td><strong>(3,039)</strong></td>
</tr>
</tbody>
</table>
The changes in the present value of the defined benefit obligations are as follows:

<table>
<thead>
<tr>
<th>Millon US dollar</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Defined benefit obligation at 1 January</strong></td>
<td>(8,585)</td>
<td>(9,073)</td>
<td>(9,055)</td>
</tr>
<tr>
<td>Current service costs</td>
<td>(81)</td>
<td>(74)</td>
<td>(105)</td>
</tr>
<tr>
<td>Interest cost</td>
<td>(354)</td>
<td>(438)</td>
<td>(428)</td>
</tr>
<tr>
<td>Past service gain/(cost)</td>
<td>8</td>
<td>334</td>
<td>63</td>
</tr>
<tr>
<td>(Losses)/gains on curtailments</td>
<td>—</td>
<td>—</td>
<td>88</td>
</tr>
<tr>
<td>Settlements</td>
<td>3</td>
<td>176</td>
<td>—</td>
</tr>
<tr>
<td>Benefits paid</td>
<td>517</td>
<td>896</td>
<td>498</td>
</tr>
<tr>
<td>Contribution by plan participants</td>
<td>(4)</td>
<td>(4)</td>
<td>(4)</td>
</tr>
<tr>
<td>Acquisition and disposal through business combination</td>
<td>—</td>
<td>(78)</td>
<td>(942)</td>
</tr>
<tr>
<td>Actuarial gains/(losses) – demographic assumptions</td>
<td>4</td>
<td>(210)</td>
<td>(110)</td>
</tr>
<tr>
<td>Actuarial gains/(losses) – financial assumptions</td>
<td>283</td>
<td>(962)</td>
<td>729</td>
</tr>
<tr>
<td>Experience adjustments</td>
<td>14</td>
<td>(40)</td>
<td>33</td>
</tr>
<tr>
<td>Exchange differences</td>
<td>606</td>
<td>445</td>
<td>160</td>
</tr>
<tr>
<td>Transfers and other movements</td>
<td>(5)</td>
<td>443</td>
<td>—</td>
</tr>
<tr>
<td><strong>Defined benefit obligation at 31 December</strong></td>
<td>(7,594)</td>
<td>(8,585)</td>
<td>(9,073)</td>
</tr>
</tbody>
</table>

As at the last valuation date, the present value of the defined benefit obligation was comprised of approximately 1.8 billion US dollar relating to active employees, 1.5 billion US dollar relating to deferred members and 4.3 billion US dollar relating to members in retirement.

The changes in the fair value of plan assets are as follows:

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fair value of plan assets at 1 January</strong></td>
<td>5,773</td>
<td>6,376</td>
<td>5,704</td>
</tr>
<tr>
<td>Interest income</td>
<td>253</td>
<td>328</td>
<td>299</td>
</tr>
<tr>
<td>Administration costs</td>
<td>(20)</td>
<td>(24)</td>
<td>(23)</td>
</tr>
<tr>
<td>Return on plan assets exceeding interest income</td>
<td>(211)</td>
<td>418</td>
<td>159</td>
</tr>
<tr>
<td>Contributions by AB InBev</td>
<td>275</td>
<td>326</td>
<td>324</td>
</tr>
<tr>
<td>Contributions by plan participants</td>
<td>4</td>
<td>4</td>
<td>4</td>
</tr>
<tr>
<td>Benefits paid net of administration costs</td>
<td>(517)</td>
<td>(896)</td>
<td>(498)</td>
</tr>
<tr>
<td>Acquisition through business combination</td>
<td>—</td>
<td>51</td>
<td>694</td>
</tr>
<tr>
<td>Assets distributed on settlements</td>
<td>—</td>
<td>(82)</td>
<td>—</td>
</tr>
<tr>
<td>Exchange differences</td>
<td>(482)</td>
<td>(338)</td>
<td>(141)</td>
</tr>
<tr>
<td>Transfers and other movements</td>
<td>—</td>
<td>(392)</td>
<td>(146)</td>
</tr>
<tr>
<td><strong>Fair value of plan assets at 31 December</strong></td>
<td>5,075</td>
<td>5,773</td>
<td>6,376</td>
</tr>
</tbody>
</table>

Actual return on plans assets amounted to a gain of 42m US dollar in 2015 compared to a gain of 746m US dollar in 2014. The decrease is mainly driven by lower market returns particularly in United States, United Kingdom and Brazil. Actual return on plans assets amounted to a gain of 746m US dollar in 2014 compared to a gain of 458m US dollar in 2013. The increase is mainly driven by higher market returns particularly in Brazil, US and UK.

The acquisition through business combinations in 2014 stems from the OB combination.

The changes in the irrecoverable surplus are as follows:

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Irrecoverable surplus impact at 1 January</strong></td>
<td>(171)</td>
<td>(136)</td>
<td>(307)</td>
</tr>
<tr>
<td>Interest expense</td>
<td>(15)</td>
<td>(12)</td>
<td>(27)</td>
</tr>
<tr>
<td>Change in asset ceiling excluding amounts included in interest expense</td>
<td>49</td>
<td>(22)</td>
<td>197</td>
</tr>
<tr>
<td><strong>Irrecoverable surplus impact at 31 December</strong></td>
<td>(137)</td>
<td>(171)</td>
<td>(136)</td>
</tr>
</tbody>
</table>

The expense recognized in the income statement with regard to defined benefit plans can be detailed as follows:
<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current service costs</td>
<td>(81)</td>
<td>(74)</td>
<td>(105)</td>
</tr>
<tr>
<td>Administration costs</td>
<td>(20)</td>
<td>(24)</td>
<td>(23)</td>
</tr>
<tr>
<td>Past service cost</td>
<td>8</td>
<td>334</td>
<td>63</td>
</tr>
<tr>
<td>(Losses)/gains on settlements or curtailments</td>
<td>(2)</td>
<td>94</td>
<td>88</td>
</tr>
<tr>
<td><strong>Profit from operations</strong></td>
<td>(95)</td>
<td>330</td>
<td>23</td>
</tr>
<tr>
<td>Net finance cost</td>
<td>(116)</td>
<td>(124)</td>
<td>(156)</td>
</tr>
<tr>
<td><strong>Total employee benefit expense</strong></td>
<td>(211)</td>
<td>206</td>
<td>(132)</td>
</tr>
</tbody>
</table>

F-43
The employee benefit expense is included in the following line items of the income statement:

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014¹</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of sales</td>
<td>(64)</td>
<td>(1)</td>
<td>(56)</td>
</tr>
<tr>
<td>Distribution expenses</td>
<td>(8)</td>
<td>(9)</td>
<td>(3)</td>
</tr>
<tr>
<td>Sales and marketing expenses</td>
<td>(14)</td>
<td>(14)</td>
<td>(8)</td>
</tr>
<tr>
<td>Administrative expenses</td>
<td>(17)</td>
<td>(15)</td>
<td>9</td>
</tr>
<tr>
<td>Other operating (expense)/income</td>
<td>6</td>
<td>284</td>
<td>2</td>
</tr>
<tr>
<td>Exceptional items</td>
<td>2</td>
<td>85</td>
<td>80</td>
</tr>
<tr>
<td>Net finance cost</td>
<td>(116)</td>
<td>(124)</td>
<td>(156)</td>
</tr>
</tbody>
</table>

(211) 206 (132)

During 2014, the company amended certain post-retirement pension and healthcare benefits, mainly in the US.

Weighted average assumptions used in computing the benefit obligations at the balance sheet date are as follows:

<table>
<thead>
<tr>
<th>Discount rate</th>
<th>United States</th>
<th>Canada</th>
<th>Mexico</th>
<th>Brazil</th>
<th>United Kingdom</th>
<th>AB InBev</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4.4%</td>
<td>4.1%</td>
<td>7.0%</td>
<td>12.1%</td>
<td>4.0%</td>
<td>4.6%</td>
</tr>
<tr>
<td>Price inflation</td>
<td>—</td>
<td>2.0%</td>
<td>3.5%</td>
<td>4.5%</td>
<td>3.2%</td>
<td>2.7%</td>
</tr>
<tr>
<td>Future salary increases</td>
<td>2.0%</td>
<td>1.0%</td>
<td>4.8%</td>
<td>5.8%</td>
<td>—</td>
<td>3.6%</td>
</tr>
<tr>
<td>Future pension increases</td>
<td>—</td>
<td>—</td>
<td>3.5%</td>
<td>—</td>
<td>2.9%</td>
<td>2.7%</td>
</tr>
<tr>
<td>Medical cost trend rate</td>
<td>6.2%-5.0%</td>
<td>4.5%</td>
<td>8.2%</td>
<td>—</td>
<td>6.6%-5.9%</td>
<td></td>
</tr>
<tr>
<td>Life expectation for a 65 year old male</td>
<td>85</td>
<td>86</td>
<td>82</td>
<td>85</td>
<td>87</td>
<td>85</td>
</tr>
<tr>
<td>Life expectation for a 65 year old female</td>
<td>88</td>
<td>89</td>
<td>85</td>
<td>88</td>
<td>89</td>
<td>88</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Discount rate</th>
<th>United States</th>
<th>Canada</th>
<th>Mexico</th>
<th>Brazil</th>
<th>United Kingdom</th>
<th>AB InBev</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4.1%</td>
<td>4.1%</td>
<td>6.5%</td>
<td>10.8%</td>
<td>3.8%</td>
<td>4.4%</td>
</tr>
<tr>
<td>Price inflation</td>
<td>—</td>
<td>2.0%</td>
<td>3.5%</td>
<td>4.5%</td>
<td>3.0%</td>
<td>2.7%</td>
</tr>
<tr>
<td>Future salary increases</td>
<td>2.0%</td>
<td>1.0%</td>
<td>4.7%</td>
<td>5.8%</td>
<td>—</td>
<td>3.6%</td>
</tr>
<tr>
<td>Future pension increases</td>
<td>—</td>
<td>—</td>
<td>3.5%</td>
<td>—</td>
<td>2.8%</td>
<td>2.7%</td>
</tr>
<tr>
<td>Medical cost trend rate</td>
<td>6.9%-5.0%</td>
<td>4.5%</td>
<td>8.2%</td>
<td>—</td>
<td>7.7%-5.8%</td>
<td></td>
</tr>
<tr>
<td>Life expectation for a 65 year old male</td>
<td>85</td>
<td>86</td>
<td>82</td>
<td>85</td>
<td>87</td>
<td>85</td>
</tr>
<tr>
<td>Life expectation for a 65 year old female</td>
<td>88</td>
<td>89</td>
<td>85</td>
<td>88</td>
<td>89</td>
<td>88</td>
</tr>
</tbody>
</table>

Through its defined benefit pension plans and post-employment medical plans, the company is exposed to a number of risks, the most significant are detailed below:

**ASSET VOLATILITY**

The plan liabilities are calculated using a discount rate set with reference to high quality corporate yields; if plan assets underperform this yield, the company’s net defined benefit obligation may increase. Most of the company’s funded plans hold a significant proportion of equities, which are expected to outperform corporate bonds in the long-term while providing volatility and risk in the short-term. As the plans mature, the company usually reduces the level of investment risk by investing more in assets that better match the liabilities.

**CHANGES IN BOND YIELDS**

A decrease in corporate bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans’ bond holdings.

**INFLATION RISK**

Some of the company’s pension obligations, mainly in the UK, are linked to inflation, and higher inflation will lead to higher liabilities. The majority of the plan’s assets are either unaffected by or loosely correlated with inflation, meaning that an increase in inflation could potentially increase the company’s net benefit obligation.
LIFE EXPECTANCY
The majority of the plans’ obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plans’ liabilities.

INVESTMENT STRATEGY
In case of funded plans, the company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the pension schemes. Within this framework, the company’s ALM objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due and in the appropriate currency. The company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the pension obligation. In 2015, the company has started the implementation of a new pension de-risking strategy to reduce the risk profile of certain plans by reducing gradually the current exposure to equities and shifting those assets to fixed income securities.

---

1 Reclassified to conform to the 2015 presentation.
The weighted average duration of the defined benefit obligation is 14.4 years (2014: 14.3 years).

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>Change in assumption</th>
<th>Increase in assumption</th>
<th>Decrease in assumption</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discount rate</td>
<td>0.5%</td>
<td>(477)</td>
<td>523</td>
</tr>
<tr>
<td>Future salary increase</td>
<td>0.5%</td>
<td>26</td>
<td>(24)</td>
</tr>
<tr>
<td>Medical cost trend rate</td>
<td>1%</td>
<td>34</td>
<td>(30)</td>
</tr>
<tr>
<td>Longevity</td>
<td>One year</td>
<td>201</td>
<td>(197)</td>
</tr>
</tbody>
</table>

Sensitivities are what is reasonably possible changes in assumptions and they are calculated using the same approach as was used to determine the defined benefit obligation. Therefore, the above information is not necessarily a reasonable representation of future results.

The above are purely hypothetical changes in individual assumptions holding all other assumptions constant: economic conditions and changes therein will often affect multiple assumptions at the same time and the effects of changes in key assumptions are not linear.

The fair value of plan assets at 31 December consists of the following:

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Quoted</td>
<td>Unquoted</td>
<td>Total</td>
<td>Quoted</td>
</tr>
<tr>
<td>Government bonds</td>
<td>26%</td>
<td>—</td>
<td>26%</td>
<td>29%</td>
</tr>
<tr>
<td>Corporate bonds</td>
<td>31%</td>
<td>—</td>
<td>31%</td>
<td>26%</td>
</tr>
<tr>
<td>Equity instruments</td>
<td>29%</td>
<td>—</td>
<td>29%</td>
<td>36%</td>
</tr>
<tr>
<td>Property</td>
<td>—</td>
<td>3%</td>
<td>3%</td>
<td>—</td>
</tr>
<tr>
<td>Insurance contracts and others</td>
<td>10%</td>
<td>1%</td>
<td>11%</td>
<td>5%</td>
</tr>
<tr>
<td></td>
<td>96%</td>
<td>4%</td>
<td>100%</td>
<td>96%</td>
</tr>
</tbody>
</table>

AB InBev expects to contribute approximately 242m US dollar for its funded defined benefit plans and 61m US dollar in benefit payments to its unfunded defined benefit plans and post-retirement medical plans in 2016.

### 24. SHARE-BASED PAYMENTS

Different share and share option programs allow company senior management and members of the board of directors to receive or acquire shares of AB InBev or Ambev. AB InBev has three primary share-based compensation plans, the share-based compensation plan ("Share-Based Compensation Plan"), established in 2006 and amended as from 2010, the long-term incentive warrant plan ("LTI Warrant Plan"), established in 1999 and replaced by a long-term incentive stock option plan for directors ("LTI Stock Option Plan Directors") in 2014, and the long-term incentive stock-option plan for executives ("LTI Stock Option Plan Executives"), established in 2009. For all option plans, the fair value of share-based payment compensation is estimated at grant date, using a binomial Hull model, modified to reflect the IFRS 2 Share-based Payment requirement that assumptions about forfeiture before the end of the vesting period cannot impact the fair value of the option.

Share-based payment transactions resulted in a total expense of 225m US dollar for the year 2015 (including the variable compensation expense settled in shares), as compared to 251m US dollar for the year 2014 and 243m US dollar for the year 2013.

### AB INBEV SHARE-BASED PAYMENT PROGRAMS

#### Share-Based Compensation Plan

As from 1 January 2010, the structure of the Share-Based Compensation Plan for certain executives, including the executive board of management and other senior management in the general headquarters, has been modified. From 1 January 2011, the new plan structure applies to all other senior management. Under this plan, the executive board of management and other senior employees will receive their bonus in cash but have the choice to invest some or all of the value of their bonus in AB InBev shares with a five-year vesting period, referred to as bonus shares. Such voluntary investment leads to a 10% discount to the market price of the shares. The company will also match such voluntary investment by granting three matching shares for each bonus share voluntarily invested in, up to a limited total percentage of each participant’s bonus. The percentage of the variable compensation that is entitled to get matching shares varies depending on the position of the executive. The matching is based on the gross amount of the variable compensation invested. The discount shares and matching shares are granted in the form of restricted stock units which have a five-
year vesting period. Additionally, the holders of the restricted stock units may be entitled to receive from AB InBev additional restricted stock units equal to the dividends declared since the restricted stock units were granted.

During 2015, AB InBev issued 0.4m of matching restricted stock units in relation to the 2014 bonus and 0.1m matching restricted stock units in relation to a 2015 bonus granted to company employees and management. These matching restricted stock units are valued at the share price at the day of grant, representing a fair value of approximately 54m US dollar, and cliff vest after five years. During 2014, AB InBev issued 0.9m of matching restricted stock units according to the Share-Based Compensation Plan, with an estimated fair value of approximately 90m US dollar, in relation to the 2013 bonus.

1 Amounts have been converted to US dollar at the average rate of the period, unless otherwise indicated.
LTI Stock Option Plan for Directors

Before 2014, the company issued regularly warrants, or rights to subscribe for newly issued shares under the LTI Warrant Plan for the benefit of directors and, until 2006, for the benefit of members of the executive board of management and other senior employees. LTI warrants were subject to a vesting period ranging from one to three years. Forfeiture of a warrant occurs in certain circumstances when the holder leaves the company’s employment.

Since 2007, members of the executive board of management and other employees are no longer eligible to receive warrants under the LTI Warrant Plan, but instead receive a portion of their compensation in the form of shares and options granted under the Share-Based Compensation Plan and the LTI Stock Option Plan Executives.

Since 2014, directors are no longer eligible to receive warrants under the LTI Warrant Plan. Instead, on 30 April 2014, the annual shareholders meeting decided to replace the LTI Warrant Plan by a LTI Stock Option plan for directors. As a result, grants for directors now consist of LTI stock options instead of LTI warrants (i.e. the right to purchase existing shares instead of the right to subscribe to newly issued shares). Grants are made annually at the company’s shareholders meeting on a discretionary basis upon recommendation of the Remuneration Committee. The LTI stock options have an exercise price that is set equal to the market price at the time of the granting, a maximum lifetime of 10 years and an exercise period that starts after 5 years. The LTI stock options cliff vest after 5 years. Unvested options are subject to specific forfeiture provisions in the event that the directorship is not renewed upon the expiry of its term or is terminated in the course of its term, both due to a breach of duty by the director.

AB InBev granted 0.2m stock options to members of the board of directors during 2015 representing a fair value of approximately 5m US dollar (2014: 0.2m stock options with a fair value of approximately 4m US dollar).

Furthermore, at the annual shareholders meeting of 30 April 2014, all outstanding LTI warrants granted under the company’s LTI Warrant Plan were converted into LTI stock options, i.e. the right to purchase existing ordinary shares of Anheuser-Busch InBev SA/NV instead of the right to subscribe to newly issued shares. All other terms and conditions of the existing grants under the LTI Warrant Plan remain unchanged.

LTI Stock Option Plan Executives

As from 1 July 2009, senior employees are eligible for an annual long-term incentive to be paid out in LTI stock options (or, in future, similar share-based instruments), depending on management’s assessment of the employee’s performance and future potential.

In December 2015 AB InBev issued 4.7m LTI stock options with an estimated fair value of 117m US dollar, whereby 1.1m options relate to American Depositary Shares (ADSs) and 3.6m options to AB InBev shares. In December 2014 AB InBev issued 4.4m LTI stock options with an estimated fair value of 101m US dollar, whereby 1.3m options relate to American Depositary Shares (ADSs) and 3.1m options to AB InBev shares.

Exceptional incentive stock options

On 22 December 2015, approximately 4.8 million options were granted to a selected group of 65 members of the company’s senior management who are not members of the executive board of management and are considered to be instrumental to help the company to achieve its ambitious growth target. Each option gives the grantee the right to purchase one existing share. The exercise price of the options is 113.00 Euro which corresponds to the closing share price on the day preceding the grant date.

The options have a duration of 10 years from granting and vest after 5 years. They only become exercisable provided a performance test is met by AB InBev.

No exceptional incentive stock options were granted to members of the executive board of management.

Other Grants

AB InBev has in place three specific long-term restricted stock unit programs.

One program allows for the offer of restricted stock units to certain employees in certain specific circumstances, whereby grants are made at the discretion of the CEO, e.g. to compensate for assignments of expatriates in countries with difficult living conditions. The restricted stock units vest after five years and in case of termination of service before the vesting date, special forfeiture rules apply. In 2015, 0.1m restricted stock units with an estimated fair value of 15m US dollar were granted under this program to a selected number of employees (2014: 0.1m restricted stock units with an estimated fair value of 2m US dollar).
A second program allows for the exceptional offer of restricted stock units to certain employees at the discretion of the Remuneration Committee of AB InBev as a long-term retention incentive for key employees of the company. Employees eligible to receive a grant under this program receive two series of restricted stock units, the first half of the restricted stock units vesting after five years, the second half after ten years. In case of termination of service before the vesting date, special forfeiture rules apply. In 2015 0.2m restricted stock units with an estimated fair value of 26m US dollar were granted under this program to a selected number of employees (2014: 0.2m restricted stock units with an estimated fair value of 21m US dollar).

A third program allows certain employees to purchase company shares at a discount aimed as a long-term retention incentive for (i) high-potential employees of the company, who are at a mid-manager level (“People bet share purchase program”) or (ii) for newly hired employees. The voluntary investment in company shares leads to the grant of 3 matching shares for each share invested. The discount and matching shares are granted in the form of restricted stock units which vest after 5 years. In case of termination before the vesting date, special forfeiture rules apply. In 2015, employees purchased shares under this program for the equivalent of 0.8m US dollar (2014: equivalent of 0.5m US dollar).

In order to maintain consistency of benefits granted to executives and to encourage international mobility of executives, an options exchange program has been executed whereby unvested options are exchanged against restricted shares that remain locked-up until 31 December 2023. In 2015, no unvested options were exchanged against restricted shares (2014: 0.5m unvested options were exchanged against 0.5m restricted shares). As a variant to this program, the Remuneration Committee has also approved the early
release of the vesting conditions of 1.0m unvested options. The shares that result from the exercise of the options must remain locked-up until 31 December 2023. As the vesting period for these stock options was changed, an accelerated expense was recorded as a result of the modification. Furthermore, certain options granted have been modified whereby the dividend protected feature of these options have been cancelled and compensated by the issuance of new additional options. As there was no change between the fair value of the original award immediately before the modification and the fair value of the modified award immediately after the modification, no additional expense was recorded as a result of the modification. In 2015 no new options related to the dividend protection feature were issued (2014: 0.1m new options).

For further information on share-based payment grants of previous years, please refer to Note 24 Share-based payments of the 2014 consolidated financial statements.

The weighted average fair value of the options and assumptions used in applying the AB InBev option pricing model for the 2015 grants of awards described above are as follows:

<table>
<thead>
<tr>
<th>Amounts in US dollar unless otherwise indicated</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fair value of options and warrants granted</td>
<td>21.78</td>
<td>20.70</td>
<td>21.74</td>
</tr>
<tr>
<td>Share price</td>
<td>125.29</td>
<td>113.29</td>
<td>103.06</td>
</tr>
<tr>
<td>Exercise price</td>
<td>125.29</td>
<td>113.29</td>
<td>103.05</td>
</tr>
<tr>
<td>Expected volatility</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
</tr>
<tr>
<td>Expected dividends</td>
<td>3.00%</td>
<td>3.00%</td>
<td>2.92%</td>
</tr>
<tr>
<td>Risk-free interest rate</td>
<td>0.82%</td>
<td>1.23%</td>
<td>2.06%</td>
</tr>
</tbody>
</table>

Expected volatility is based on historical volatility calculated using 2785 days of historical data. In the determination of the expected volatility, AB InBev is excluding the volatility measured during the period 15 July 2008 until 30 April 2009, in view of the extreme market conditions experienced during that period. The binomial Hull model assumes that all employees would immediately exercise their options if the AB InBev share price is 2.5 times above the exercise price. As a result, no single expected option life applies.

The total number of outstanding AB InBev options and warrants developed as follows:

<table>
<thead>
<tr>
<th>Million options and warrants</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Options and warrants outstanding at 1 January</td>
<td>45.6</td>
<td>52.5</td>
<td>53.3</td>
</tr>
<tr>
<td>Options and warrants issued during the year</td>
<td>9.7</td>
<td>4.5</td>
<td>4.8</td>
</tr>
<tr>
<td>Options and warrants exercised during the year</td>
<td>(6.6)</td>
<td>(10.0)</td>
<td>(4.2)</td>
</tr>
<tr>
<td>Options and warrants forfeited during the year</td>
<td>(1.1)</td>
<td>(1.4)</td>
<td>(1.4)</td>
</tr>
<tr>
<td><strong>Options and warrants outstanding at the end of December</strong></td>
<td><strong>47.6</strong></td>
<td><strong>45.6</strong></td>
<td><strong>52.5</strong></td>
</tr>
</tbody>
</table>

The range of exercise prices of the outstanding options and warrants is between 10.32 euro (11.24 US dollar)1 and 121.95 euro (132.77 US dollar)1 while the weighted average remaining contractual life is 7.22 years.

Of the 47.6m outstanding options and warrants 8.8m are vested at 31 December 2015.

The weighted average exercise price of the AB InBev options and warrants is as follows:

<table>
<thead>
<tr>
<th>Amounts in US dollar1</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Options and warrants outstanding at 1 January</td>
<td>51.35</td>
<td>45.38</td>
<td>38.31</td>
</tr>
<tr>
<td>Granted during the year</td>
<td>126.67</td>
<td>113.29</td>
<td>103.05</td>
</tr>
<tr>
<td>Exercised during the year</td>
<td>32.47</td>
<td>24.40</td>
<td>41.07</td>
</tr>
<tr>
<td>Forfeited during the year</td>
<td>54.88</td>
<td>45.75</td>
<td>45.18</td>
</tr>
<tr>
<td>Outstanding at the end of December</td>
<td>64.50</td>
<td>51.35</td>
<td>45.38</td>
</tr>
<tr>
<td>Exercisable at the end of December</td>
<td>37.15</td>
<td>36.21</td>
<td>57.28</td>
</tr>
</tbody>
</table>

For share options and warrants exercised during 2015, the weighted average share price at the date of exercise was 111.56 euro (121.45 US dollar)1.

The total number of outstanding AB InBev restricted stock units developed as follows:

<table>
<thead>
<tr>
<th>Million restricted stock units</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restricted stock units outstanding at 1 January</td>
<td>5.8</td>
<td>4.7</td>
<td>3.3</td>
</tr>
</tbody>
</table>
AMBEV SHARE-BASED PAYMENT PROGRAMS

Since 2005, Ambev has had a plan which is substantially similar to the Share-based compensation plan under which bonuses granted to company employees and management are partially settled in shares. Under the Share-based compensation plan as modified as of 2010 Ambev issued in March 2015, 2.7m restricted stock units with an estimated fair value of 15m US dollar (2014: 5.2m restricted stock units with an estimated fair value of 38m US dollar).

\[\begin{array}{lcc}
\text{Restricted stock units issued during the year} & 1.0 & 1.3 & 1.6 \\
\text{Restricted stock units exercised during the year} & (1.0) & — & — \\
\text{Restricted stock units forfeited during the year} & (0.2) & (0.2) & (0.2) \\
\text{Restricted stock units outstanding at the end of December} & 5.6 & 5.8 & 4.7 \\
\end{array}\]

\[\text{\footnotesize{F-47}}\]

\[\text{\footnotesize{1 Amounts have been converted to US dollar at the closing rate of the respective period.}}\]
As from 2010, senior employees are eligible for an annual long-term incentive to be paid out in Ambev LTI stock options (or, in future, similar share-based instruments), depending on management’s assessment of the employee’s performance and future potential. In 2015, Ambev granted 16.5m LTI stock options with an estimated fair value of 40m US dollar (2014: 16.8m LTI stock options with an estimated fair value of 37m US dollar).

In order to encourage the mobility of managers, the features of certain Ambev options granted in previous years have been modified whereby the dividend protection of these options was cancelled and replaced by the issuance of 0.1m options in 2015 representing the economic value of the dividend protection feature (2014: 0.2m options). Since there was no change between the fair value of the original award before the modification and the fair value of the modified award after the modification, no additional expense was recorded as a result of this modification.

The weighted fair value of the options and assumptions used in applying a binomial option pricing model for the 2015 Ambev grants are as follows:

<table>
<thead>
<tr>
<th>Amounts in US dollar unless otherwise indicated</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fair value of options granted</td>
<td>2.01</td>
<td>1.96</td>
<td>2.61</td>
</tr>
<tr>
<td>Share price</td>
<td>4.72</td>
<td>6.00</td>
<td>7.30</td>
</tr>
<tr>
<td>Exercise price</td>
<td>4.72</td>
<td>6.00</td>
<td>7.30</td>
</tr>
<tr>
<td>Expected volatility</td>
<td>27%</td>
<td>32%</td>
<td>33%</td>
</tr>
<tr>
<td>Expected dividends</td>
<td>0.00% - 5.00%</td>
<td>0.00% - 5.00%</td>
<td>0.00% - 5.00%</td>
</tr>
<tr>
<td>Risk-free interest rate</td>
<td>15.90%</td>
<td>2.20% - 12.40%</td>
<td>1.90% - 12.60%</td>
</tr>
</tbody>
</table>

The total number of outstanding Ambev options developed as follows:

<table>
<thead>
<tr>
<th>Million options</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Options outstanding at 1 January</td>
<td>126.1</td>
<td>147.7</td>
<td>143.9</td>
</tr>
<tr>
<td>Options issued during the year</td>
<td>16.6</td>
<td>17.0</td>
<td>13.1</td>
</tr>
<tr>
<td>Options exercised during the year</td>
<td>(20.0)</td>
<td>(34.8)</td>
<td>(7.2)</td>
</tr>
<tr>
<td>Options forfeited during the year</td>
<td>(1.0)</td>
<td>(3.8)</td>
<td>(2.1)</td>
</tr>
<tr>
<td><strong>Options outstanding at the end of December</strong></td>
<td><strong>121.7</strong></td>
<td><strong>126.1</strong></td>
<td><strong>147.7</strong></td>
</tr>
</tbody>
</table>

Following the decision of the shareholders meeting of 30 July 2013 effective on 11 November 2013, each common share issued by Ambev was split into 5 shares, without any modification to the amount of the capital stock of Ambev. As a consequence of the split of the Ambev shares with a factor 5, the exercise price and the number of options were adjusted with the intention of preserving the rights of the existing option holders.

The range of exercise prices of the outstanding options is between 0.35 Brazilian real (0.09 US dollar)\(^1\) and 26.57 Brazilian real (6.80 US dollar)\(^1\) while the weighted average remaining contractual life is 6.30 years.

Of the 121.8m outstanding options 48.7m options are vested at 31 December 2015.

The weighted average exercise price of the Ambev options is as follows:

<table>
<thead>
<tr>
<th>Amounts in US dollar(^1)</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Options outstanding at 1 January</td>
<td>3.79</td>
<td>2.69</td>
<td>3.54</td>
</tr>
<tr>
<td>Granted during the year</td>
<td>4.72</td>
<td>6.03</td>
<td>7.27</td>
</tr>
<tr>
<td>Exercised during the year</td>
<td>1.29</td>
<td>1.45</td>
<td>1.15</td>
</tr>
<tr>
<td>Forfeited during the year</td>
<td>5.21</td>
<td>4.25</td>
<td>3.46</td>
</tr>
<tr>
<td>Outstanding at the end of December</td>
<td>3.17</td>
<td>3.79</td>
<td>2.69</td>
</tr>
<tr>
<td>Exercisable at the end of December</td>
<td>0.84</td>
<td>1.11</td>
<td>1.42</td>
</tr>
</tbody>
</table>

For share options exercised during 2015, the weighted average share price at the date of exercise was 18.95 Brazilian real (4.85 US dollar)\(^1\).

The total number of outstanding Ambev restricted stock units developed as follows:
During 2015, a limited number of Ambev shareholders who are part of the senior management of AB InBev were given the opportunity to exchange Ambev shares against a total of 0.3m AB InBev shares (0.6m AB InBev shares in 2014) at a discount of 16.7% provided that they stay in service for another five years. The fair value of this transaction amounts to approximately 6m US dollar (12m US dollar in 2014) and is expensed over the five years’ service period. The fair values of the Ambev and AB InBev shares were determined based on the market price.

1. Amounts have been converted to US dollar at the closing rate of the respective period.
2. The weighted average risk-free interest rates refer to granted ADRs and stock options respectively.

<table>
<thead>
<tr>
<th>Million restricted stock units</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restricted stock units outstanding at 1 January</td>
<td>17.5</td>
<td>15.6</td>
<td>11.5</td>
</tr>
<tr>
<td>Restricted stock units issued during the year</td>
<td>2.7</td>
<td>5.2</td>
<td>4.3</td>
</tr>
<tr>
<td>Restricted stock units exercised during the year</td>
<td>(0.8)</td>
<td>(2.3)</td>
<td>—</td>
</tr>
<tr>
<td>Restricted stock units forfeited during the year</td>
<td>(0.3)</td>
<td>(1.0)</td>
<td>(0.2)</td>
</tr>
<tr>
<td><strong>Restricted stock units outstanding at the end of December</strong></td>
<td>19.1</td>
<td>17.5</td>
<td>15.6</td>
</tr>
</tbody>
</table>
25. PROVISIONS

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>Restructuring</th>
<th>Disputes</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance at 1 January 2015</strong></td>
<td>166</td>
<td>623</td>
<td>10</td>
<td>799</td>
</tr>
<tr>
<td>Effect of changes in foreign exchange rates</td>
<td>(11)</td>
<td>(84)</td>
<td>(1)</td>
<td>(96)</td>
</tr>
<tr>
<td>Provisions made</td>
<td>77</td>
<td>380</td>
<td>—</td>
<td>457</td>
</tr>
<tr>
<td>Provisions used</td>
<td>(66)</td>
<td>(222)</td>
<td>(1)</td>
<td>(289)</td>
</tr>
<tr>
<td>Provisions reversed</td>
<td>(8)</td>
<td>(109)</td>
<td>(1)</td>
<td>(118)</td>
</tr>
<tr>
<td>Other movements</td>
<td>(1)</td>
<td>143</td>
<td>—</td>
<td>142</td>
</tr>
<tr>
<td><strong>Balance at 31 December 2015</strong></td>
<td><strong>157</strong></td>
<td><strong>733</strong></td>
<td><strong>7</strong></td>
<td><strong>897</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>Restructuring</th>
<th>Disputes</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance at 1 January 2014</strong></td>
<td>177</td>
<td>535</td>
<td>16</td>
<td>728</td>
</tr>
<tr>
<td>Effect of changes in foreign exchange rates</td>
<td>(10)</td>
<td>(40)</td>
<td>(2)</td>
<td>(52)</td>
</tr>
<tr>
<td>Provisions made</td>
<td>65</td>
<td>327</td>
<td>1</td>
<td>393</td>
</tr>
<tr>
<td>Provisions used</td>
<td>(56)</td>
<td>(130)</td>
<td>(1)</td>
<td>(187)</td>
</tr>
<tr>
<td>Provisions reversed</td>
<td>(11)</td>
<td>(79)</td>
<td>(3)</td>
<td>(93)</td>
</tr>
<tr>
<td>Other movements</td>
<td>1</td>
<td>10</td>
<td>(1)</td>
<td>10</td>
</tr>
<tr>
<td><strong>Balance at 31 December 2014</strong></td>
<td><strong>166</strong></td>
<td><strong>623</strong></td>
<td><strong>10</strong></td>
<td><strong>799</strong></td>
</tr>
</tbody>
</table>

The restructuring provisions are primarily explained by the organizational alignments - see also Note 8 Exceptional items. Provisions for disputes mainly relate to various disputed direct and indirect taxes and to claims from former employees.

The provisions are expected to be settled within the following time windows:

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>Total</th>
<th>&lt; 1 year</th>
<th>1-2 years</th>
<th>2-5 years</th>
<th>&gt; 5 years</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Restructuring</strong></td>
<td><strong>157</strong></td>
<td>63</td>
<td>8</td>
<td>83</td>
<td>3</td>
</tr>
<tr>
<td><strong>Disputes</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income and indirect taxes</td>
<td>477</td>
<td>124</td>
<td>211</td>
<td>100</td>
<td>42</td>
</tr>
<tr>
<td>Labor</td>
<td>97</td>
<td>16</td>
<td>16</td>
<td>54</td>
<td>11</td>
</tr>
<tr>
<td>Commercial</td>
<td>25</td>
<td>6</td>
<td>15</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Other disputes</td>
<td>134</td>
<td>9</td>
<td>95</td>
<td>29</td>
<td>1</td>
</tr>
<tr>
<td><strong>Other contingencies</strong></td>
<td><strong>7</strong></td>
<td><strong>2</strong></td>
<td><strong>1</strong></td>
<td><strong>4</strong></td>
<td><strong>56</strong></td>
</tr>
<tr>
<td><strong>Total provisions</strong></td>
<td><strong>897</strong></td>
<td><strong>220</strong></td>
<td><strong>346</strong></td>
<td><strong>272</strong></td>
<td><strong>59</strong></td>
</tr>
</tbody>
</table>

AB InBev is subject to the greenhouse gas emission allowance trading scheme in force in the European Union and a similar scheme in Korea. Acquired emission allowances are recognized at cost as intangible assets. To the extent that it is expected that the number of allowances needed to settle the CO2 emissions exceeds the number of emission allowances owned, a provision is recognized. Such provision is measured at the estimated amount of the expenditure required to settle the obligation. At 31 December 2015, the emission allowances owned fully covered the expected CO2 emissions. As such no provision needed to be recognized.

26. TRADE AND OTHER PAYABLES

NON-CURRENT TRADE AND OTHER PAYABLES

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indirect taxes payable</td>
<td>186</td>
<td>230</td>
</tr>
<tr>
<td>Trade payables</td>
<td>484</td>
<td>305</td>
</tr>
<tr>
<td>Deferred consideration on acquisitions</td>
<td>329</td>
<td>138</td>
</tr>
<tr>
<td>Other payables</td>
<td>242</td>
<td>333</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1 241</strong></td>
<td><strong>1 006</strong></td>
</tr>
</tbody>
</table>
## CURRENT TRADE AND OTHER PAYABLES

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014¹</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade payables and accrued expenses</td>
<td>11 616</td>
<td>10 913</td>
</tr>
<tr>
<td>Payroll and social security payables</td>
<td>924</td>
<td>1 030</td>
</tr>
<tr>
<td>Indirect taxes payable</td>
<td>1 610</td>
<td>1 849</td>
</tr>
<tr>
<td>Interest payable</td>
<td>817</td>
<td>850</td>
</tr>
<tr>
<td>Consigned packaging</td>
<td>680</td>
<td>715</td>
</tr>
<tr>
<td>Dividends payable</td>
<td>239</td>
<td>518</td>
</tr>
<tr>
<td>Deferred income</td>
<td>49</td>
<td>53</td>
</tr>
<tr>
<td>Deferred consideration on acquisitions</td>
<td>1 474</td>
<td>1 640</td>
</tr>
<tr>
<td>Other payables</td>
<td>253</td>
<td>341</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>17 662</td>
<td>17 909</td>
</tr>
</tbody>
</table>

¹ Reclassified to conform to the 2015 presentation.

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Deferred consideration on acquisitions is mainly comprised of 1.424 billion US dollar for the put option included in the 2012 shareholders’ agreement between Ambev and E. León Jimenes S.A. (“ELJ”), which may result in Ambev acquiring additional Class B shares of Cervecería Nacional Dominicana S.A. (“CND”). The put option granted to ELJ is exercisable as of the first year following the 2012 transaction. The valuation of this option is based on the EBITDA of the consolidated operations in Dominican Republic.

27. RISKS ARISING FROM FINANCIAL INSTRUMENTS

AB InBev’s activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest risk, commodity risk and equity risk), credit risk and liquidity risk. The company analyses each of these risks individually as well as on an interconnected basis, and defines strategies to manage the economic impact on the company’s performance in line with its financial risk management policy.

Some of the company’s risk management strategies include the usage of derivatives. The main derivative instruments used are foreign currency rate agreements, exchange traded foreign currency futures and options, interest rate swaps and forwards, cross currency interest rate swaps (“CCIRS”), exchange traded interest rate futures, commodity swaps, exchange traded commodity futures and equity swaps. AB InBev’s policy prohibits the use of derivatives in the context of speculative trading.

The following table provides an overview of the derivative financial instruments outstanding at year-end by maturity bucket. The amounts included in this table are the notional amounts.

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>&lt; 1 year</th>
<th>1-2 years</th>
<th>2-3 years</th>
<th>3-5 years</th>
<th>&gt; 5 years</th>
<th>&lt; 1 year</th>
<th>1-2 years</th>
<th>2-3 years</th>
<th>3-5 years</th>
<th>&gt; 5 years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Foreign currency</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Forward exchange contracts SABMiller proposed combination</td>
<td>68 860</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>7 554</td>
<td>47</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Other forward exchange contracts</td>
<td>10 481</td>
<td>508</td>
<td>803</td>
<td>—</td>
<td>—</td>
<td>1 822</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Foreign currency futures</td>
<td>1 568</td>
<td>100</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Interest rate</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest rate swaps</td>
<td>—</td>
<td>77</td>
<td>—</td>
<td>3 000</td>
<td>74</td>
<td>350</td>
<td>—</td>
<td>113</td>
<td>2 250</td>
<td>787</td>
</tr>
<tr>
<td>Cross currency interest rate swaps</td>
<td>—</td>
<td>1 604</td>
<td>777</td>
<td>1 803</td>
<td>1 560</td>
<td>1 023</td>
<td>—</td>
<td>1 789</td>
<td>2 373</td>
<td>1 197</td>
</tr>
<tr>
<td>Interest rate futures</td>
<td>—</td>
<td>13</td>
<td>—</td>
<td>109</td>
<td>—</td>
<td>—</td>
<td>139</td>
<td>113</td>
<td>151</td>
<td>—</td>
</tr>
<tr>
<td>Other interest rate derivatives</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>565</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Commodity</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aluminum swaps</td>
<td>1 509</td>
<td>172</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>1 422</td>
<td>48</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Other commodity derivatives</td>
<td>1 227</td>
<td>82</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>1 374</td>
<td>194</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Equity</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity derivatives</td>
<td>5 985</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>4 854</td>
<td>838</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
</tbody>
</table>

A. FOREIGN CURRENCY RISK

AB InBev incurs foreign currency risk on borrowings, investments, (forecasted) sales, (forecasted) purchases, royalties, dividends, licenses, management fees and interest expense/income whenever they are denominated in a currency other than the functional currency of the subsidiary. The main derivative financial instruments used to manage foreign currency risk are foreign currency rate agreements, exchange traded foreign currency futures and cross currency interest rate swaps.

FOREIGN EXCHANGE RISK ON THE PROPOSED COMBINATION WITH SABMILLER

Following the proposed combination with SABMiller, AB InBev entered into derivative foreign exchange forward contracts with respect to 45 billion pound sterling of the purchase price, to hedge against exposure changes in the US dollar exchange rate for the cash component of the purchase consideration in pound sterling. The 45 billion pound sterling has been hedged at an average rate of 1.5295 US dollar per pound sterling. Although these derivatives are considered to be economic hedges, only a portion of such derivatives could qualify for hedge accounting under IFRS rules, as AB InBev NV, the acquiring company, has a euro functional currency.

The mark-to-market of the financial instruments that qualify for a hedge relationship will be reported in equity until the closing of the combination, whereas the mark-to-market of the financial instruments that do not qualify for hedge accounting will be reported in the profit and loss account until the closing of the transaction.
As of 31 December 2015, financial instruments for approximately 45.0 billion US dollar equivalent qualified for hedge accounting and a mark-to market of 1.738m US dollar loss was reported in equity and financial instruments for approximately 23.9 billion US dollar did not qualify for hedge accounting and a mark-to market of 688m US dollar loss was reported as a exceptional finance cost in the profit and loss account- see Note 8 Exceptional items and Note 11 Finance cost and income.
FOREIGN EXCHANGE RISK ON OPERATING ACTIVITIES

As far as foreign currency risk on firm commitments and forecasted transactions is concerned, AB InBev’s policy is to hedge operational transactions which are reasonably expected to occur (e.g. cost of goods sold and selling, general & administrative expenses) within the forecast period determined in the financial risk management policy. Operational transactions that are certain are hedged without any limitation in time. Non-operational transactions (such as acquisitions and disposals of subsidiaries) are hedged as soon as they are certain.

The table below provides an indication of the company’s main net foreign currency positions as regards firm commitments and forecasted transactions for the most important currency pairs. The open positions are the result of the application of AB InBev’s risk management policy. Positive amounts indicate that the company is long (net future cash inflows) in the first currency of the currency pair while negative amounts indicate that the company is short (net future cash outflows) in the first currency of the currency pair. The second currency of the currency pairs listed is the functional currency of the related subsidiary.

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>31 December 2015</th>
<th>31 December 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total exposure</td>
<td>Total hedges</td>
</tr>
<tr>
<td>Euro/Brazilian real</td>
<td>(97)</td>
<td>97</td>
</tr>
<tr>
<td>Euro/Canadian dollar</td>
<td>(56)</td>
<td>56</td>
</tr>
<tr>
<td>Euro/Czech koruna</td>
<td>(2)</td>
<td>(8)</td>
</tr>
<tr>
<td>Euro/Hungarian forint</td>
<td>(3)</td>
<td>3</td>
</tr>
<tr>
<td>Euro/Mexican peso</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Euro/South Korean won</td>
<td>(57)</td>
<td>27</td>
</tr>
<tr>
<td>Euro/Pound sterling</td>
<td>(52)</td>
<td>184</td>
</tr>
<tr>
<td>Euro/Russian ruble</td>
<td>(74)</td>
<td>109</td>
</tr>
<tr>
<td>Euro/Ukrainian hryvnia</td>
<td>(68)</td>
<td>—</td>
</tr>
<tr>
<td>Euro/US dollar</td>
<td>(420)</td>
<td>152</td>
</tr>
<tr>
<td>Japanese yen/South Korean won</td>
<td>(10)</td>
<td>10</td>
</tr>
<tr>
<td>Mexican peso/Colombian peso</td>
<td>(33)</td>
<td>33</td>
</tr>
<tr>
<td>Mexican peso/South Korean won</td>
<td>(5)</td>
<td>5</td>
</tr>
<tr>
<td>US dollar/Argentinean peso</td>
<td>(459)</td>
<td>459</td>
</tr>
<tr>
<td>US dollar/Bolivian boliviano</td>
<td>(62)</td>
<td>62</td>
</tr>
<tr>
<td>US dollar/Brazilian real</td>
<td>(1 419)</td>
<td>1 419</td>
</tr>
<tr>
<td>US dollar/Canadian dollar</td>
<td>(321)</td>
<td>321</td>
</tr>
<tr>
<td>US dollar/Chilean peso</td>
<td>(152)</td>
<td>152</td>
</tr>
<tr>
<td>US dollar/Chinese yuan</td>
<td>(135)</td>
<td>121</td>
</tr>
<tr>
<td>US dollar/Colombian peso</td>
<td>(10)</td>
<td>10</td>
</tr>
<tr>
<td>US dollar/Euro</td>
<td>(197)</td>
<td>301</td>
</tr>
<tr>
<td>US dollar/Mexican peso</td>
<td>(1 234)</td>
<td>1 933</td>
</tr>
<tr>
<td>US dollar/Paraguayan guarani</td>
<td>(96)</td>
<td>96</td>
</tr>
<tr>
<td>US dollar/Peruvian nuevo sol</td>
<td>(5)</td>
<td>5</td>
</tr>
<tr>
<td>US dollar/Pound sterling</td>
<td>(23)</td>
<td>23</td>
</tr>
<tr>
<td>US dollar/Russian ruble</td>
<td>(78)</td>
<td>115</td>
</tr>
<tr>
<td>US dollar/South Korean won</td>
<td>(35)</td>
<td>84</td>
</tr>
<tr>
<td>US dollar/Ukrainian hryvnia</td>
<td>(46)</td>
<td>—</td>
</tr>
<tr>
<td>US dollar/Uruguayan peso</td>
<td>(52)</td>
<td>52</td>
</tr>
</tbody>
</table>

The US dollar/Mexican peso open long position is mainly related to US dollar cash held in Mexico.

Further analysis on the impact of open currency exposures is performed in the Currency Sensitivity Analysis below.

In conformity with IAS 39 hedge accounting rules, these hedges of firm commitments and highly probable forecasted transactions denominated in foreign currency are designated as cash flow hedges.

FOREIGN EXCHANGE RISK ON NET INVESTMENTS IN FOREIGN OPERATIONS

AB InBev enters into hedging activities to mitigate exposures related to its investments in foreign operations. These strategies are designated as net investment hedges and include both derivative and non-derivative financial instruments.

As of 31 December 2015, designated derivative and non-derivative financial instruments in a net investment hedge relationship amount to 11 193m US dollar equivalent (7 012m US dollar in 2014) in Holding companies and approximately 1 460m US dollar
equivalent (2 889m US dollar in 2014) at Ambev level. Those derivatives and non-derivatives are used to hedge foreign operations with functional currencies mainly denominated in Argentinean peso, Brazilian real, Bolivian boliviano, Canadian dollar, Chilean peso, Dominican peso, euro, Mexican peso, pound sterling, South Korean won and US dollar.

FOREIGN EXCHANGE RISK ON FOREIGN CURRENCY DENOMINATED DEBT

It is AB InBev’s policy to have the debt in the subsidiaries as much as possible in the functional currency of the subsidiary. To the extent this is not the case, hedging is put in place unless the cost to hedge outweighs the benefits. Interest rate decisions and currency mix of debt and cash are decided on a global basis and take into consideration the holistic risk management approach.

A description of the foreign currency risk hedging related to the debt instruments issued in a currency other than the functional currency of the subsidiary is further detailed in the Interest Rate Risk section below.

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CURRENCY SENSITIVITY ANALYSIS

Currency transactional risk

Most of AB InBev’s non-derivative monetary financial instruments are either denominated in the functional currency of the subsidiary or are converted into the functional currency through the use of derivatives. However, the company can have open positions in certain countries for which hedging can be limited as the illiquidity of the local foreign exchange market prevents the company from hedging at a reasonable cost. The transactional foreign currency risk mainly arises from open positions in Czech koruna, Mexican peso, pound sterling, Russian ruble, South Korean won and Ukrainian hryvnia against the US dollar and the euro. AB InBev estimated the reasonably possible change of exchange rate, on the basis of the average volatility on the open currency pairs, as follows:

<table>
<thead>
<tr>
<th>Currency pair</th>
<th>Closing rate 31 December 2015</th>
<th>Possible closing rate</th>
<th>Volatility of rates in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pound sterling/Euro</td>
<td>1.36</td>
<td>1.23 - 1.50</td>
<td>9.73%</td>
</tr>
<tr>
<td>Euro/Czech koruna</td>
<td>27.02</td>
<td>26.21 - 27.83</td>
<td>2.99%</td>
</tr>
<tr>
<td>Euro/Russian ruble</td>
<td>79.35</td>
<td>58.04 - 100.66</td>
<td>26.86%</td>
</tr>
<tr>
<td>Euro/Ukrainian hryvnia</td>
<td>26.13</td>
<td>10.51 - 41.75</td>
<td>59.79%</td>
</tr>
<tr>
<td>US dollar/Euro</td>
<td>0.92</td>
<td>0.81 - 1.03</td>
<td>12.13%</td>
</tr>
<tr>
<td>US dollar/Mexican peso</td>
<td>17.21</td>
<td>15.38 - 19.04</td>
<td>10.63%</td>
</tr>
<tr>
<td>US dollar/Pound sterling</td>
<td>0.67</td>
<td>0.62 - 0.73</td>
<td>8.34%</td>
</tr>
<tr>
<td>US dollar/Russian ruble</td>
<td>72.88</td>
<td>54.75 - 91.01</td>
<td>24.88%</td>
</tr>
<tr>
<td>US dollar/Ukrainian hryvnia</td>
<td>24.00</td>
<td>8.88 - 39.12</td>
<td>63.01%</td>
</tr>
</tbody>
</table>

Had the Czech koruna, the Mexican peso, the pound sterling, the Russian ruble, South Korean won and the Ukrainian hryvnia weakened/strengthened during 2015 by the above estimated changes against the euro or the US dollar, with all other variables held constant, the 2015 impact on consolidated profit before taxes would have been approximately 71m US dollar (103m US dollar in 2014) higher/lower.

Additionally, the AB InBev sensitivity analysis to the foreign exchange rates on its total derivatives positions as of 31 December 2015, shows a positive/negative pre-tax impact on equity reserves of 895m US dollar (446m US dollar in 2014).

NET FOREIGN EXCHANGE RESULTS

Foreign exchange results recognized on unhedged and hedged exposures and from the related hedging derivative instruments can be summarized per type of hedging relationship as follows:

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fair value hedges - hedging instruments</td>
<td>—</td>
<td>—</td>
<td>(2)</td>
</tr>
<tr>
<td>Cash flow hedges - hedged items</td>
<td>61</td>
<td>(60)</td>
<td>2</td>
</tr>
<tr>
<td>Cash flow hedges - hedging instruments (reclassified from equity)</td>
<td>(11)</td>
<td>53</td>
<td>(1)</td>
</tr>
<tr>
<td>Economic hedges - hedged items not part of a hedge accounting relationship</td>
<td>(347)</td>
<td>—</td>
<td>(122)</td>
</tr>
<tr>
<td>Economic hedges - hedging instruments not part of a hedge accounting relationship</td>
<td>352</td>
<td>11</td>
<td>125</td>
</tr>
<tr>
<td>Other results - not hedged</td>
<td>323</td>
<td>315</td>
<td>(297)</td>
</tr>
</tbody>
</table>

378 319 (295)
B. INTEREST RATE RISK

The company applies a dynamic interest rate hedging approach whereby the target mix between fixed and floating rate debt is reviewed periodically. The purpose of AB InBev’s policy is to achieve an optimal balance between cost of funding and volatility of financial results, while taking into account market conditions as well as AB InBev’s overall business strategy.

FAIR VALUE HEDGE

Pound sterling bond hedges (foreign currency risk + interest rate risk on borrowings in pound sterling)

In June 2009, the company issued a pound sterling bond for an equivalent of 750m pound sterling. This bond bears interest at 6.50% with maturity in June 2017.

1 Sensitivity analysis is assessed based on the yearly volatility using daily observable market data during 250 days at 31 December 2015.
2 Sensitivity analysis is assessed based on the yearly volatility using daily observable market data during 250 days at 31 December 2014.
The company entered into several pound sterling fixed/euro floating cross currency interest rate swaps to manage and reduce the impact of changes in the pound sterling exchange rate and interest rate on this bond.

These derivative instruments have been designated in a fair value hedge accounting relationship.

**US dollar fixed rate bond hedges (interest rate risk on borrowings in US dollar)**

The company entered into several US dollar fixed/floating interest rate swaps to manage and reduce the impact of changes in the US dollar interest rates on the fair value of certain fixed rate bonds with an aggregate principal amount of 3.8 billion US dollar.

These derivative instruments have been designated in a fair value hedge accounting relationship.

**Ambev bond hedges (interest rate risk on borrowings in Brazilian real)**

In July 2007 Ambev issued a Brazilian real bond (“Bond 17”), which bears interest at 9.5% and is repayable semi-annually with final maturity date in July 2017.

Ambev entered into a fixed/floating interest rate swap to hedge the interest rate risk on such bond. These derivative instruments have been designated in a fair value hedge accounting relationship.

**CASH FLOW HEDGE**

**Canadian dollar bond hedges (foreign currency risk + interest rate risk on borrowings in Canadian dollar)**

In January 2013, the company issued a series of notes in an aggregated principal amount of 1.2 billion Canadian dollar. These bonds bear interest at 2.375% with maturity in January 2018 and 3.375% with maturity in January 2023.

The company entered into several Canadian dollar fixed/US dollar fixed cross currency interest rate swaps to manage and reduce the impact of changes in the Canadian dollar exchange rate and interest rate on these bonds.

These derivative instruments have been designated in a cash flow hedge accounting relationship.

**Pound sterling bond hedges (foreign currency risk + interest rate risk on borrowings in pound sterling)**

In September 2013, the company issued a pound sterling bond for an equivalent of 500m pound sterling. This bond bears interest at 4.00% per year with maturity in September 2025.

The company entered into several pound sterling fixed/euro fixed cross currency interest rate swaps to manage and reduce the impact of changes in the pound sterling exchange rate and interest rate on this bond.

These derivative instruments have been designated in a cash flow hedge accounting relationship.

**ECONOMIC HEDGE**

**Marketable debt security hedges (interest rate risk on Brazilian real)**

During 2015, Ambev invested in highly liquid Brazilian real denominated government debt securities.

The company also entered into interest rate future contacts in order to offset the Brazilian real interest rate exposure of such government bonds. Since both instruments are measured at fair value with changes recorded into profit or loss, no hedge accounting designation was done.
INTEREST RATE SENSITIVITY ANALYSIS

In respect of interest-bearing financial liabilities, the table below indicates their effective interest rates at balance sheet date as well as the split per currency in which the debt is denominated.

<table>
<thead>
<tr>
<th>31 December 2015</th>
<th>Before hedging</th>
<th>After hedging</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Effective interest rate</td>
<td>Amount</td>
</tr>
<tr>
<td><strong>Floating rate</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brazilian real</td>
<td>9.41%</td>
<td>270</td>
</tr>
<tr>
<td>Euro</td>
<td>0.09%</td>
<td>2 934</td>
</tr>
<tr>
<td>US dollar</td>
<td>1.12%</td>
<td>584</td>
</tr>
<tr>
<td>Other</td>
<td>6.10%</td>
<td>6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>3 795</td>
<td></td>
</tr>
<tr>
<td><strong>Fixed rate</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brazilian real</td>
<td>7.13%</td>
<td>282</td>
</tr>
<tr>
<td>Canadian dollar</td>
<td>3.14%</td>
<td>1 290</td>
</tr>
<tr>
<td>Dominican peso</td>
<td>9.52%</td>
<td>101</td>
</tr>
<tr>
<td>Euro</td>
<td>2.47%</td>
<td>11 363</td>
</tr>
<tr>
<td>Pound sterling</td>
<td>6.54%</td>
<td>2 686</td>
</tr>
<tr>
<td>South Korean won</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>US dollar</td>
<td>4.21%</td>
<td>29 935</td>
</tr>
<tr>
<td>Other</td>
<td>3.60%</td>
<td>14</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>45 671</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>31 December 2014</th>
<th>Before hedging</th>
<th>After hedging</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Effective interest rate</td>
<td>Amount</td>
</tr>
<tr>
<td><strong>Floating rate</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brazilian real</td>
<td>7.24%</td>
<td>438</td>
</tr>
<tr>
<td>Euro</td>
<td>0.36%</td>
<td>1 328</td>
</tr>
<tr>
<td>Russian ruble</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>US dollar</td>
<td>0.98%</td>
<td>745</td>
</tr>
<tr>
<td>Other</td>
<td>11.12%</td>
<td>26</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2 537</td>
<td></td>
</tr>
<tr>
<td><strong>Fixed rate</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Argentinean peso</td>
<td>23.69%</td>
<td>37</td>
</tr>
<tr>
<td>Brazilian real</td>
<td>7.99%</td>
<td>595</td>
</tr>
<tr>
<td>Canadian dollar</td>
<td>3.14%</td>
<td>1 548</td>
</tr>
<tr>
<td>Dominican peso</td>
<td>10.38%</td>
<td>23</td>
</tr>
<tr>
<td>Euro</td>
<td>3.02%</td>
<td>10 246</td>
</tr>
<tr>
<td>Pound sterling</td>
<td>6.71%</td>
<td>2 816</td>
</tr>
<tr>
<td>South Korean won</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>US dollar</td>
<td>4.02%</td>
<td>33 312</td>
</tr>
<tr>
<td>Other</td>
<td>7.18%</td>
<td>8</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>48 585</td>
<td></td>
</tr>
</tbody>
</table>

At 31 December 2015, the total carrying amount of the floating and fixed rate interest-bearing financial liabilities before hedging listed above includes bank overdrafts of 13m US dollar.

As disclosed in the above table, 6 124m US dollar or 12.38% of the company’s interest bearing financial liabilities bear a variable interest rate. The company estimated that the reasonably possible change of the market interest rates applicable to its floating rate debt after hedging is as follows:
### 2015

<table>
<thead>
<tr>
<th></th>
<th>31 December 2015&lt;sup&gt;1&lt;/sup&gt;</th>
<th>Possible interest rate&lt;sup&gt;2&lt;/sup&gt;</th>
<th>Volatility of rates in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brazilian real</td>
<td>13.64%</td>
<td>12.48% - 14.8%</td>
<td>8.52%</td>
</tr>
<tr>
<td>Euro</td>
<td>0%</td>
<td>0.15% - 0%</td>
<td>211.93%</td>
</tr>
<tr>
<td>US dollar</td>
<td>0.61%</td>
<td>0.5% - 0.73%</td>
<td>18.83%</td>
</tr>
</tbody>
</table>

### 2014

<table>
<thead>
<tr>
<th></th>
<th>31 December 2014&lt;sup&gt;1&lt;/sup&gt;</th>
<th>Possible interest rate&lt;sup&gt;2&lt;/sup&gt;</th>
<th>Volatility of rates in %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brazilian real</td>
<td>11.11%</td>
<td>10.25% - 11.97%</td>
<td>7.72%</td>
</tr>
<tr>
<td>Euro</td>
<td>0.08%</td>
<td>0.04% - 0.11%</td>
<td>43.74%</td>
</tr>
<tr>
<td>Russian ruble</td>
<td>23.77%</td>
<td>11.93% - 35.61%</td>
<td>49.79%</td>
</tr>
<tr>
<td>US dollar</td>
<td>0.26%</td>
<td>0.23% - 0.28%</td>
<td>9.16%</td>
</tr>
</tbody>
</table>

<sup>1</sup> Applicable 3-month InterBank Offered Rates as of 31 December 2015 and as of 31 December 2014.

<sup>2</sup> Sensitivity analysis is assessed based on the yearly volatility using daily observable market data during 250 days at 31 December 2015 and at December 2014. For the Brazilian real floating rate debt, the estimated market interest rate is composed of the InterBank Deposit Certificate (‘CDI’) and the Long-Term Interest Rate (‘TJLP’). With regard to other market interest rates, the company’s analysis is based on the 3-month InterBank Offered Rates applicable for the currencies concerned (e.g. EURIBOR 3M, LIBOR 3M).
When AB InBev applies the reasonably possible increase/decrease in the market interest rates mentioned above on its floating rate debt at 31 December 2015, with all other variables held constant, 2015 interest expense would have been 5m US dollar higher/lower (2014: 19m US dollar). This effect would be more than offset by 50m US dollar higher/lower interest income on AB InBev’s interest-bearing financial assets (2014: 70m US dollar).

**INTEREST EXPENSE**

Interest expense recognized on unhedged and hedged financial liabilities and the net interest expense from the related hedging derivative instruments can be summarized per type of hedging relationship as follows:

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial liabilities measured at amortized cost – not hedged</td>
<td>(2 005)</td>
<td>(2 236)</td>
<td>(2 066)</td>
</tr>
<tr>
<td>Fair value hedges – hedged items</td>
<td>(87)</td>
<td>(97)</td>
<td>(106)</td>
</tr>
<tr>
<td>Fair value hedges – hedging instruments</td>
<td>50</td>
<td>42</td>
<td>21</td>
</tr>
<tr>
<td>Cash flow hedges – hedged items</td>
<td>(31)</td>
<td>(35)</td>
<td>—</td>
</tr>
<tr>
<td>Cash flow hedges – hedging instruments (reclassified from equity)</td>
<td>24</td>
<td>10</td>
<td>(5)</td>
</tr>
<tr>
<td>Net investment hedges – hedging instruments (interest component)</td>
<td>152</td>
<td>192</td>
<td>94</td>
</tr>
<tr>
<td>Economic hedges – hedged items not part of a hedge accounting relationship</td>
<td>8</td>
<td>(9)</td>
<td>(24)</td>
</tr>
<tr>
<td>Economic hedges – hedging instruments not part of a hedge accounting relationship</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| | | 56 | 125 | 43 |

| | (1 833) | (2 008) | (2 043) |

**C. COMMODITY PRICE RISK**

The commodity markets have experienced and are expected to continue to experience price fluctuations. AB InBev therefore uses both fixed price purchasing contracts and commodity derivatives to minimize exposure to commodity price volatility. The company has important exposures to the following commodities: aluminum, barley, coal, corn grits, corn syrup, corrugated board, diesel, fuel oil, glass, hops, labels, malt, natural gas, orange juice, plastics, rice, steel and wheat. As of 31 December 2015, the company has the following commodity derivatives outstanding (in notional amounts): aluminum swaps for 1 681m US dollar (2014: 1 470m US dollar), natural gas and energy derivatives for 216m US dollar (2014: 330m US dollar), exchange traded sugar futures for 92m US dollar (2014: 83m US dollar), corn swaps for 272m US dollar (2014: 285m US dollar), exchange traded wheat futures for 484m US dollar (2014: 648m US dollar), rice swaps for 138m US dollar (2014: 76m US dollar) and plastic derivatives for 107m US dollar (2014: 146m US dollar). These hedges are designated in a cash flow hedge accounting relationship.

**COMMODITY PRICE SENSITIVITY ANALYSIS**

The impact of changes in the commodity prices for AB InBev’s derivative exposures would have caused an immaterial impact on 2015 profits as most of the company’s commodity derivatives are designated in a hedge accounting relationship.

The table below shows the estimated impact that changes in the price of the commodities, for which AB InBev held material derivative exposures at 31 December 2015, would have on the equity reserves.

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>Volatility of prices in %</th>
<th>Pre-tax impact on equity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2015</td>
<td>Prices increase</td>
</tr>
<tr>
<td>Aluminum</td>
<td>18.06%</td>
<td>203</td>
</tr>
<tr>
<td>Sugar</td>
<td>31.20%</td>
<td>(30)</td>
</tr>
<tr>
<td>Wheat</td>
<td>34.65%</td>
<td>(7)</td>
</tr>
<tr>
<td>Energy</td>
<td>30.28%</td>
<td>59</td>
</tr>
<tr>
<td>Rice</td>
<td>23.52%</td>
<td>22</td>
</tr>
<tr>
<td>Corn</td>
<td>13.45%</td>
<td>53</td>
</tr>
<tr>
<td>Plastic</td>
<td>18.43%</td>
<td>23</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>Volatility of prices in %</th>
<th>Pre-tax impact on equity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2014</td>
<td>Prices increase</td>
</tr>
<tr>
<td>Aluminum</td>
<td>15.81%</td>
<td>197</td>
</tr>
<tr>
<td>Sugar</td>
<td>26.74%</td>
<td>53</td>
</tr>
<tr>
<td>Wheat</td>
<td>26.57%</td>
<td>57</td>
</tr>
<tr>
<td>Energy</td>
<td>22.48%</td>
<td>67</td>
</tr>
</tbody>
</table>
### Table 1: Price Volatility of Selected Commodity

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Price Volatility (%)</th>
<th>Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rice</td>
<td>16.72</td>
<td>13</td>
</tr>
<tr>
<td>Corn</td>
<td>22.30</td>
<td>59</td>
</tr>
</tbody>
</table>

1. Sensitivity analysis is assessed based on the yearly volatility using daily observable market data during 250 days at 31 December 2015.
2. Sensitivity analysis is assessed based on the yearly volatility using daily observable market data during 250 days at 31 December 2014.
D. EQUITY PRICE RISK

AB InBev entered into a series of derivative contracts to hedge the risk arising from the different share-based payment programs. The purpose of these derivatives is mainly to effectively hedge the risk that a price increase in the AB InBev shares will negatively impact future cash flows related to the share-based payments. Furthermore, AB InBev entered into a series of derivative contracts to hedge the deferred share instrument related to the Modelo combination (see also Note 11 Finance cost and income and Note 21 Changes in equity and earnings per share) and some share-based payments in connection with the combination with SABMiller. Most of these derivative instruments could not qualify for hedge accounting therefore they have not been designated in any hedging relationships.

As of 31 December 2015, an exposure for an equivalent of 64.5m of AB InBev shares was hedged, resulting in a total gain of 1 337 US dollar recognized in the profit or loss account for the period, of which 844m US dollar related to the company’s share-based payment programs, 493m US dollar and 18m US dollar related to the Modelo and SABMiller transactions, respectively.

Between 2012 and 2015, AB InBev reset with counterparties certain derivative contracts to market price. This resulted in a cash inflow of 1.3 billion US dollar between 2012 and 2014 and 21m US dollar in 2015 and, accordingly, a decrease of counterparty risk.

EQUITY PRICE SENSITIVITY ANALYSIS

The sensitivity analysis on the share-based payments hedging program, calculated based on a 25.12% (2014: 18.29%) reasonable possible volatility of the AB InBev share price and with all the other variables held constant, would show 2 017m US dollar positive/negative impact on the 2015 profit before tax (2014: 1 183m US dollar).

E. CREDIT RISK

Credit risk encompasses all forms of counterparty exposure, i.e. where counterparties may default on their obligations to AB InBev in relation to lending, hedging, settlement and other financial activities. The company has a credit policy in place and the exposure to counterparty credit risk is monitored.

AB InBev mitigates its exposure to counterparty credit risk through minimum counterparty credit guidelines, diversification of counterparties, working within agreed counterparty limits and through setting limits on the maturity of financial assets. The company has furthermore master netting agreements with all of the financial institutions that are counterparties to the over the counter (OTC) derivative financial instruments. These agreements allow for the net settlement of assets and liabilities arising from different transactions with the same counterparty. Based on these factors, AB InBev considers the risk of counterparty default per 31 December 2015 to be limited.

AB InBev has established minimum counterparty credit ratings and enters into transactions only with financial institutions of investment grade. The company monitors counterparty credit exposures closely and reviews any downgrade in credit rating immediately. To mitigate pre-settlement risk, minimum counterparty credit standards become more stringent as the duration of the derivative financial instruments increases. To minimize the concentration of counterparty credit risk, the company enters into derivative transactions with different financial institutions.

EXPOSURE TO CREDIT RISK

The carrying amount of financial assets represents the maximum credit exposure of the company. The carrying amount is presented net of the impairment losses recognized. The maximum exposure to credit risk at the reporting date was:

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Gross</td>
<td>Impairment</td>
</tr>
<tr>
<td>Debt securities held for trading</td>
<td>55</td>
<td>—</td>
</tr>
<tr>
<td>Available for sale</td>
<td>40</td>
<td>(9)</td>
</tr>
<tr>
<td>Held to maturity</td>
<td>17</td>
<td>—</td>
</tr>
<tr>
<td>Trade receivables</td>
<td>3 244</td>
<td>(230)</td>
</tr>
<tr>
<td>Cash deposits for guarantees</td>
<td>187</td>
<td>—</td>
</tr>
<tr>
<td>Loans to customers</td>
<td>94</td>
<td>—</td>
</tr>
<tr>
<td>Other receivables</td>
<td>1 975</td>
<td>(99)</td>
</tr>
<tr>
<td>Derivatives</td>
<td>3 563</td>
<td>—</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>6 923</td>
<td>—</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>16 098</td>
<td>(338)</td>
</tr>
</tbody>
</table>

There was no significant concentration of credit risks with any single counterparty per 31 December 2015 and no single customer...
represented more than 10% of the total revenue of the group in 2015.

1 Sensitivity analysis is assessed based on the yearly volatility using daily observable market data during 250 days at 31 December 2015.
2 Reclassified to conform to the 2015 presentation.

F-56
IMPAIRMENT LOSSES

The allowance for impairment recognized during the period per classes of financial assets was as follows:

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>Available for sale</th>
<th>Trade receivables</th>
<th>Loans to customers</th>
<th>Other receivables</th>
<th>Cash and cash equivalents</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 1 January</td>
<td>(11)</td>
<td>(260)</td>
<td>(30)</td>
<td>(128)</td>
<td>—</td>
<td>(429)</td>
</tr>
<tr>
<td>Impairment losses</td>
<td>—</td>
<td>(41)</td>
<td>—</td>
<td>(16)</td>
<td>—</td>
<td>(57)</td>
</tr>
<tr>
<td>Derecognition</td>
<td>—</td>
<td>20</td>
<td>30</td>
<td>22</td>
<td>—</td>
<td>72</td>
</tr>
<tr>
<td>Currency translation and other</td>
<td>2</td>
<td>51</td>
<td>—</td>
<td>23</td>
<td>—</td>
<td>76</td>
</tr>
<tr>
<td><strong>Balance at 31 December</strong></td>
<td>(9)</td>
<td>(230)</td>
<td>—</td>
<td>(99)</td>
<td>—</td>
<td>(338)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>Available for sale</th>
<th>Trade receivables</th>
<th>Loans to customers</th>
<th>Other receivables</th>
<th>Cash and cash equivalents</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 1 January</td>
<td>(13)</td>
<td>(249)</td>
<td>(84)</td>
<td>(162)</td>
<td>—</td>
<td>(508)</td>
</tr>
<tr>
<td>Impairment losses</td>
<td>(1)</td>
<td>(37)</td>
<td>(1)</td>
<td>—</td>
<td>—</td>
<td>(39)</td>
</tr>
<tr>
<td>Derecognition</td>
<td>2</td>
<td>28</td>
<td>38</td>
<td>15</td>
<td>—</td>
<td>83</td>
</tr>
<tr>
<td>Currency translation</td>
<td>1</td>
<td>(2)</td>
<td>17</td>
<td>19</td>
<td>—</td>
<td>35</td>
</tr>
<tr>
<td><strong>Balance at 31 December</strong></td>
<td>(11)</td>
<td>(260)</td>
<td>(30)</td>
<td>(128)</td>
<td>—</td>
<td>(429)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>Available for sale</th>
<th>Trade receivables</th>
<th>Loans to customers</th>
<th>Other receivables</th>
<th>Cash and cash equivalents</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at 1 January</td>
<td>(48)</td>
<td>(246)</td>
<td>(100)</td>
<td>(134)</td>
<td>—</td>
<td>(528)</td>
</tr>
<tr>
<td>Impairment losses</td>
<td>(69)</td>
<td>(53)</td>
<td>—</td>
<td>(1)</td>
<td>—</td>
<td>(123)</td>
</tr>
<tr>
<td>Derecognition</td>
<td>104</td>
<td>41</td>
<td>19</td>
<td>2</td>
<td>—</td>
<td>204</td>
</tr>
<tr>
<td>Currency translation</td>
<td>—</td>
<td>9</td>
<td>(3)</td>
<td>(29)</td>
<td>—</td>
<td>(23)</td>
</tr>
<tr>
<td><strong>Balance at 31 December</strong></td>
<td>(13)</td>
<td>(249)</td>
<td>(84)</td>
<td>(162)</td>
<td>—</td>
<td>(508)</td>
</tr>
</tbody>
</table>

**F. LIQUIDITY RISK**

AB InBev’s primary sources of cash flow have historically been cash flows from operating activities, the issuance of debt, bank borrowings and the issuance of equity securities. AB InBev’s material cash requirements have included the following:

- Debt service;
- Capital expenditures;
- Investments in companies;
- Increases in ownership of AB InBev’s subsidiaries or companies in which it holds equity investments;
- Share buyback programs; and
- Payments of dividends and interest on shareholders’ equity.

The company believes that cash flows from operating activities, available cash and cash equivalent and short term investments, along with the derivative instruments and access to borrowing facilities, will be sufficient to fund capital expenditures, financial instrument liabilities and dividend payments going forward. It is the intention of the company to continue to reduce its financial indebtedness through a combination of strong operating cash flow generation and continued refinancing.
The following are the nominal contractual maturities of non-derivative financial liabilities including interest payments and derivative financial assets and liabilities:

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Carrying amount&lt;sup&gt;1&lt;/sup&gt;</td>
<td>Contractual cash flows</td>
</tr>
<tr>
<td>Non-derivative financial liabilities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secured bank loans</td>
<td>(277)</td>
<td>(340)</td>
</tr>
<tr>
<td>Commercial papers</td>
<td>(2 087)</td>
<td>(2 089)</td>
</tr>
<tr>
<td>Unsecured bank loans</td>
<td>(1 469)</td>
<td>(1 740)</td>
</tr>
<tr>
<td>Unsecured bond issues</td>
<td>(45 442)</td>
<td>(63 694)</td>
</tr>
<tr>
<td>Unsecured other loans</td>
<td>(52)</td>
<td>(114)</td>
</tr>
<tr>
<td>Finance lease liabilities</td>
<td>(126)</td>
<td>(218)</td>
</tr>
<tr>
<td>Bank overdraft</td>
<td>(13)</td>
<td>(13)</td>
</tr>
<tr>
<td>Trade and other payables</td>
<td>(18 816)</td>
<td>(19 082)</td>
</tr>
<tr>
<td>Derivative financial assets/(liabilities)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest rate derivatives</td>
<td>(99)</td>
<td>(100)</td>
</tr>
<tr>
<td>Foreign exchange derivatives</td>
<td>(3 022)</td>
<td>(3 088)</td>
</tr>
<tr>
<td>Cross currency interest rate swaps</td>
<td>167</td>
<td>175</td>
</tr>
<tr>
<td>Commodity derivatives</td>
<td>(246)</td>
<td>(247)</td>
</tr>
<tr>
<td>Equity derivatives</td>
<td>2 468</td>
<td>2 469</td>
</tr>
<tr>
<td></td>
<td>(732)</td>
<td>(791)</td>
</tr>
<tr>
<td>Of which: directly related to cash flow hedges</td>
<td>(1 187)</td>
<td>(1 269)</td>
</tr>
</tbody>
</table>

G. CAPITAL MANAGEMENT

AB InBev is continuously optimizing its capital structure targeting to maximize shareholder value while keeping the desired financial flexibility to execute the strategic projects. AB InBev’s capital structure policy and framework aims to optimize shareholder value through cash flow distribution to the company from its subsidiaries, while maintaining an investment-grade rating and minimizing investments with returns below AB InBev’s weighted average cost of capital. Besides the statutory minimum equity funding requirements that apply to the company’s subsidiaries in the different countries, AB InBev is not subject to any externally imposed capital requirements. When analyzing AB InBev’s capital structure the company uses the same debt/equity classifications as applied in the company’s IFRS reporting.
H. FAIR VALUE

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In conformity with IAS 39 all derivatives are recognized at fair value in the balance sheet.

The fair value of derivative financial instruments is either the quoted market price or is calculated using pricing models taking into account current market rates.

The fair value of these instruments generally reflects the estimated amount that AB InBev would receive on the settlement of favorable contracts or be required to pay to terminate unfavorable contracts at the balance sheet date, and thereby takes into account any unrealized gains or losses on open contracts.

1 “Carrying amount” refers to net book value as recognized in the balance sheet at each reporting date.
The following table summarizes for each type of derivative the fair values recognized as assets or liabilities in the balance sheet:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Foreign currency</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Forward exchange contracts</td>
<td>574</td>
<td>420</td>
<td>(3 625)</td>
<td>(652)</td>
<td>(3 051)</td>
<td>(232)</td>
</tr>
<tr>
<td>Foreign currency futures</td>
<td>94</td>
<td>72</td>
<td>(65)</td>
<td>(117)</td>
<td>29</td>
<td>(45)</td>
</tr>
<tr>
<td><strong>Interest rate</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest rate swaps</td>
<td>—</td>
<td>41</td>
<td>(19)</td>
<td>(8)</td>
<td>(19)</td>
<td>33</td>
</tr>
<tr>
<td>Cross currency interest rate swaps</td>
<td>307</td>
<td>379</td>
<td>(140)</td>
<td>(60)</td>
<td>167</td>
<td>319</td>
</tr>
<tr>
<td>Other interest rate derivatives</td>
<td>—</td>
<td>—</td>
<td>(80)</td>
<td>—</td>
<td>(80)</td>
<td>—</td>
</tr>
<tr>
<td><strong>Commodities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Aluminum swaps</td>
<td>28</td>
<td>17</td>
<td>(211)</td>
<td>(53)</td>
<td>(183)</td>
<td>(36)</td>
</tr>
<tr>
<td>Sugar futures</td>
<td>7</td>
<td>2</td>
<td>(11)</td>
<td>(27)</td>
<td>(4)</td>
<td>(25)</td>
</tr>
<tr>
<td>Wheat futures</td>
<td>62</td>
<td>47</td>
<td>(24)</td>
<td>(16)</td>
<td>38</td>
<td>31</td>
</tr>
<tr>
<td>Other commodity derivatives</td>
<td>5</td>
<td>8</td>
<td>(102)</td>
<td>(44)</td>
<td>(97)</td>
<td>(136)</td>
</tr>
<tr>
<td><strong>Equity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity derivatives</td>
<td>2 486</td>
<td>1 258</td>
<td>(18)</td>
<td>—</td>
<td>2 468</td>
<td>1 258</td>
</tr>
<tr>
<td><strong>Of which:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-current</td>
<td>295</td>
<td>507</td>
<td>(315)</td>
<td>(64)</td>
<td>(20)</td>
<td>443</td>
</tr>
<tr>
<td>Current</td>
<td>3 268</td>
<td>1 737</td>
<td>(3 980)</td>
<td>(1 013)</td>
<td>(712)</td>
<td>724</td>
</tr>
</tbody>
</table>

The following table summarizes the carrying amounts of the fixed rate interest-bearing financial liabilities and their fair value. The fair value was assessed using common discounted cash-flow method based on market conditions existing at the balance sheet date. Therefore, the fair value of the fixed interest-bearing liabilities is within level 2 of the fair value hierarchy as set forth by IFRS 13 – *Fair value measurement*. Floating rate interest-bearing financial liabilities and all trade and other receivables and payables, including derivatives financial instruments, have been excluded from the analysis as their carrying amounts are a reasonable approximation of their fair values:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fixed rate</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Argentinean peso</td>
<td>(1)</td>
<td>(1)</td>
<td>(37)</td>
<td>(37)</td>
</tr>
<tr>
<td>Brazilian real</td>
<td>(282)</td>
<td>(281)</td>
<td>(595)</td>
<td>(591)</td>
</tr>
<tr>
<td>Canadian dollar</td>
<td>(1 290)</td>
<td>(1 416)</td>
<td>(1 548)</td>
<td>(1 580)</td>
</tr>
<tr>
<td>Dominican peso</td>
<td>(101)</td>
<td>(101)</td>
<td>(23)</td>
<td>(23)</td>
</tr>
<tr>
<td>Euro</td>
<td>(11 363)</td>
<td>(12 669)</td>
<td>(10 246)</td>
<td>(11 373)</td>
</tr>
<tr>
<td>Pound sterling</td>
<td>(2 686)</td>
<td>(3 242)</td>
<td>(2 816)</td>
<td>(3 534)</td>
</tr>
<tr>
<td>US dollar</td>
<td>(29 935)</td>
<td>(32 959)</td>
<td>(33 312)</td>
<td>(37 646)</td>
</tr>
<tr>
<td>Other</td>
<td>(13)</td>
<td>(14)</td>
<td>(8)</td>
<td>(8)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>(45 671)</td>
<td>(50 683)</td>
<td>(48 585)</td>
<td>(54 792)</td>
</tr>
</tbody>
</table>

As required by IFRS 13 *Fair value measurement*, the following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques for which the lowest level of input that is significant to the fair value measurement is unobservable.

1 “Carrying amount” refers to net book value as recognized in the balance sheet at each reporting date.
DERIVATIVE INSTRUMENTS

The fair value of exchange traded derivatives (e.g. exchange traded foreign currency futures) is determined by reference to the official prices published by the respective exchanges (e.g. the New York Board of Trade). The fair value of over-the-counter derivatives is determined by commonly used valuation techniques. These are based on market inputs from reliable financial information providers.

NON-DERIVATIVE FINANCIAL LIABILITIES

As part of the 2012 shareholders agreement between Ambev and E. León Jimenes S.A., following the acquisition of Cervecería Nacional Dominicana S.A. (“CND”), a put and call option is in place which may result in Ambev acquiring additional shares in CND. As of 31 December 2015, the put option was valued 1,424m US dollar (2014: 1,239m US dollar) and recognized as a deferred consideration on acquisitions at fair value in “level 3” category above. The variance is mainly explained by accretion and foreign exchange expenses as well as fair value gains. No value was allocated to the call option. The fair value of such deferred consideration is calculated based on commonly-used valuation techniques (i.e. net present value of future principal and interest cash flows discounted at market rate). These are based on market inputs from reliable financial information providers. As the put option may be exercised in the short-term, a portion of the liability is presented as a current liability.

Fair values determined by reference to prices provided by reliable financial information providers are periodically checked for consistency against other pricing sources.
I. OFFSETTING FINANCIAL ASSETS & FINANCIAL LIABILITIES

The following financial assets and liabilities are subject to offsetting, enforceable master netting agreements and similar agreements:

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>Gross amount</th>
<th>Other offsetting agreements</th>
<th>Total net amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Derivative assets</td>
<td>3 563</td>
<td>(4 633)</td>
<td>(1 070)</td>
</tr>
<tr>
<td>Derivative liabilities</td>
<td>(4 295)</td>
<td>3 475</td>
<td>(820)</td>
</tr>
</tbody>
</table>

1 Net amount recognized in the statement of financial position after taking into account offsetting agreements that meet the offsetting criteria as per IFRS rules

2 Other offsetting agreements include collateral and other guarantee instruments, as well as offsetting agreements that do not meet the offsetting criteria as per IFRS rules

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28. OPERATING LEASES

Non-cancelable operating leases are payable and receivable as follows:

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>Gross amount</th>
<th>Other offsetting agreements</th>
<th>Total net amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Derivative assets</td>
<td>2,244</td>
<td>(1,215)</td>
<td>1,029</td>
</tr>
<tr>
<td>Derivative liabilities</td>
<td>(1,077)</td>
<td>941</td>
<td>(136)</td>
</tr>
</tbody>
</table>

### 2014

<table>
<thead>
<tr>
<th>Pub leases</th>
<th>Other operational leases</th>
<th>Net lease obligations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than one year</td>
<td>(108)</td>
<td>(95)</td>
</tr>
<tr>
<td>Between one and two years</td>
<td>(105)</td>
<td>70</td>
</tr>
<tr>
<td>Between two and three years</td>
<td>(103)</td>
<td>66</td>
</tr>
<tr>
<td>Between three and five years</td>
<td>(190)</td>
<td>123</td>
</tr>
<tr>
<td>More than five years</td>
<td>(593)</td>
<td>163</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>(1,099)</td>
<td>495</td>
</tr>
</tbody>
</table>

### 2015

<table>
<thead>
<tr>
<th>Pub leases</th>
<th>Other operational leases</th>
<th>Net lease obligations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than one year</td>
<td>(121)</td>
<td>83</td>
</tr>
<tr>
<td>Between one and two years</td>
<td>(118)</td>
<td>79</td>
</tr>
<tr>
<td>Between two and three years</td>
<td>(115)</td>
<td>75</td>
</tr>
<tr>
<td>Between three and five years</td>
<td>(214)</td>
<td>140</td>
</tr>
<tr>
<td>More than five years</td>
<td>(704)</td>
<td>186</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>(1,272)</td>
<td>563</td>
</tr>
</tbody>
</table>

Following the sale of Dutch and Belgian pub real estate to Cofinimmo in October 2007, AB InBev entered into lease agreements of 27 years. These operating leases maturing in November 2034 represent an undiscounted obligation of 1,099m US dollar. The pubs leased from Cofinimmo are subleased for an average outstanding period of 6 to 8 years and represent an undiscounted right to receive 495m US dollar. These leases are subject to renewal after their expiration date. The impact of such renewal is not reported in the table above.

Furthermore, the company leases a number of warehouses, factory facilities and other commercial buildings under operating leases. The leases typically run for an initial period of five to ten years, with an option to renew the lease after that date. This represents an undiscounted obligation of 488m US dollar. Lease payments are increased annually to reflect market rentals. None of the leases include contingent rentals. Also in this category AB InBev has sublet some of the leased properties, representing an undiscounted right of 114m US dollar.

At 31 December 2015, 233m US dollar was recognized as an expense in the income statement in respect of operating leases as lessee (2014: 276m US dollar; 2013: 255m US dollar), while 121m US dollar was recognized as income in the income statement in respect of subleases (2014: 148m US dollar; 2013: 141m US dollar).

The company also leases out part of its own property under operating leases. At 31 December 2015, 20m US dollar was recognized as income in the income statement in respect of operating leases as lessor (2014: 23m US dollar).

29. COLLATERAL AND CONTRACTUAL COMMITMENTS FOR THE ACQUISITION OF PROPERTY, PLANT AND EQUIPMENT, LOANS TO CUSTOMERS AND OTHER

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collateral given for own liabilities</td>
<td>562</td>
<td>641</td>
</tr>
<tr>
<td>Collateral and financial guarantees received for own receivables and loans to customers</td>
<td>194</td>
<td>193</td>
</tr>
<tr>
<td>Contractual commitments to purchase property, plant and equipment</td>
<td>750</td>
<td>647</td>
</tr>
<tr>
<td>Contractual commitments to acquire loans to customers</td>
<td>14</td>
<td>13</td>
</tr>
<tr>
<td>Other commitments</td>
<td>1,713</td>
<td>1,801</td>
</tr>
</tbody>
</table>
The collateral given for own liabilities of 562m US dollar at 31 December 2015 contains 157m US dollar cash guarantees. Such cash deposits are a customary feature associated with litigations in Brazil: in accordance with Brazilian laws and regulations a company may or must (depending on the circumstances) place a deposit with a bank designated by the court or provide other

1 Net amount recognized in the statement of financial position after taking into account offsetting agreements that meet the offsetting criteria as per IFRS rules

2 Other offsetting agreements include collateral and other guarantee instruments, as well as offsetting agreements that do not meet the offsetting criteria as per IFRS rules

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security such as collateral on property, plant and equipment. With regard to judicial cases, AB InBev has made the appropriate provisions in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets – see also Note 25 Provisions. In the company’s balance sheet the cash guarantees are presented as part of other receivables – see Note 19 Trade and other receivables. The remaining part of collateral given for own liabilities (405m US dollar) contains collateral on AB InBev’s property in favor of the excise tax authorities, the amount of which is determined by the level of the monthly excise taxes due, inventory levels and transportation risk, and collateral on its property, plant and equipment with regard to outstanding loans. To the extent that AB InBev would not respect its obligations under the related outstanding contracts or would lose the pending judicial cases, the collateralized assets would be used to settle AB InBev’s obligations.

To keep AB InBev’s credit risk with regard to receivables and loans to customers as low as possible collateral and other credit enhancements were obtained for a total amount of 194m US dollar at 31 December 2015. Collateral is held on both real estate and debt securities while financial guarantees are obtained from banks and other third parties.

AB InBev has entered into commitments to purchase property, plant and equipment for an amount of 750m US dollar at 31 December 2015.

In a limited number of countries AB InBev has committed itself to acquire loans to customers from banks at their notional amount if the customers do not respect their reimbursement commitments towards the banks. The total outstanding amount of such loans is 14m US dollar at 31 December 2015.

On 23 July 2015 AB InBev entered into a subscription agreement for private placement of shares of Guangzhou Zhujiang Brewery Co., Ltd (“Zhujiang Brewery”), investing no less than 1.6 billion RMB (approximately 258m US dollar) to increase its holdings in Zhujiang Brewery to 29.99%, subject to various regulatory approvals. This additional investment allows the company to further deepen the strategic partnership with Zhujiang Brewery which started in the early 1980s.

On 11 November 2015, AB InBev’s indirect subsidiaries entered into an agreement to acquire the Canadian rights to a range of primarily spirit-based beers and ciders from Mark Anthony Group. In a separate transaction, Mark Anthony Group agreed to sell certain non-U.S. and non-Canadian trademark rights and other intellectual property to a subsidiary of AB InBev. Mark Anthony Group retains full ownership of its U.S. business, as well as the Canadian wine, spirits and beer import and distribution business. The transaction closed on January 20, 2016.

As at 31 December 2015, the following M&A related commitments existed with respect to the combination with Grupo Modelo and the proposed combination with SABMiller:

- In a transaction related to the combination of AB InBev and Grupo Modelo select Grupo Modelo shareholders committed, upon tender of their Grupo Modelo shares, to acquire 23,076,923 AB InBev shares to be delivered within 5 years for consideration of approximately 1.5 billion US dollar. The consideration was paid on 5 June 2013. Pending the delivery of the AB InBev shares, AB InBev will pay a coupon on each undelivered AB InBev share, so that the Deferred Share Instrument holders are compensated on an after tax basis, for dividends they would have received had the AB InBev shares been delivered to them prior to the record date for such dividend.

- On 7 June 2013, in a transaction related to the combination of AB InBev and Grupo Modelo, AB InBev and Constellation have entered into a three-year transition services agreement by virtue of which Grupo Modelo or its affiliates agreed to provide certain transition services to Constellation to ensure a smooth operational transition of the Piedras Negras brewery. AB InBev and Constellation have also entered into a temporary supply agreement for an initial three-year term, whereby Constellation can purchase inventory from Grupo Modelo or its affiliates under a specified pricing until the Piedras Negras brewery business acquires the necessary capacity to fulfill 100 percent of the US demand.

- On 11 November 2015, the boards of AB InBev and SABMiller announced that they had reached agreement on the terms of a recommended acquisition of the entire issued and to be issued share capital of SABMiller by AB InBev (the “Combination”). Under the terms of the Combination, each SABMiller shareholder will be entitled to receive 44.00 pounds sterling in cash for each SABMiller share, with a partial share alternative available for approximately 41.6% of the SABMiller shares. The board of SABMiller has unanimously recommended the cash offer of 44.00 pounds sterling per SABMiller share to SABMiller shareholders. The Combination is subject to regulatory and shareholder approvals and closing is expected to occur during the second half of 2016.

- On 11 November 2015, AB InBev also announced an agreement with Molson Coors Brewing Company, conditional on completion of the Combination, regarding a complete divestiture of SABMiller’s interest in MillerCoors LLC (a joint venture in the U.S. and Puerto Rico between Molson Coors Brewing Company and SABMiller) and in the Miller Global Brand Business to Molson Coors Brewing Company. The total transaction is valued at 12 billion US dollar and is conditional on completion of the Combination.
On 10 February 2016, AB InBev announced that it had received a binding offer from Asahi Group Holdings, Ltd (“Asahi”) to acquire certain of SABMiller’s European premium brands and related business. The offer values the Peroni, Grolsch, and Meantime brand families and associated businesses in Italy, the Netherlands, UK and internationally at 2,550m euro on a debt free/cash free basis. The parties will now commence the relevant employee information and consultation processes, during which time AB InBev has agreed to a period of exclusivity with Asahi in respect of these brands and businesses. Asahi’s offer is conditional on the successful closing of the recommended acquisition of SABMiller by AB InBev, as announced on 11 November 2015.

There is no guarantee that the regulatory pre-conditions and conditions will be satisfied (or waived, if applicable). Failure to satisfy any of the conditions may result in the Combination not being completed and, in certain circumstances, including if any regulatory pre-condition or condition is not satisfied by the specified long stop date of 11 May 2017 (unless extended), AB InBev may be required to pay or procure the payment to SABMiller of a break payment of 3 billion US dollar.

Other commitments amount to 1,713m US dollar at 31 December 2015 and mainly cover guarantees given to pension funds, rental and other guarantees.
In order to fulfil AB InBev’s commitments under various outstanding stock option plans, AB InBev entered into stock lending arrangements for up to 15 million of its own ordinary shares. AB InBev shall pay any dividend equivalent, after tax in respect of the loaned securities. This payment will be reported through equity as dividend. As of 31 December 2015, 10.6 million loaned securities were used to fulfil stock option plan commitments.

30. CONTINGENCIES

The company has contingencies for which, in the opinion of management and its legal counsel, the risk of loss is possible but not probable and therefore no provisions have been recorded. Due to their nature, such legal proceedings and tax matters involve inherent uncertainties including, but not limited to, court rulings, negotiations between affected parties and governmental actions, and as a consequence AB InBev management cannot at this stage estimate the likely timing of resolution of these matters. The most significant contingencies are discussed below.

AMBEV TAX MATTERS

As of 31 December 2015, AB InBev’s material tax proceedings related to Ambev and its subsidiaries. Estimates of amounts of possible loss are as follows:

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>31 December 2015</th>
<th>31 December 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income tax and social contribution</td>
<td>4 189</td>
<td>4 874</td>
</tr>
<tr>
<td>Value-added and excise taxes</td>
<td>2 658</td>
<td>2 127</td>
</tr>
<tr>
<td>Other taxes</td>
<td>220</td>
<td>115</td>
</tr>
<tr>
<td></td>
<td><strong>7 067</strong></td>
<td><strong>7 116</strong></td>
</tr>
</tbody>
</table>

The most significant tax proceedings of Ambev are discussed below.

INCOME TAX AND SOCIAL CONTRIBUTION

During 2005, certain subsidiaries of Ambev received a number of assessments from Brazilian federal tax authorities relating to profits of its foreign subsidiaries. In December 2008, the Administrative Court decided on one of the tax assessments relating to earnings of Ambev’s foreign subsidiaries. This decision was partially favorable to Ambev, and in connection with the remaining part, Ambev filed an appeal to the Upper House of the Administrative Court and is awaiting its decision. With respect to another tax assessment relating to foreign profits, the Administrative Court rendered a decision favorable to Ambev in September 2011. In December 2013, Ambev received another tax assessment related to profits of its foreign subsidiaries. As of 31 December 2015, Ambev management estimates the exposure of approximately 4.5 billion Brazilian real (1.2 billion US dollar) as a possible risk, and accordingly has not recorded a provision for such amount, and approximately 38 million Brazilian real (10m US dollar) as a probable loss, for which a provision has been recorded.

In December 2011, Ambev received a tax assessment related to the goodwill amortization resulting from the Inbev Holding Brasil S.A. merger with Ambev. In November 2014 the Lower Administrative Court concluded the judgment. The decision was partly favorable, Ambev was notified in August 2015 and presented an appeal to the Upper Administrative Court. Now Ambev awaits the respective judgement of the appeal. Ambev has not recorded any provisions for this matter, and management estimates possible losses in relation to this assessment to be approximately 4.6 billion Brazilian real (1.2 billion US dollar) as of 31 December 2015. In the event we are required to pay these amounts, the company will reimburse the amount proportional to the benefit received by the company pursuant to the merger protocol, as well as the related costs.

In October 2013, Ambev also received a tax assessment related to the goodwill amortization resulting from the merger of Beverage Associates Holding Limited (“BAH”) into Ambev. Ambev filed a defense in November 2013. In December 2014, Ambev filed an appeal against the unfavorable first level administrative decision published in November 2014. Ambev management estimates the amount of possible losses in relation to this assessment to be approximately 1.3 billion Brazilian real (0.3 billion US dollar) as of 31 December 2015. Ambev has not recorded any provision in connection therewith.

Ambev and certain of its subsidiaries received a number of assessments from Brazilian federal tax authorities relating to the consumption of income tax losses in relation to company mergers. Ambev management estimates the total exposures of possible losses in relation to these assessments to be approximately 455 million Brazilian real (117 m US dollar) as of 31 December 2015.

In December 2014, Ambev received a tax assessment from the Brazilian Federal Tax Authorities related to the disallowance of alleged non-deductible expenses and the deduction of certain losses mainly associated to financial investments and loans. The defense was presented on 28 January 2015. Ambev management estimates the amount of possible losses in relation to this assessment to be approximately 1.3 billion Brazilian real (0.3 billion US dollar) as of 31 December 2015. Ambev has not recorded any provision in
In December 2015, Ambev also received a new tax assessment related to the same matter. Ambev management estimates the amount of possible losses in relation to this assessment to be approximately 332 million Brazilian real (85m US dollar) as of 31 December 2015. Ambev has not recorded any provision in connection with this assessment.

During 2014 and the first quarter of 2015, Ambev received tax assessments from the Brazilian Federal Tax Authorities related to the disallowance of deductions associated with alleged unproven taxes paid abroad, for which the decision from the Upper House of the Administrative Court is still pending. Ambev management estimates the possible losses related to these assessments to be approximately 1.9 billion Brazilian real (0.5 billion US dollar) as of 31 December 2015. Ambev has not recorded any provision in connection therewith.

1 Amounts have been converted to US dollar at the closing rate of the respective period.

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ICMS VALUE ADDED TAX, IPI EXCISE TAX AND TAXES ON NET SALES

In Brazil, goods manufactured within the Manaus Free Trade Zone intended for remittance elsewhere in Brazil are exempt from IPI excise tax. Ambev’s subsidiaries have been registering IPI excise tax presumed credits upon the acquisition of exempted inputs manufactured therein. Since 2009, Ambev has been receiving a number of tax assessments from the Brazilian Federal Tax Authorities relating to the disallowance of such presumed credits and other IPI credits, which are under discussion. Ambev management estimates the possible losses related to these assessments to be approximately 1.8 billion Brazilian real (0.5 billion US dollar) as of 31 December 2015. Ambev has not recorded any provision in connection therewith.

In 2014 and 2015, Ambev received tax assessments from the Brazilian Federal Tax Authorities relating to IPI excise tax, supposedly due over remittances of manufactured goods to other related factories, for which the decision from the Upper House of the Administrative Court is still pending. Ambev management estimates the possible losses related to these assessments to be approximately 1.3 billion Brazilian real (0.3 billion US dollar) as of 31 December 2015. Ambev has not recorded any provision in connection therewith.

Ambev is currently challenging tax assessments from the States of São Paulo, Rio de Janeiro, Minas Gerais and other States, which question the legality of tax credits arising from existing tax incentives received by Ambev in other States. Ambev management estimates the possible losses related to these assessments to be approximately 1.7 billion Brazilian real (0.4 billion US dollar) as of 31 December 2015. Ambev has not recorded any provision in connection therewith.

Ambev has been party to legal proceedings with the State of Rio de Janeiro where it is challenging such State’s attempt to assess ICMS with respect to unconditional discounts granted by Ambev from January 1996 to February 1998. In 2015, these proceedings were before the Superior Court of Justice and the Brazilian Supreme Court. In 2013, 2014 and 2015, Ambev received similar tax assessments issued by the State of Pará and Piauí, relating to the same issue, which are currently under discussion. In October 2015 and January 2016, Ambev paid the debts related to the State of Rio de Janeiro under the incentive tax payment program with discounts promoted by the State, in the total amount of approximately 271 million Brazilian real (69m US dollar). After the above mentioned payments, Ambev management estimates the amount involved in these proceedings to be approximately 492 million Brazilian real (126m US dollar) as of 31 December 2015, classified as possible loss and, therefore with no related provision.

Over the years, Ambev has received tax assessments relating to ICMS differences that some States consider due in the tax substitution system, in cases where the price of the products sold by the factory reaches levels above the price table basis established by such States. Ambev is currently challenging those charges before Courts. In 2015, Ambev received new tax assessments related to the same issue, in the amount of approximately 332 million Brazilian real (85m US dollar), increasing possible losses related to this issue to approximately 796 million Brazilian real (195m US dollar) as of 31 December 2015. Ambev has not recorded any provision in connection therewith.

OTHER TAX MATTERS

During 2014, Anheuser-Busch InBev Worldwide Inc. received a net proposed tax assessment from the United States federal tax authorities (IRS) of 0.3 billion US dollar predominantly involving certain inter-company transactions, related to tax returns for the years 2008 and 2009. In November 2015, the IRS issued an additional proposed tax assessment of 0.1 billion US dollar for tax years 2010 and 2011. Anheuser-Busch InBev Worldwide Inc. has filed protests with the IRS for the 2008 to 2011 tax years and intends to vigorously defend its position.

In February 2015, the European Commission opened an in-depth State Aid investigation into the Belgian excess profit ruling system. On 11 January 2016, the European Commission adopted a negative decision finding that the Belgian excess profit ruling system constitutes an aid scheme incompatible with the internal market and ordering Belgium to recover the incompatible aid from a number of aid beneficiaries. The Belgian authorities must now determine which companies have benefitted from the system and the precise amounts of incompatible aid to be recovered from each company. AB InBev has a Belgian excess profit ruling. AB InBev has not yet received any formal communication from Belgium on recovery. In addition, Belgium has announced that it will appeal the Commission decision to the EU’s General Court. The appeal does not suspend the recovery process, and the company cannot at this stage estimate the outcome of such legal proceedings. Based on the estimated exposure related to the excess profit ruling applicable to AB InBev, and the different elements referred to above, the company has not recorded any provisions in connection therewith as of 31 December 2015.

WARRANTS

Certain holders of warrants issued by Ambev in 1996 for exercise in 2003 proposed lawsuits to subscribe correspondent shares for an amount lower than Ambev considers as established upon the warrant issuance. In case Ambev loses the totality of these lawsuits, the issuance of 172,831,575 shares would be necessary. Ambev would receive in consideration funds that are materially lower than the current market value. This could result in a dilution of about 1% to all Ambev shareholders. Furthermore, the holders of these warrants are claiming that they should receive the dividends relative to these shares since 2003, approximately 648 million Brazilian real.
real (166m US dollar) in addition to legal fees. Ambev disputes these claims and intends to continue to vigorously defend its case.

ANTITRUST MATTERS

On 22 July 2009, CADE, the Brazilian antitrust authority issued its ruling in Administrative Proceeding No. 08012.003805/2004-10. This proceeding was initiated in 2004 as a result of a complaint filed by Schincariol (a South American brewery and beverage maker based in Brazil) and had, as its main purpose, the investigation of Ambev’s conduct in the market, in particular its customer loyalty program known as “Tô Contigo,” which is similar to airline frequent flyer and other mileage programs. After the administrative investigation, CADE issued a ruling that, among other things, imposed a fine in the amount of 353 million Brazilian real (114m US dollar). Ambev challenged the decision before the federal courts, which ordered the suspension of the fine and other parts of the decision upon its posting of a guarantee. According to the opinion of Ambev’s management, a loss was possible (but not probable), and therefore Ambev had not established a provision in its financial statements. This possible loss was expected to be limited to the aforementioned fine (which reached 620 million Brazilian Real (200m US dollar) as of 30 June 2015, reflecting adjustment for
Inflation and accrued interests) and additional legal fees in connection with this matter. On 14 July 2015, CADE and Ambev reached a
judicial settlement to definitely close the lawsuit relating to the decision issued by CADE in the Administrative Proceeding No.
08012.003805/2004-10. With this settlement, Ambev agreed to pay a fine in the amount of 229 million Brazilian real (77m US
dollar). The final amount agreed upon by the parties is the result of the correction of some mistakes in the original decision, as well as
an approximate 20% discount granted by CADE.

In August 2011, the German Federal Cartel Office (Bundeskartellamt) launched an investigation against several breweries and
retailers in Germany in connection with an allegation of anticompetitive vertical price maintenance by breweries vis-à-vis their
trading partners in Germany. On 18 June 2015, the Bundeskartellamt announced that it partially concluded these proceedings and
issued fines. Due to AB InBev’s cooperation with the Bundeskartellamt, AB InBev received immunity from fines. Although the
investigation of the Bundeskartellamt is partially continuing, AB InBev has reason to believe that it will not receive a fine and that it
will have full immunity from fines at the end of the proceedings.

On 12 December 2014 a lawsuit was commenced in the Ontario Superior Court of Justice against the Liquor Control Board of
Ontario, Brewers Retail Inc. (The Beer Store) and the owners of Brewers Retail Inc. (Molson Coors Canada, Sleeman Breweries Ltd.
and Labatt Breweries of Canada LP). The lawsuit was amended by the claimants on 20 May 2015. The lawsuit, brought pursuant to
the Ontario Class Proceedings Act, seeks, among other things: a declaration that the defendants conspired and agreed with each other
to allocate sales, territories, customers or markets for the supply of beer sold in Ontario since June 1, 2000, a declaration that Brewers
Retail Inc. and the owners of Brewers Retail Inc. conspired and agreed to fix, increase and/or maintain the fees charged by The Beer
Store to other competitive brewers who wished to sell their products through The Beer Store, a declaration that the parties conspired
to impose higher/differential prices to Ontario licensees (on-trade) for beer, which the claimants allege is illegal under the Liquor
Control Act and a declaration that The Beer Store was not permitted by law to charge “licensee” prices that are in excess of retail
prices for beer. The claimants are seeking damages not exceeding 1.4 billion Canadian dollar (1.0 billion US dollar), punitive,
exemplary and aggravated damages of 5 million Canadian dollar (4m US dollar) and disgorgement of certain revenues. The company
believes that there are strong defenses and, accordingly, has not recorded any provision in connection therewith.

2009 DISPOSITIONS PENSION LITIGATION

On 1 December 2009, AB InBev and several of its related companies were sued in Federal Court in the Eastern District of Missouri in
a lawsuit styled Richard F. Angevine v. AB InBev, et al. The plaintiff sought to represent a class of certain employees of Busch
Entertainment Corporation, which was divested on 1 December 2009, and the four Metal Container Corporation plants which were
divested on 1 October 2009. He also sought to represent certain employees of any other subsidiary of Anheuser-Busch Companies,
Inc. (ABC) which were divested on 1 October 2009. The lawsuit contained claims that the class was entitled to enhanced retirement
benefits under sections 4.3 and 19.11(f) of the Anheuser-Busch Companies’ Salaried Employees’ Pension Plan (the “Plan”).
Specifically, plaintiff alleged that the divestitures resulted in his “involuntary termination” from “ABC and its operating division and
subsidiaries” within three years after the 18 November 2008 ABC/InBev merger, which allegedly triggered the enhanced benefits
under the Plan. The lawsuit claimed that by failing to provide the class members with these enhanced benefits, AB InBev, et al.
breached their fiduciary duties under ERISA. The complaint sought punitive damages and attorneys’ fees. On 16 July 2010, the Court
ruled that the claims for breach of fiduciary duty and punitive damages were not proper. The Court also found that Angevine did not
exhaust his administrative remedies, which was required before filing a lawsuit. Angevine filed an appeal of this ruling with the
Eighth Circuit Court of Appeals. On 22 July 2011, the Court of Appeals affirmed the decision of the lower court. No further appeals
were filed.

On 15 September 2010, AB InBev and several of its related companies were sued in Federal Court for the Southern District of Ohio
in a lawsuit entitled Rusby Adams et al. v. AB InBev et al. This lawsuit was filed by four employees of Metal Container
Corporation’s facilities (“MCC”) in Columbus, Gainesville, Florida, and Ft. Atkinson, Wisconsin that were divested on
1 October 2009. Similar to the Angevine lawsuit, these plaintiffs sought to represent a class of participants of the Anheuser-Busch
Companies’ Inc. Salaried Employees’ Pension Plan (the “Plan”) who had been employed by subsidiaries of Anheuser-Busch
Companies, Inc. that had been divested during the period of 18 November 2008 and 17 November 2011. The plaintiffs also alleged
claims similar to the Angevine lawsuit: (1) that they were entitled to benefits under section 19.11(f) of the Plan; and (2) that the denial
of benefits was a breach of fiduciary duty. AB InBev believed that it had defenses to these claims, and filed a motion to dismiss. On
25 April 2011, the Court dismissed the breach of fiduciary duty claims, and the only remaining claim was for benefits under section
19.11(f). On 28 March 2012, the Court certified that the case could proceed as a class action comprised of former employees of the
divested MCC operations. On 9 January 2013, the Court granted AB InBev’s motion for Judgment on the Administrative Record. The
plaintiffs appealed this decision on 5 February 2013. On 11 July 2014, the Court of Appeals for the 6th Circuit reversed the lower
court and remanded the case for judgment against AB InBev. On 16 September 2014, AB InBev’s Motion for Rehearing En Banc
was denied. A Final Order and Judgment was then entered by the District Court on 24 December 2014, which ordered the Plan to
provide the enhanced pension benefit under Section 19.11(f) to members of the certified class. The company believes that the total
amount of the enhanced pension benefit is approximately 7 million US dollar. Plaintiffs’ counsel has received approximately 0.8
million US dollar in legal fees.
On 10 January 2012, a class action complaint asserting claims very similar to those asserted in the Angevine lawsuit was filed in Federal Court for the Eastern District of Missouri, styled Nancy Anderson et al. v. Anheuser-Busch Companies Pension Plan et al. Unlike the Angevine case, however, the plaintiff in this matter alleges complete exhaustion of all administrative remedies. The company filed a motion to dismiss on 9 October 2012. This was still pending when the Court allowed the complaint to be amended on 19 November 2012 to name four new plaintiffs. AB InBev filed a motion to dismiss on 17 December 2012. While this motion was pending, on 11 March 2013 the Court consolidated the case with the Knowlton case (see below) which had been transferred from California to Missouri.

On 10 October 2012, another class action complaint was filed against Anheuser-Busch Companies, LLC, Anheuser-Busch Companies Pension Plan, Anheuser-Busch Companies Pension Plan Appeals Committee and the Anheuser-Busch Companies

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Pension Plans Administrative Committee by Brian Knowlton, an employee of the divested Busch Entertainment Corporation ("BEC"). This complaint, filed in Federal Court in the Southern District of California, was amended on 12 October 2012. Like the other lawsuits, it claims that the employees of any divested assets were entitled to enhanced retirement benefits under section 19.11(f) of the Plan. However, it specifically excludes the divested Metal Container Corporation facilities that have been included in the Adams class action. On 6 November 2012, the plaintiffs filed a motion asking the court to move the Anderson case to California to join it with the Knowlton case for discovery. The company filed a motion to dismiss/motion to transfer the case to Missouri on 12 November 2012, which was granted on 30 January 2013. As outlined above, on 11 March 2013, the Knowlton case was then consolidated in Missouri with the Anderson case. On 19 April 2013 a consolidated complaint was filed, and a Motion to Dismiss was filed by the company on 10 May 2013. On 30 October 2013, the court dismissed the breach of fiduciary claims, and an answer was filed on 13 November 2013. On 19 November 2013, plaintiffs amended one count of the consolidated complaint. On 16 May 2014, the Court granted class certification. The class consists of divested BEC employees. On 10 November 2014, Plaintiffs filed a Motion for Judgment on the Pleadings based on the decision by the Sixth Circuit Court of Appeals in the Adams case. On 8 July 2015, the Court issued an order of partial judgment on the pleadings, holding that the employees of BEC were entitled to enhanced retirement benefits under the Plan. The 8 July 2015 Order, however, was not a final, appealable order. On 21 August 2015, the company filed a motion seeking entry of a final, appealable order, as well as, a stay pending appeal and that motion was granted on 9 October 2015. The company subsequently appealed. That appeal remains pending. The company believes that the total amount of the enhanced pension benefit at issue in this case is approximately 66 million US dollar.

31. RELATED PARTIES

TRANSACTIONS WITH DIRECTORS AND EXECUTIVE BOARD MANAGEMENT MEMBERS (KEY MANAGEMENT PERSONNEL)

In addition to short-term employee benefits (primarily salaries) AB InBev’s executive board management members are entitled to post-employment benefits. More particular, members of the executive board of management participate in the pension plan of their respective country – see also Note 23 Employee Benefits. Finally, key management personnel are eligible for the company’s share option; restricted stock and/or share swap program (refer Note 24 Share-based Payments). Total directors and executive board management compensation included in the income statement can be detailed as follows:

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Directors</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Executive board</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>management</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Short-term employee benefits</td>
<td>3</td>
<td>25</td>
<td>2</td>
</tr>
<tr>
<td>Post-employment benefits</td>
<td>—</td>
<td>2</td>
<td>—</td>
</tr>
<tr>
<td>Other long-term employee benefits</td>
<td>—</td>
<td>—</td>
<td>1</td>
</tr>
<tr>
<td>Share-based payments</td>
<td>2</td>
<td>65</td>
<td>3</td>
</tr>
<tr>
<td>Total</td>
<td>5</td>
<td>91</td>
<td>5</td>
</tr>
</tbody>
</table>

Directors’ compensation consists mainly of directors’ fees.

During 2015, AB InBev entered into the following transactions through Grupo Modelo and its subsidiaries:

- The acquisition of information technology and infrastructure services for a consideration of approximately 5m US dollar from a company in which one of the company’s Board Member had significant influence as of 31 December 2015;
- The acquisition of sponsorship rights, lease and other agreements for an aggregated consideration of 5m US dollar from companies owned by one of the company’s Board Member as of 31 December 2015.

With the exception of the abovementioned transactions, key management personnel were not engaged in any transactions with AB InBev and did not have any significant outstanding balances with the company.

JOINTLY CONTROLLED ENTITIES

Significant interests in joint ventures include three entities in Brazil, one in Mexico and two in Canada. None of these joint ventures are material to the company. Aggregate amounts of AB InBev’s interest are as follows:

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-current assets</td>
<td>2</td>
<td>2</td>
<td>101</td>
</tr>
<tr>
<td>Current assets</td>
<td>5</td>
<td>4</td>
<td>57</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td>2</td>
<td>—</td>
<td>67</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>5</td>
<td>5</td>
<td>115</td>
</tr>
<tr>
<td>Result from operations</td>
<td>(1)</td>
<td>6</td>
<td>24</td>
</tr>
<tr>
<td>Profit attributable to equity holders of AB InBev</td>
<td>—</td>
<td>3</td>
<td>11</td>
</tr>
</tbody>
</table>

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TRANSACTIONS WITH ASSOCIATES
AB InBev’s transactions with associates were as follows:

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross profit</td>
<td>(77)</td>
<td>(92)</td>
<td>31</td>
</tr>
<tr>
<td>Current assets</td>
<td>2</td>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td>Current liabilities</td>
<td>25</td>
<td>11</td>
<td>32</td>
</tr>
</tbody>
</table>

TRANSACTIONS WITH PENSION PLANS
AB InBev’s transactions with pension plans mainly comprise 12m US dollar other income from pension plans in US and 1m US dollar other income from pension plans in Brazil.

TRANSACTIONS WITH GOVERNMENT-RELATED ENTITIES
AB InBev has no material transactions with government-related entities.

32. SUPPLEMENTAL GUARANTOR FINANCIAL INFORMATION
The following guarantor financial information is presented to comply with U.S. SEC disclosure requirements of Rule 3-10 of Regulation S-X.

The issuances or exchanges of securities described below are related to securities issued by Anheuser-Busch Worldwide Inc. (prior to 2013) and Anheuser-Busch InBev Finance Inc. (from 2013 onwards), and in each case fully and unconditionally guaranteed by AB InBev SA/NV (the “Parent Guarantor”). Each such security is also jointly and severally guaranteed by Anheuser-Busch Companies, LLC, BrandBrew S.A., Brandbev S.à r.l. and Cobrew NV/SA (the “Other Subsidiary Guarantors”), and in respect of debt issued from 2013 onwards, by Anheuser-Busch Worldwide Inc.. In December 2012 the guarantee structure of securities listed previously issued by Anheuser-Busch Worldwide Inc. was amended to accede Anheuser-Busch InBev Finance Inc. as a subsidiary guarantor of such securities.

- On 13 October 2009, Anheuser-Busch InBev Worldwide Inc. issued (i) 1.5 billion US dollar principal amount of 3.0% unsecured notes due 2012, (ii) 1.25 billion US dollar principal amount of 4.125% unsecured notes due 2015, (iii) 2.25 billion US dollar principal amount of 5.375% unsecured notes due 2020 and (iv) 0.5 billion US dollar principal amount of 6.375% unsecured notes due 2040 (collectively the “October Notes”). The October Notes were exchanged for publicly registered notes on 8 February 2010.

- On 24 March 2010, Anheuser-Busch Worldwide Inc. issued (i) 1.0 billion US dollar principal amount of 2.5% unsecured notes due 2013, (ii) 0.75 billion US dollar principal amount 3.625% unsecured notes due 2015, (iii) 1.0 billion US dollar principal amount of 5.0% due 2020 and (iv) 0.5 billion US dollar bearing interest at a floating rate of 3 month US dollar LIBOR plus 0.73% due 2013 (collectively the “March Notes”). These Notes were exchanged for publicly registered notes on 5 August 2010.

- On 10 November 2010, Anheuser-Busch InBev Worldwide Inc. issued 0.75 billion Brazilian real principal amount of 9.75% notes due 2015.

- On 24 January 2011, AB InBev Worldwide Inc. issued a series of notes in an aggregate principal amount of 1.65 billion, consisting of 0.65 billion US dollar aggregate principal amount of floating rate notes due 2014, 0.5 billion US dollar aggregate principal amount of fixed rate notes due 2016 and 0.5 billion US dollar aggregate principal amount of fixed rate notes due 2021. The notes bear interest at an annual rate of 55 basis points above three-month LIBOR for the floating rate notes, 2.875% for the 2016 notes, and 4.375% for the 2021 notes. The notes will mature on 27 January 2014 in the case of the floating rate notes, 15 February 2016 in the case of the 2016 notes and 15 February 2021 in the case of the 2021 notes. The issuance closed on 27 January 2011.

- On 11 February 2011, Anheuser-Busch InBev Worldwide Inc. announced that it had filed a Registration Statement on Form F-4 with the United States Securities and Exchange Commission (“SEC”) seeking to undertake an exchange offer of (i) 1.25 billion US dollar principal amount of 7.2% notes due 2014, (ii) 2.5 billion US dollar principal amount of 7.75% notes due 2019, (iii) 1.25 billion US dollar principal amount of 8.2% notes due 2039 (collectively the “January Notes”) and (iv) 1.55 billion US dollar principal amount of 5.375% notes due 2014, (v) 1.0 billion US dollar principal amount of 6.875% notes due 2019, and (vi) 0.45 billion US dollar principal amount of 8.0% notes due 2039 (collectively the “May Notes”). Anheuser-Busch InBev Worldwide would offer to exchange unregistered notes which have been privately issued under Rule 144A for freely tradable notes registered under the Securities Act of 1933 with otherwise substantially the same terms and conditions. The exchange offer closed on 14 March 2011.
On 19 May 2011, Anheuser-Busch InBev Worldwide Inc. announced that it has provided the holders of the 7.20% notes due 2014 (“Notes”) notice of its intention to redeem the outstanding 1.25 billion US dollar principal amount of the Notes, effective 20 June 2011. The Notes were originally issued on 12 January 2009 under the Base Indenture dated 12 January 2009 and the First Supplemental Indenture of the same date between Anheuser-Busch InBev Worldwide Inc. and The Bank of New York Mellon, as trustee. Such notes were exempt from registration under the Securities Act of 1933, as amended (“Securities Act”) and were voluntarily exchanged by Anheuser-Busch InBev Worldwide Inc. for freely tradable notes registered under the Securities Act with otherwise substantially identical terms and conditions in a tender offer that closed on 14 March 2011. The redemption closed on 20 June 2011.
On 14 July 2011, Anheuser-Busch InBev Worldwide Inc. issued 1.05 billion US dollar aggregate principal amount of bonds, consisting of 300 million US dollar aggregate principal amount of floating rate notes due 2014 and 750 million US dollar aggregate principal amount of fixed rate notes due 2014. The notes will bear interest at an annual rate of 36 basis points above three-month LIBOR for the floating rate notes and 1.50% for the fixed rate notes.

On 16 July 2012, Anheuser-Busch InBev Worldwide Inc., issued 7.5 billion US dollar aggregate principal amount of bonds, consisting of 1.5 billion US dollar aggregate principal amount of fixed rate notes due 2015, 2.0 billion US dollar aggregate principal amount of fixed rate notes due 2017, 3.0 billion US dollar aggregate principal amount of fixed rate notes due 2022 and 1.0 billion US dollar aggregate principal amount of fixed rate notes due 2042. The notes will bear interest at an annual rate of 0.800% for the 2015 notes, 1.375% for the 2017 notes, 2.500% for the 2022 notes and 3.750% for the 2042 notes.

On 17 January 2013, Anheuser-Busch InBev Finance Inc. issued 4.0 billion US dollar aggregate principal amount of bonds, consisting of 1.0 billion US dollar aggregate principal amount of fixed rate notes due 2016, 1.0 billion US dollar aggregate principal amount of fixed rate notes due 2018, 1.25 billion US dollar aggregate principal amount of fixed rate notes due 2023 and 0.75 billion US dollar aggregate principal amount of fixed rate notes due 2043. The notes will bear interest at an annual rate of 0.800% for the 2016 notes, 1.250% for the 2018 notes, 2.625% for the 2023 notes and 4.000% for the 2043 notes.

On 27 January 2014, Anheuser-Busch InBev Finance Inc., issued 5.25 billion US dollar aggregate principal amount of bonds, consisting of 1.2 billion US dollar aggregate principal amount of fixed rate notes due 2017; 300m US dollar aggregate principal amount of floating rate notes due 2017; 1.25 billion US dollar aggregate principal amount of fixed rate notes due 2019; 250m US dollar aggregate principal amount of floating rate notes due 2019; 1.4 billion US dollar aggregate principal amount of fixed rate notes due 2024; and 850m US dollar aggregate principal amount of fixed rate notes due 2044. The fixed rate notes will bear interest at an annual rate of 1.125% for the 2017 notes; 2.150% for the 2019 notes; 3.700% for the 2024 notes; and 4.625% for the 2044 notes. The floating rate notes will bear interest at an annual rate of 19.00 basis points above three-month LIBOR for the 2017 floating rate notes and 40.00 basis points above three-month LIBOR for the 2019 floating rate notes.

On 23 July 2015, Anheuser-Busch InBev Finance Inc., issued 565 million US dollar aggregate principal amount of fixed rate notes due 2045. The notes will bear interest at an annual rate of 4.60%.

The following condensed consolidating financial information presents the Condensed Consolidating Statement of Financial Position as of 31 December 2015 and 31 December 2014, the Condensed Consolidating Income Statements and Condensed Consolidating Statements of Cash Flows for the years ended 31 December 2015, 2014 and 2013 of (a) AB InBev SA/NV, (b) Anheuser-Busch Worldwide Inc. (the Issuer prior to 2013, and guarantor of notes issued by Anheuser-Busch InBev Finance Inc.), (c) Anheuser-Busch InBev Finance Inc. (the Issuer from 2013 onwards, and guarantor of notes issued by Anheuser-Busch Worldwide Inc.), (d) the Other Subsidiary Guarantors, (e) the non-guarantor subsidiaries, (f) elimination entries necessary to consolidate the Parent with the issuer, the guarantor subsidiaries and the non-guarantor subsidiaries; and (g) the Company on a consolidated basis. Investments in consolidated subsidiaries are presented under the equity method of accounting. Separate financial statements and other disclosures with respect to the guarantor subsidiaries have not been provided as management believes the following information is sufficient, as the guarantor subsidiaries are 100% owned by the Parent and all guarantees are full and unconditional. Except as disclosed in Note 21 Changes in Equity and Earnings per Share, there are no restrictions on the Company’s ability to obtain funds from any of its direct or indirect wholly-owned subsidiaries through dividends, loans or advances.
# CONDENSED CONSOLIDATING INCOME STATEMENT

For the year ended 31 December 2015  

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>AB InBev NV/SA</th>
<th>AB InBev Worldwide Inc</th>
<th>AB InBev Finance Inc</th>
<th>Subsidiary Guarantors</th>
<th>Non-Guarantors</th>
<th>Eliminations</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>104</td>
<td>—</td>
<td>—</td>
<td>14 097</td>
<td>31 059</td>
<td>(1 656)</td>
<td>43 604</td>
</tr>
<tr>
<td><strong>Cost of sales</strong></td>
<td>(72)</td>
<td>—</td>
<td>—</td>
<td>(6 179)</td>
<td>(12 542)</td>
<td>1 656</td>
<td>(17 137)</td>
</tr>
<tr>
<td><strong>Gross profit</strong></td>
<td>32</td>
<td>—</td>
<td>—</td>
<td>7 918</td>
<td>18 517</td>
<td>—</td>
<td>26 467</td>
</tr>
<tr>
<td>Distribution expenses</td>
<td>(3)</td>
<td>—</td>
<td>—</td>
<td>(1 009)</td>
<td>(3 246)</td>
<td>—</td>
<td>(4 258)</td>
</tr>
<tr>
<td>Sales and marketing expenses</td>
<td>(147)</td>
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<td>(431)</td>
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<td>(431)</td>
<td>5</td>
<td>3 067</td>
<td>10 881</td>
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For the year ended 31 December 2014  

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<th>AB InBev Finance Inc</th>
<th>Subsidiary Guarantors</th>
<th>Non-Guarantors</th>
<th>Eliminations</th>
<th>Total</th>
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<td>(13 833)</td>
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<td>(18 756)</td>
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<td>—</td>
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F-69
## For the year ended 31 December 2013

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<th>AB InBev Worldwide Inc</th>
<th>AB InBev Finance Inc</th>
<th>Subsidiary Guarantors</th>
<th>Non-Guarantors</th>
<th>Eliminations</th>
<th>Total</th>
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<tr>
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<td>(3 146)</td>
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<td>(5 958)</td>
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<td>(1 934)</td>
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<td>(2 203)</td>
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<td>(63)</td>
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F-70
### CONDENSED CONSOLIDATING STATEMENT OF FINANCIAL POSITION

As at 31 December 2015

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<th>Million US dollar</th>
<th>AB InBev NV/SA</th>
<th>AB InBev Worldwide Inc</th>
<th>AB InBev Finance Inc</th>
<th>Subsidiary Guarantors</th>
<th>Non-Guarantors</th>
<th>Eliminations</th>
<th>Total</th>
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<td>32 230</td>
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<td>526</td>
<td>116 127</td>
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<td>11 292</td>
<td>170 075</td>
<td>(330 166)</td>
<td>134 635</td>
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As at 31 December 2014\(^1\)

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<th>Million US dollar</th>
<th>AB InBev Worldwide NV/SA</th>
<th>AB InBev Finance Inc</th>
<th>Subsidiary Guarantors</th>
<th>Non-Guarantors</th>
<th>Eliminations</th>
<th>Total</th>
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<td></td>
</tr>
<tr>
<td>Non-current assets</td>
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<td>58 087</td>
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<td>391</td>
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<td>44 329</td>
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<td><strong>58 478</strong></td>
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<td>2 395</td>
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<td>—</td>
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<td>460</td>
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<td><strong>555</strong></td>
<td><strong>535</strong></td>
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<td><strong>25 703</strong></td>
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<td><strong>59 033</strong></td>
<td><strong>10 824</strong></td>
<td><strong>154 904</strong></td>
<td><strong>101 799</strong></td>
<td>(269 297)</td>
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<td>19 947</td>
<td>494</td>
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<td><strong>54 257</strong></td>
<td><strong>19 947</strong></td>
<td><strong>494</strong></td>
<td><strong>105 372</strong></td>
<td><strong>44 907</strong></td>
<td>(170 720)</td>
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<td>Interest-bearing loans and borrowings</td>
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<td>10 221</td>
<td>15 127</td>
<td>30 898</td>
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<td><strong>33 025</strong></td>
<td><strong>10 221</strong></td>
<td><strong>27 478</strong></td>
<td><strong>36 222</strong></td>
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<td><strong>6 061</strong></td>
<td><strong>109</strong></td>
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<td><strong>85 287</strong></td>
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<td><strong>154 904</strong></td>
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<td>(269 297)</td>
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\(^1\) Reclassified to conform to the 2015 presentation.
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<th>Year ended 31 December 2015</th>
<th>AB InBev NV/SA</th>
<th>AB InBev Worldwide Inc</th>
<th>AB InBev Finance Inc</th>
<th>Subsidiary Guarantors</th>
<th>Non-Guarantors</th>
<th>Eliminations</th>
<th>Total</th>
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<td>Profit</td>
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<td>5 483</td>
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<td>3 153</td>
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<td>(1 173)</td>
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<td>(659)</td>
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<td>1 068</td>
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<td>2 594</td>
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<td>—</td>
<td>(3 484)</td>
<td>(1 410)</td>
<td>14 979</td>
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<td>Other items</td>
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<td>(483)</td>
<td>(341)</td>
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<td>(630)</td>
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<td>(35)</td>
<td>1 337</td>
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<td>(35)</td>
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<td>48</td>
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<td>(1 122)</td>
<td>(68)</td>
<td>(1 609)</td>
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<td>19</td>
<td>984</td>
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<td>(846)</td>
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<td>(2 355)</td>
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<td>1 297</td>
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<td>11 507</td>
<td>(5 582)</td>
<td>14 121</td>
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<td>(604)</td>
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<td>(646)</td>
<td>(3 998)</td>
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<td>(4 749)</td>
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<td>Net of tax proceeds from the sale of assets held for sale</td>
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<td>—</td>
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<td>153</td>
<td>—</td>
<td>397</td>
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<td>Net proceeds/(acquisition) of other assets</td>
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<td>173</td>
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<td>Net proceeds from sale/(acquisition) of investment in short-term debt securities</td>
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<td>169</td>
<td>—</td>
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<td>Net repayments/(payments) of loans granted</td>
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<td>508</td>
<td>(565)</td>
<td>598</td>
<td>(10 284)</td>
<td>23 193</td>
<td>(46)</td>
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<td><strong>CASH FLOW FROM INVESTING ACTIVITIES</strong></td>
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<td>506</td>
<td>(565)</td>
<td>(72)</td>
<td>(14 391)</td>
<td>23 193</td>
<td>(4 930)</td>
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<td>22</td>
<td>3 294</td>
<td>(3 472)</td>
<td>—</td>
<td>—</td>
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<td>Proceeds from borrowings</td>
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<td>24 078</td>
<td>565</td>
<td>6 933</td>
<td>12 163</td>
<td>(47 467)</td>
<td>16 237</td>
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<td>Payments on borrowings</td>
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<td>(24 869)</td>
<td>(3)</td>
<td>(3 845)</td>
<td>(7 807)</td>
<td>24 297</td>
<td>(15 780)</td>
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<td>Other financing activities</td>
<td>159</td>
<td>(33)</td>
<td>(1)</td>
<td>(2 353)</td>
<td>1 456</td>
<td>—</td>
<td>(772)</td>
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<td>—</td>
<td>—</td>
<td>—</td>
<td>(1 000)</td>
<td>—</td>
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<td>—</td>
<td>—</td>
<td>(3 370)</td>
<td>(3 489)</td>
<td>5 479</td>
<td>(7 966)</td>
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<td>(824)</td>
<td>583</td>
<td>659</td>
<td>(1 149)</td>
<td>(17 691)</td>
<td>(9 281)</td>
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<td><strong>Net increase/(decrease) in cash and cash equivalents</strong></td>
<td>(2 160)</td>
<td>979</td>
<td>64</td>
<td>5 140</td>
<td>(4 033)</td>
<td>(80)</td>
<td>(90)</td>
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<td>502</td>
<td>(240)</td>
<td>460</td>
<td>(5 789)</td>
<td>13 383</td>
<td>—</td>
<td>8 316</td>
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<td>(174)</td>
<td>—</td>
<td>1</td>
<td>(451)</td>
<td>(772)</td>
<td>80</td>
<td>(1 316)</td>
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<td>739</td>
<td>525</td>
<td>(1 100)</td>
<td>8 578</td>
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<td>6 910</td>
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## OPERATING ACTIVITIES

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<tr>
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<th>AB InBev Worldwide Inc</th>
<th>AB InBev Finance Inc</th>
<th>Subsidiary Guarantors</th>
<th>Non-Guarantors</th>
<th>Eliminations</th>
<th>Total</th>
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<tr>
<td><strong>Profit</strong></td>
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<td>1 028</td>
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<td>7 028</td>
<td>8 760</td>
<td>(14 712)</td>
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<td>3 353</td>
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<td>35</td>
<td>(2 177)</td>
<td>732</td>
<td>—</td>
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<td>(17)</td>
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<td>1 805</td>
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<td>—</td>
<td>(2 327)</td>
<td>(1 223)</td>
<td>(14 712)</td>
<td>—</td>
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<td>—</td>
<td>(158)</td>
<td>(44)</td>
<td>—</td>
<td>(142)</td>
</tr>
</tbody>
</table>

### Cash flow from operating activities before changes in working capital and use of provisions

|                           | 554            | 816                    | —                   | 4 357                | 12 604         | —            | 18 331 |
| Working capital and provisions | 103            | 873                    | 2                   | (1 527)              | 830            | 76           | 357    |

### Cash generated from operations

|                           | 657            | 1 689                  | 2                   | 2 830                | 13 434         | 76           | 18 688 |
| Interest paid, net        | (467)          | (2 176)                | 29                  | 2 267                | (1 767)        | (89)         | (2 203) |
| Dividends received        | 3 945          | 4 100                  | —                   | 2 826                | 2 524          | (13 365)     | 30     |
| Income tax paid           | (5)            | —                      | (667)               | (1 699)              | —              | (2 371)      | —      |

### CASH FLOW FROM OPERATING ACTIVITIES

|                           | 4 130          | 3 613                  | 31                  | 7 256                | 12 492         | (13 378)     | 14 144 |

## INVESTING ACTIVITIES

| Acquisition and sale of subsidiaries, net of cash acquired/disposed of | —              | (3)                    | —                   | (146)                | (6 551)        | —            | (6 700) |
| Acquisition of property, plant and equipment and of intangible assets | (85)           | —                      | —                   | (468)                | (3 842)        | —            | (4 395) |
| Net of tax proceeds from the sale of assets held for sale              | —              | —                      | —                   | (65)                 | (65)           | (65)         | —      |
| Net proceeds/(acquisition) of other assets                             | —              | —                      | —                   | 54                   | 234            | —            | 288    |
| Net proceeds from sale/(acquisition) of investment in short-term debt securities | —              | —                      | —                   | (187)                | (187)          | —            | (187)  |
| Net repayments/(payments) of loans granted                             | (7 813)        | —                      | (5 250)             | (1 945)              | (7 255)        | 22 262       | (1)     |

### CASH FLOW FROM INVESTING ACTIVITIES

|                           | (7 898)        | (3)                    | (5 250)             | (2 505)              | (17 666)       | 22 262       | (11 060) |

## FINANCING ACTIVITIES

| Intra-group capital reimbursements                                   | 404            | —                      | 250                  | (135)                | (519)          | —            | —      |
| Proceeds from borrowings                                            | 16 868         | 6 657                  | 5 250                | 2 095                | 9 681          | (22 169)     | 18 382  |
| Payments on borrowings                                              | (4 710)        | (7 966)                | (30)                 | (967)                | (1 384)        | (102)        | (15 159) |
| Other financing activities                                          | 298            | —                      | (7)                  | (1 004)              | 943            | —            | 230     |
| Dividends paid                                                      | (5 420)        | (2 510)                | —                   | (6 600)              | (6 235)        | 13 365       | (7 400)  |

### CASH FLOW FROM FINANCING ACTIVITIES

|                           | 7 440          | (3 819)                | 5 463                | (6 611)              | 2 486          | (8 906)      | (3 947)  |

### Net increase/(decrease) in cash and cash equivalents

|                           | 3 672          | (209)                  | 244                  | (1 860)              | (2 688)        | (22)         | (863)    |

### Cash and cash equivalents less bank overdrafts at beginning of year

|                           | (3 101)        | (31)                   | 216                  | (3 449)              | 16 198         | —            | 9 833    |

### Effect of exchange rate fluctuations

|                           | (69)           | —                      | —                   | (480)                | (127)          | 22           | (654)    |

### Cash and cash equivalents less bank overdrafts at end of year

|                           | 502            | (240)                  | 460                  | (5 789)              | 13 383         | —            | 8 316    |

---

1. Reclassified to conform to the 2015 presentation.
For the year ended 31 December 2013\(^1\)

<table>
<thead>
<tr>
<th>Million US dollar</th>
<th>AB InBev NV/SA</th>
<th>AB InBev Worldwide Inc</th>
<th>AB InBev Finance Inc</th>
<th>Subsidiary Guarantors</th>
<th>Non-Guarantors</th>
<th>Eliminations</th>
<th>Total</th>
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<tbody>
<tr>
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<td></td>
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</tr>
<tr>
<td>Profit</td>
<td>14 394</td>
<td>7 441</td>
<td>(33)</td>
<td>12 269</td>
<td>6 566</td>
<td>(24 119)</td>
<td>16 518</td>
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<td>Depreciation, amortization and impairment</td>
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<td>—</td>
<td>717</td>
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<td>—</td>
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<td>2 152</td>
<td>63</td>
<td>(2 454)</td>
<td>1 934</td>
<td>—</td>
<td>2 203</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>(19)</td>
<td>(594)</td>
<td>(30)</td>
<td>1 258</td>
<td>1 401</td>
<td>—</td>
<td>2 016</td>
</tr>
<tr>
<td>Investment income</td>
<td>(14 537)</td>
<td>(8 164)</td>
<td>—</td>
<td>(781)</td>
<td>(637)</td>
<td>24 119</td>
<td>—</td>
</tr>
<tr>
<td>Revaluation of initial investment in Grupo Modelo</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>(6 415)</td>
<td>—</td>
<td>—</td>
<td>(6 415)</td>
</tr>
<tr>
<td>Other items</td>
<td>82</td>
<td>—</td>
<td>—</td>
<td>(63)</td>
<td>(88)</td>
<td>—</td>
<td>(69)</td>
</tr>
<tr>
<td><strong>Cash flow from operating activities before changes in working capital and use of provisions</strong></td>
<td>515</td>
<td>835</td>
<td>—</td>
<td>4 531</td>
<td>11 357</td>
<td>—</td>
<td>17 238</td>
</tr>
<tr>
<td>Working capital and provisions</td>
<td>103</td>
<td>1 598</td>
<td>4</td>
<td>(1 779)</td>
<td>229</td>
<td>58</td>
<td>213</td>
</tr>
<tr>
<td><strong>Cash generated from operations</strong></td>
<td>618</td>
<td>2 433</td>
<td>4</td>
<td>2 752</td>
<td>11 586</td>
<td>58</td>
<td>17 451</td>
</tr>
<tr>
<td>Interest paid, net</td>
<td>(19)</td>
<td>(594)</td>
<td>(30)</td>
<td>1 258</td>
<td>1 401</td>
<td>—</td>
<td>2 016</td>
</tr>
<tr>
<td>Dividends received</td>
<td>2 503</td>
<td>2 000</td>
<td>—</td>
<td>610</td>
<td>1 507</td>
<td>(6 014)</td>
<td>606</td>
</tr>
<tr>
<td>Income tax paid</td>
<td>(2)</td>
<td>—</td>
<td>—</td>
<td>(827)</td>
<td>(1 446)</td>
<td>—</td>
<td>(2 276)</td>
</tr>
<tr>
<td><strong>CASH FLOW FROM OPERATING ACTIVITIES</strong></td>
<td>2 569</td>
<td>2 290</td>
<td>16</td>
<td>4 390</td>
<td>10 518</td>
<td>(5 919)</td>
<td>13 864</td>
</tr>
<tr>
<td><strong>INVESTING ACTIVITIES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisition and sale of subsidiaries, net of cash acquired/disposed of</td>
<td>—</td>
<td>—</td>
<td>(3)</td>
<td>—</td>
<td>(1 008)</td>
<td>(16 386)</td>
<td>—</td>
</tr>
<tr>
<td>Acquisition of property, plant and equipment and of intangible assets</td>
<td>(112)</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>(3 347)</td>
<td>—</td>
</tr>
<tr>
<td>Net of tax proceeds from the sale of assets held for sale</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>4 002</td>
<td>—</td>
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<tr>
<td>Net proceeds from sale/(acquisition) of investment in short-term securities</td>
<td>3 774</td>
<td>2 864</td>
<td>—</td>
<td>—</td>
<td>69</td>
<td>—</td>
<td>6 707</td>
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<tr>
<td>Net proceeds/(acquisition) of other assets</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>19</td>
<td>225</td>
<td>—</td>
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<tr>
<td>Net repayments/(payments) of loans granted</td>
<td>(8 722)</td>
<td>—</td>
<td>(5 160)</td>
<td>(53 749)</td>
<td>(40 500)</td>
<td>108 262</td>
<td>131</td>
</tr>
<tr>
<td><strong>CASH FLOW FROM INVESTING ACTIVITIES</strong></td>
<td>(5 060)</td>
<td>2 861</td>
<td>(5 160)</td>
<td>(55 148)</td>
<td>(55 937)</td>
<td>108 262</td>
<td>(10 182)</td>
</tr>
<tr>
<td><strong>FINANCING ACTIVITIES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intra-group capital reimbursements</td>
<td>3 504</td>
<td>(1 500)</td>
<td>250</td>
<td>423</td>
<td>(2 677)</td>
<td>—</td>
<td>—</td>
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<tr>
<td>Proceeds from borrowings</td>
<td>21 887</td>
<td>2 546</td>
<td>5 197</td>
<td>48 730</td>
<td>65 960</td>
<td>(121 856)</td>
<td>22 464</td>
</tr>
<tr>
<td>Payments on borrowings</td>
<td>(17 430)</td>
<td>(5 090)</td>
<td>(53)</td>
<td>(4 219)</td>
<td>(4 653)</td>
<td>13 439</td>
<td>(18 006)</td>
</tr>
<tr>
<td>Cash received for deferred shares instrument</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>1 500</td>
<td>—</td>
<td>1 500</td>
</tr>
<tr>
<td>Other financing activities</td>
<td>270</td>
<td>—</td>
<td>(34)</td>
<td>1 145</td>
<td>(844)</td>
<td>—</td>
<td>537</td>
</tr>
<tr>
<td>Dividends paid</td>
<td>(4 918)</td>
<td>(1 500)</td>
<td>—</td>
<td>(4 130)</td>
<td>(1 719)</td>
<td>6 014</td>
<td>(6 253)</td>
</tr>
<tr>
<td><strong>CASH FLOW FROM FINANCING ACTIVITIES</strong></td>
<td>3 313</td>
<td>(5 544)</td>
<td>5 360</td>
<td>41 949</td>
<td>57 567</td>
<td>(102 403)</td>
<td>242</td>
</tr>
<tr>
<td>Net increase/(decrease) in cash and cash equivalents</td>
<td>822</td>
<td>(393)</td>
<td>216</td>
<td>(8 809)</td>
<td>12 148</td>
<td>(60)</td>
<td>3 924</td>
</tr>
<tr>
<td>Cash and cash equivalents less bank overdrafts at beginning of year</td>
<td>(3 579)</td>
<td>362</td>
<td>—</td>
<td>4 760</td>
<td>5 508</td>
<td>—</td>
<td>7 051</td>
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<tr>
<td>Effect of exchange rate fluctuations</td>
<td>(344)</td>
<td>—</td>
<td>—</td>
<td>600</td>
<td>(1 458)</td>
<td>60</td>
<td>(1 142)</td>
</tr>
<tr>
<td>Cash and cash equivalents less bank overdrafts at end of year</td>
<td>(3 101)</td>
<td>(31)</td>
<td>216</td>
<td>(3 449)</td>
<td>16 198</td>
<td>—</td>
<td>9 833</td>
</tr>
</tbody>
</table>

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\(^1\) Reclassified to conform to the 2015 presentation.
33. EVENTS AFTER THE BALANCE SHEET DATE

BOND ISSUANCE

On 25 January 2016 Anheuser-Busch InBev Finance Inc., a subsidiary of Anheuser-Busch InBev SA/NV, issued 46 billion US dollar aggregate principal amount of bonds. The bonds comprise the following series: 4.0 billion US dollar aggregate principal amount of fixed rate Notes due 1 February 2019 bearing interest at an annual rate of 1.900%; 7.5 billion US dollar aggregate principal amount of fixed rate Notes due 1 February 2021 bearing interest at an annual rate of 2.650%; 6.0 billion US dollar aggregate principal amount of fixed rate Notes due 1 February 2023 bearing interest at an annual rate of 3.300%; 11.0 billion US dollar aggregate principal amount of fixed rate Notes due 1 February 2026 bearing interest at an annual rate of 3.700%; 6.0 billion US dollar aggregate principal amount of fixed rate Notes due 1 February 2036 bearing interest at an annual rate of 4.700%; and 0.5 billion US dollar aggregate principal amount of floating rate Notes due 1 February 2021 bearing interest at an annual rate of 126 basis points above three-month LIBOR.

Substantially all of the net proceeds of the offering will be used to fund a portion of the purchase price for the Combination with SABMiller and related transactions. The remainder of the net proceeds will be used for general corporate purposes.

The 2019 notes, the 2021 fixed and floating rate notes, the 2023 notes and the 2026 notes will be subject to a special mandatory redemption at a redemption price equal to 101% of the initial price of such notes, plus accrued and unpaid interest to, but not including the special mandatory redemption date if the Combination is not consummated on or prior to 11 November 2016 (which date is extendable at the option of the Issuer to 11 May 2017) or if, prior to such date, AB InBev announces the withdrawal or lapse of the Combination and that it is no longer pursuing the Combination.

On 29 January 2016 Anheuser-Busch InBev Finance Inc., a subsidiary of Anheuser-Busch InBev SA/NV, issued 1.47 billion US dollar aggregate principal amount of fixed rate Notes due 2046. The Notes will bear interest at an annual rate of 4.915%.

PARTIAL CANCELLATION OF THE 75.0 BILLION US DOLLAR COMMITTED SENIOR ACQUISITION FACILITIES

On 27 January 2016, AB InBev announced that it had cancelled 42.5 billion US dollar of the 75.0 billion US dollar Committed Senior Acquisition Facilities following the bond issuances described above. Upon receipt of the net proceeds of the 46 billion US dollar offering, the company was required to cancel the Bridge to Cash / DCM Facilities A & B totaling 30 billion US dollar. Additionally, the company chose to make a voluntary cancellation of 12.5 billion US dollar of the Term Facility A as permitted under the terms of the Committed Senior Acquisition Facilities. It is intended that the net proceeds from the announced sale of both SABMiller’s interests in MillerCoors and the global Miller brand, and certain other future disposals, will be used to pay down and cancel the Disposal Bridge Facility in due course.

ARGENTINA PESO DEVALUATION

In December 2015, the Argentinean peso underwent a severe devaluation. In 2015, the Argentinean operations represented 4.8% of the company’s consolidated revenue and 5.5% of the company’s consolidated normalized EBITDA. The 2015 Argentinean full year results were translated at an average rate of 9.1017 Argentinean pesos per US dollar. The 2015 devaluation, and further devaluations in the future, if any, is expected to decrease the company’s net assets in Argentina, with a balancing entry in the equity of the company. The translation of results and cash flows of the company’s Argentinean operations are also expected to be impacted.

SABMILLER’S EUROPEAN BUSINESS

On 3 December 2015, in line with its commitment to proactively address potential regulatory considerations, Anheuser-Busch InBev SA/NV announced that it was exploring the sale of certain of SABMiller’s European premium brands and related businesses.

On 10 February 2016, AB InBev announced that it had received a binding offer from Asahi Group Holdings, Ltd (“Asahi”) to acquire certain of SABMiller’s European premium brands and related business. The offer values the Peroni, Grolsch, and Meantime brand families and associated businesses in Italy, the Netherlands, UK and internationally at 2 550m euro on a debt free/cash free basis. The parties have now commenced the relevant employee information and consultation processes, during which time AB InBev has agreed to a period of exclusivity with Asahi in respect of these brands and businesses.

Asahi’s offer is conditional on the successful closing of the recommended acquisition of SABMiller by AB InBev, as announced on 11 November 2015.

SABMILLER’S INTEREST IN CHINA RESOURCES SNOW BREWERIES LTD.

On 3 March 2016, AB InBev announced that it has entered into an agreement to sell SABMiller’s 49% interest in China Resources
Snow Breweries Ltd. (“CR Snow”) to China Resources Beer (Holdings) Co. Ltd. (“CRB”), which currently owns 51% of CR Snow. This announcement represents the next step in AB InBev’s continued commitment to proactively address regulatory considerations in its recommended acquisition of SABMiller. The agreement values SABMiller’s 49% stake in CR Snow at 1.6 billion US dollar. The transaction has been approved by the Board of CRB as well as by its majority shareholder and thus no extraordinary general meeting will be required for approval. Upon completion of the transaction, CR Snow will become a direct wholly-owned subsidiary of CRB.

The agreement with CRB is conditional on the successful closing of the recommended acquisition of SABMiller by AB InBev as announced on 11 November 2015, which itself contains certain regulatory pre-conditions and conditions. In addition, this agreement is subject to any applicable regulatory approval in China, and AB InBev and CRB will work closely together through any such process. CRB’s acquisition of SABMiller’s stake in CR Snow is expected to close in conjunction with AB InBev’s acquisition of SABMiller.
Listed below are the most important AB InBev companies. A complete list of the company’s investments is available at AB InBev NV, Brouwerijplein 1, B-3000 Leuven, Belgium. The total number of companies consolidated (fully, proportional and equity method) is 485.

### LIST OF MOST IMPORTANT FULLY CONSOLIDATED COMPANIES

<table>
<thead>
<tr>
<th>Name and Registered Office of Fully Consolidated Companies</th>
<th>% of Economic Interest as at 31 December 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ARGENTINA</strong> CERVECERIA Y MALTERIA QUILMES SAICA y G – Charcas 5160 – C1425BOF – Buenos Aires</td>
<td>61.83</td>
</tr>
<tr>
<td><strong>BELGIUM</strong> AB INBEV NV – Grote Markt 1 – 1000 – Brussel</td>
<td>Consolidating Company 98.54</td>
</tr>
<tr>
<td>BRASSERIE DE L’ABBAYE DE LEFFE S.A. – Place de l’Abbaye 1 – 5500 – Dinant</td>
<td>98.54</td>
</tr>
<tr>
<td>BROUWERIJ VAN HOEGAARDEN N.V. – Stoopkensstraat 46 – 3320 – Hoegaarden</td>
<td>100.00</td>
</tr>
<tr>
<td>COBREW N.V. – Brouwerijplein 1 – 3000 – Leuven</td>
<td>100.00</td>
</tr>
<tr>
<td>INBEV BELGIUM N.V. – Industrielaan 21 – 1070 – Brussel</td>
<td>100.00</td>
</tr>
<tr>
<td><strong>BOLIVIA</strong> CERVECERIA BOLIVIANA NACIONAL S.A. – Av. Montes 400 and Chuquisaca No. 121, Zona Challapampa – La Paz</td>
<td>53.63</td>
</tr>
<tr>
<td><strong>BRAZIL</strong> AMBEV S.A. – Rua Dr Renato Paes de Barros, 1017, 3º andar, Itaim Bibi – CEP 04530-001 – São Paulo</td>
<td>61.98</td>
</tr>
<tr>
<td><strong>CANADA</strong> LABATT BREWING COMPANY LIMITED – 207 Queen’s Quay West, Suite 299 – M5J 1A7 – Toronto</td>
<td>61.98</td>
</tr>
<tr>
<td><strong>CHILE</strong> CERVECERIA CHILE S.A. – Av. Presidente Eduardo Frei Montalva 9600 – 8700000 – Quilicura</td>
<td>61.98</td>
</tr>
<tr>
<td><strong>CHINA</strong> ANHEUSER-BUSCH INBEV (WUHAN) BREWING COMPANY LIMITED – Shangshou, Qian Duan Kou, Hanyang Area – 430051 – Wuhan, Hubei Province</td>
<td>97.06</td>
</tr>
<tr>
<td>ANHEUSER-BUSCH INBEV (HARBIN) SALES COMPANY LTD. – 20 Youfang Street, Xiangfang District – 150030 – Harbin City, Heilongjiang Province</td>
<td>100.00</td>
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<tr>
<td>ANHEUSER-BUSCH INBEV (ZHOUHSAN) BREWERY CO. LTD. – 1 Linggang Yi Road – Zhou Shan City, Zhejiang Province</td>
<td>100.00</td>
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<tr>
<td>INBEV BAISHA (HUNAN) BREWERY CO. LTD. – 304 Shaozhong Middle Road – 410000 – Changsha City, Hunan Province</td>
<td>100.00</td>
</tr>
<tr>
<td>INBEV DOUBLE DEER BREWING GROUP CO. LTD. – 419 Wu Tian Street – Wenzhou City, Zhejiang Province</td>
<td>55.00</td>
</tr>
<tr>
<td>INBEV JINLONGQUAN (HUBEI) BREWERY CO. LTD. – 89 Jin Long Quan Avenue – Jingmen City, Hubei Province</td>
<td>60.00</td>
</tr>
<tr>
<td>INBEV JINLONGQUAN (XIAOGAN) BREWERY CO. LTD. – 198 Chengzhan Road – Xiaogan City, Hubei Province</td>
<td>60.00</td>
</tr>
<tr>
<td>INBEV KK (NINGBO) BREWERY CO LTD. – YinJiang Town, Yin Zhou District – 315000 – Ningbo City, Zhejiang Province</td>
<td>100.00</td>
</tr>
<tr>
<td>ANHEUSER-BUSCH INBEV SEDRIN BREWERY CO. LTD. – 660 Gong Ye Road, Hanjiang District – 351111 – Putian City, Fujian Province</td>
<td>100.00</td>
</tr>
<tr>
<td>ANHEUSER-BUSCH INBEV (TAIZHOU) BREWERY CO. LTD. – 159 Qi Xia East Road, Chengguan Town, Tiantai County – 317200 – Taizhou City, Zhejiang Province</td>
<td>100.00</td>
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<tr>
<td>ANHEUSER-BUSCH INBEV (NINGBO) BREWERY CO. LTD. – YinJiang Town, Yin Zhou District – 315000 – Ningbo City, Zhejiang Province</td>
<td>100.00</td>
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<tr>
<td>ANHEUSER-BUSCH INBEV (NANJING) BREWERY CO. LTD. – Qiliqiao Pukou District – 211800 – Nanjing City, Jiangsu Province</td>
<td>100.00</td>
</tr>
<tr>
<td>Siping Ginsber Draft Beer Co Ltd-XianMaQuan area,TieDong district,ShiPing city, JiLin province,Hebei, China</td>
<td>100.00</td>
</tr>
<tr>
<td>ANHEUSER-BUSCH INBEV BIG BOSS (JIANGSU) BREWERY CO. LTD. – 666 Zhaoxia Road – Nantong City, Jiangsu Province</td>
<td>100.00</td>
</tr>
<tr>
<td>ANHEUSER-BUSCH INBEV BIG BOSS (YANCHENG) BREWERY CO. LTD. – West of Nanhuan</td>
<td>100.00</td>
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<tr>
<td>Country</td>
<td>Company Name</td>
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<tr>
<td>China</td>
<td>ANHEUSER-BUSCH INBEV BIG BOSS (SUZHOU) BREWERY CO. LTD.</td>
</tr>
<tr>
<td>Colombia</td>
<td>BOGOTA BEER COMPANY BBC S.A.S.</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>Pivovar Samson a.s.</td>
</tr>
<tr>
<td>NAME AND REGISTERED OFFICE OF FULLY CONSOLIDATED COMPANIES</td>
<td>% OF ECONOMIC INTEREST AS AT 31 DECEMBER 2015</td>
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<td>----------------------------------------------------------</td>
<td>---------------------------------------------</td>
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<tr>
<td>DOMINICAN REPUBLIC</td>
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<tr>
<td>CERVECERIA NACIONAL DOMINICANA S.A.</td>
<td>34.09</td>
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<tr>
<td>– Autopista 30 de Mayo Km 61/2, Distrito Nacional – A.P. 1086 – Santo Domingo</td>
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<tr>
<td>ECUADOR</td>
<td></td>
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<tr>
<td>COMPAÑÍA CERVECERA AMBEV ECUADOR S.A. – Km 14.5 Via a Daule S/N y Av. Las Iguanas, Guayaquil</td>
<td>61.98</td>
</tr>
<tr>
<td>FRANCE</td>
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<tr>
<td>AB INBEV FRANCE S.A.S. – Immeuble Crystal, 38, Place Vauban – C.P. 59110 – La Madeleine</td>
<td>100.00</td>
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<tr>
<td>GERMANY</td>
<td></td>
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<tr>
<td>BRAUEREI BECK GmbH &amp; CO. KG – Am Deich 18/19 – 28199 – Bremen</td>
<td>100.00</td>
</tr>
<tr>
<td>BRAUEREI DIEBELS GmbH &amp; CO.KG – Brauerei-Diebels-Strasse 1 – 47661 – Issum</td>
<td>100.00</td>
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<tr>
<td>BRAUERGILDE HANNOVER AG – Hildesheimer Strasse 132 – 30173 – Hannover</td>
<td>100.00</td>
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<tr>
<td>HAAKE-BECK BRAUEREI GmbH &amp; Co. KG – Am Deich 18/19 – 28199 – Bremen</td>
<td>99.96</td>
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<tr>
<td>HASSERÖDER BRAUEREI GmbH – Auerhahnring 1 – 38855 – Wernigerode</td>
<td>100.00</td>
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<td>ANHEUSER-BUSCH INBEV GERMANY HOLDING GmbH – Am Deich 18/19 – 28199 – Bremen</td>
<td>100.00</td>
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<tr>
<td>SPATEN – FRANZISKANER – BRÄU GmbH – Marsstrasse 46 + 48 – 80335 – München</td>
<td>100.00</td>
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<td>GRAND DUCHY OF LUXEMBOURG</td>
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<tr>
<td>BRASSERIE DE LUXEMBOURG MOUSEL – DIEKIRCH – 1, Rue de la Brasserie – L-9214 – Diekirch</td>
<td>95.82</td>
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<tr>
<td>INDIA</td>
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<tr>
<td>CROWN BEERS INDIA LIMITED – #8-2-684/A, ROAD NO. 12 – BANJARA HILLS, HYDERABAD 500034 – ANDHRA PRADESH</td>
<td>100.00</td>
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<tr>
<td>SOUTH KOREA</td>
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</tr>
<tr>
<td>ORIENTAL BREWERY CO., LTD – 151, Hyeondogongdan-ro, Seowon-gu Cheongju-si, Chungcheongbuk-do, South Korea</td>
<td>100.00</td>
</tr>
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<td>MEXICO</td>
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<tr>
<td>GRUPO MODELO S.A.B. DE C.V. – JAVIER BARROS SIERRA N° 555 – PISO 6, TORRE ACUARIO, COLONIA ZEDEC SANTA FE – C.P. 01210 – MEXICO CITY, DISTRITO FEDERAL – ALVARO OBREGON</td>
<td>100.00</td>
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<tr>
<td>PARAGUAY</td>
<td></td>
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<tr>
<td>CERVECERIA PARAGUAYA S.A. – Ruta Villeta km 30 N 3045 – 2660 – Ypané</td>
<td>54.15</td>
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<td>PERU</td>
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<tr>
<td>COMPAÑÍA CERVECERA AMBEV PERU S.A.C. – Av. Los Laureles Mza. A Lt. 4 del Centro Poblado Menor Santa María de Huachipa – Lurigancho (Chosica) – Lima 15</td>
<td>61.98</td>
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<tr>
<td>RUSSIA</td>
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<tr>
<td>OAO SUN INBEV – 28 Moscovskaya Street, Moscow region – 141600 – Klin</td>
<td>99.95</td>
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<tr>
<td>THE NETHERLANDS</td>
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<tr>
<td>INBEV NEDERLAND N.V. – Ceresstraat 1 – 4811 CA – Breda</td>
<td>100.00</td>
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<td>INTERBREW INTERNATIONAL B.V. – Ceresstraat 1 – 4811 CA – Breda</td>
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ANHEUSER-BUSCH INBEV FINANCE INC.,
   as Company

and

ANHEUSER-BUSCH INBEV SA/NV,
   as Parent Guarantor

and

the SUBSIDIARY GUARANTORS party hereto from time to time

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
   as Trustee

__________

Indenture

Dated as of January 25, 2016
Certain Sections of this Indenture relating to Sections 310 through 318, inclusive, of the Trust Indenture Act of 1939:

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-vi-
INDENTURE, dated as of January 25, 2016, between Anheuser-Busch InBev Finance Inc., a corporation duly organized and existing under the laws of the State of Delaware (herein called the “Company”), Anheuser-Busch InBev SA/NV, a société anonyme duly organized and existing under the laws of the Kingdom of Belgium (herein called the “Parent Guarantor”), the Subsidiaries of the Parent Guarantor party hereto from time to time, as Subsidiary Guarantors, and The Bank of New York Mellon Trust Company, N.A., a national banking association, as Trustee (herein called the “Trustee”).

RECITALS OF THE COMPANY AND THE GUARANTORS

The Company has duly authorized the execution and delivery of this Indenture to provide for the issuance from time to time of its unsecured debentures, notes or other evidences of indebtedness (herein called the “Securities”), to be issued in one or more series as in this Indenture provided.

The Guarantors have duly authorized the execution and delivery of this Indenture to provide for the issuance of Guarantees with respect to the Securities.

All things necessary to make this Indenture a valid agreement of the Company and the Guarantors, in accordance with its terms, have been done.

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

For and in consideration of the premises and the purchase of the Securities by the Holders thereof, it is mutually agreed, for the equal and proportionate benefit of all Holders of the Securities or of series thereof, as follows:

ARTICLE ONE
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

SECTION 101. Definitions.

For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(1) the terms defined in this Article have the meanings assigned to them in this Article and include the plural as well as the singular;

(2) all other terms used herein which are defined in the Trust Indenture Act, either directly or by reference therein, have the meanings assigned to them therein;

(3) all accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles, as applied by the Parent Guarantor, and, except as otherwise herein expressly provided, the term “generally accepted accounting principles” with respect to any computation required or permitted hereunder shall mean such accounting principles as are generally accepted — at the date of this instrument — at the date of such computation in the jurisdiction of incorporation of the Parent Guarantor;
(4) unless the context otherwise requires, any reference to an “Article” or a “Section” refers to an Article or a Section, as the case may be, of this Indenture; and

(5) the words “herein”, “hereof” and “hereunder” and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision.


“Absorbing Company” has the meaning specified in Section 801.

“Act”, when used with respect to any Holder, has the meaning specified in Section 104.

“Additional Amounts” has the meaning specified in Section 1009.

“Affiliate” of any specified Person means any other Person directly or indirectly controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, “control” when used with respect to any specified Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; the terms “controlling” and “controlled” have meanings correlative to the foregoing.
“Anheuser-Busch InBev Group” means the Parent Guarantor or the Parent Guarantor and the group of companies owned and/or controlled by the Parent Guarantor, as the context requires.

“Applicable Procedures” means, with respect to any transfer or exchange of or for beneficial interests in any Global Security, the rules and procedures of the Depositary with respect thereto that apply to such transfer or exchange.

“Authenticating Agent” means any Person authorized by the Trustee pursuant to Section 614 to act on behalf of the Trustee to authenticate Securities of one or more series.

“Board of Directors” means either the board of directors or other managing body of the Company or a Guarantor, as applicable, or any duly authorized committee of that board or managing body.

“Board Resolution” means a copy of a resolution certified by the Secretary or any Assistant Secretary or other authorized officer or person, in the case of the Company, or a manager or other authorized officer or person, in the case of any Guarantor, to have been duly adopted by the Board of Directors of the Company or the applicable Guarantor, as applicable, and to be in full force and effect on the date of such certification, and delivered to the Trustee.

“Brandbev” means Brandbev S.à r.l., a société à responsabilité limitée incorporated under the laws of Luxembourg, with registered office at Zone Industrielle Breedewues No. 15, L-1259 Senningerberg, Grand-Duchy of Luxemburg, registered with the Luxembourg Register of Commerce and Companies under the number B 80.984 and having a share capital of USD 43,150,720.

“Brandbev Guarantee” has the meaning specified in Section 209.

“Brandbrew” means Brandbrew S.A., a société anonyme with its registered address at Zone Industrielle Breedewues No. 15, L-1259 Senningerberg, Grand-Duchy of Luxemburg and registered with the Luxembourg register of commerce and companies under number B-75696.

“Brandbrew Guarantee” has the meaning specified in Section 209.

“Business Day”, when used with respect to any Place of Payment, means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in that Place of Payment are authorized or obligated by law or executive order to close.

“Certificated Security” means a certificated Security that evidences all or part of the Securities of any series and bears the legend set forth in Section 204 (or such legends as may be specified as contemplated by Section 301 of such Securities) and that is registered in the name of the Holder thereof.

“Clearstream” means Clearstream Banking, société anonyme, Luxembour (or any successor securities clearing agency).

“Commission” means the Securities and Exchange Commission, from time to time constituted, created under the Exchange Act, or if at any time after the execution of this instrument such Commission is not existing and performing its duties now assigned to it under the Trust Indenture Act, then the body performing such duties at such time.

“Company” means the Person named as the “Company” in the first paragraph of this instrument until a successor Person shall have become such pursuant to the applicable provisions of this Indenture, and thereafter “Company” shall mean such successor Person.

“Company Request” or “Company Order” means a written request or order signed in the name of the Company by its President, Chairman of the Board, any Vice-President, Treasurer, Secretary, Assistant Secretary or other authorized officer and delivered to the Trustee.

“Corporate Trust Office” means the designated office of the Trustee at which at any particular time its corporate trust business shall be administered, which office at the date hereof is located at 911 Washington Avenue, 3rd Floor, St. Louis, Missouri 63101, Attention: Corporate Trust Administration, or such other address as the Trustee may designate from time to time by notice to the Holders and the Company, or the principal corporate trust office of any successor Trustee (or such other address as such successor Trustee may designate from time to time by notice to the Holders and the Company).

“Corporation” means a corporation, partnership, association, company, limited liability company, joint-stock company, business trust or other similar entity.

“Covenant Defeasance” has the meaning specified in Section 1303.

“Defaulted Interest” has the meaning specified in Section 307.

“Defeasance” has the meaning specified in Section 1302.

“Depositary” means, with respect to Securities of any series issuable in whole or in part in the form of one or more Global Securities, a clearing agency registered under the Exchange Act that is designated to act as Depositary for such Securities as contemplated by Section 301.

“Distribution Compliance Period” has the meaning specified in Section 305(b)(1)(A).

“Distributor” has the meaning specified in Section 305(b)(1)(A).

“DTC” means The Depository Trust Company, its nominees, successors and assigns.

“Encumbrance” means any mortgage, pledge, security interest or lien.

“Euroclear” means the Euroclear Bank S.A./N.V. (or any successor securities clearing agency).
“Event of Default” has the meaning specified in Section 501.

“Exchange Act” means the Securities Exchange Act of 1934 and any statute successor thereto, in each case as amended from time to time.

“Expiration Date” has the meaning specified in Section 104.

“FATCA Withholding” has the meaning specified in Section 615.

“Global Guarantee” means a guarantee of the Parent Guarantor or any Subsidiary Guarantor in substantially the form set forth in Section 206(d), as the case may be, which guarantee may be executed in advance of the authentication and delivery of the Securities covered thereby and may apply to more than one series of Securities issued hereunder.

“Global Security” means a Security that evidences all or part of the Securities of any series and bears the legend set forth in Section 204 (or such legend as may be specified as contemplated by Section 301 for such Securities).

“Guarantees” means the guarantees of the Parent Guarantor and any other Guarantor from time to time, which may be (i) in the form of one or more Global Guarantees or (ii) endorsed on, and relate to, the Securities of a particular series authenticated and delivered hereunder or (iii) documented in any other manner permitted by law.

“Guarantor” means the Parent Guarantor and any Subsidiary Guarantor under this Indenture from time to time.

“Holder” means a Person in whose name a Security is registered in the Security Register.

“Indenture” means this instrument as originally executed and as it may from time to time be supplemented or amended by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof, including, for all purposes of this instrument and any such supplemental indenture, the provisions of the Trust Indenture Act that are deemed to be a part of and govern this instrument and any such supplemental indenture, respectively. The term “Indenture” shall also include the terms of particular series of Securities established as contemplated by Section 301.

“Indirect Participant” means a Person who holds a beneficial interest in a Global Security through a Participant.

“Interest”, when used with respect to an Original Issue Discount Security which by its terms bears interest only after Maturity, means interest payable after Maturity.

“Interest Payment Date”, when used with respect to any Security, means the Stated Maturity of an installment of interest on such Security.

“Investment Company Act” means the Investment Company Act of 1940 and any statute successor thereto, in each case as amended from time to time.

“January 2013 Indenture” means the Indenture dated as of January 17, 2013, among the Company, the Parent Guarantor, the subsidiary guarantors thereunder and The Bank of New York Mellon Trust Company, N.A. as trustee.

“Judgment Currency” has the meaning specified in Section 1012.

“Law of 2002” has the meaning specified in Section 209.

“Maturity”, when used with respect to any Security, means the date on which the principal of such Security or an installment of principal becomes due and payable as therein or herein provided, whether at the Stated Maturity or by declaration of acceleration, call for redemption or otherwise.

“Net Tangible Assets” means the total assets of the Parent Guarantor and its Restricted Subsidiaries (including, with respect to the Parent Guarantor, its net investment in subsidiaries other than Restricted Subsidiaries) after deducting therefrom (a) all current liabilities (excluding any thereof constituting debt by reason of being renewable or extendable) and (b) all goodwill, trade names, trademarks, patents, unamortized debt discount and expense, organization and developmental expenses and other like segregated intangibles, all as computed by the Parent Guarantor in accordance with generally accepted accounting principles applied by the Parent Guarantor as of a date within 90 days of the date as of which the determination is being made; provided that any items constituting deferred income taxes, deferred investment tax credit or other similar items shall not be taken into account as a liability or as a deduction from or adjustment to total assets.

“Notice of Default” means a written notice of the kind specified in Section 501(4) or 501(5).


“Officer’s Certificate” means a certificate signed by the Chairman of the Board of Directors, the President, any Vice-President, the Treasurer, a Secretary, an Assistant Secretary or any other authorized officer or person, in the case of the Company, and, in the case of any Guarantor, any manager or authorized officer or person, and delivered to the Trustee. One of the officers signing an Officer’s Certificate given pursuant to Section 1004 shall, in the case of the Company, be the principal executive, financial or accounting officer.

“Opinion of Counsel” means a written opinion of counsel, who may be counsel for the Company or the applicable Guarantor, and who shall be reasonably acceptable to the Trustee.
“Original Issue Discount Security” means any Security which provides for an amount less than the principal amount thereof to be due and payable upon a declaration of acceleration of the Maturity thereof pursuant to Section 502.

“Other Guaranteed Facilities” has the meaning specified in Section 209.

“Outstanding”, when used with respect to Securities, means, as of the date of determination, all Securities theretofore authenticated and delivered under this Indenture, except:

(1) Securities theretofore cancelled by the Trustee or delivered to the Trustee for cancellation;

(2) Securities for whose payment or redemption money in the necessary amount has been theretofore deposited with the Trustee or any Paying Agent (other than the Company or a Guarantor) in trust or set aside and segregated in trust by the Company (if the Company or a Guarantor shall act as its own Paying Agent) for the Holders of such Securities; provided that, if such Securities are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or provision therefor satisfactory to the Trustee has been made;

(3) Securities as to which Defeasance has been effected pursuant to Section 1302; and

(4) Securities which have been paid pursuant to Section 306 or in exchange for or in lieu of which other Securities have been authenticated and delivered pursuant to this Indenture, other than any such Securities in respect of which there shall have been presented to the Trustee proof satisfactory to it that such Securities are held by a bona fide purchaser in whose hands such Securities are valid obligations of the Company;

provided, however, that in determining whether the Holders of the requisite principal amount of the Outstanding Securities have given, made or taken any request, demand, authorization, direction, notice, consent, waiver or other action hereunder as of any date, (A) the principal amount of an Original Issue Discount Security which shall be deemed to be Outstanding shall be the amount of the principal thereof which would be due and payable as of such date upon acceleration of the Maturity thereof to such date pursuant to Section 502; (B) if, as of such date, the principal amount payable at the Stated Maturity of a Security is not determinable, the principal amount of such Security which shall be deemed to be Outstanding shall be the amount as specified or determined as contemplated by Section 301; (C) the principal amount of a Security denominated in one or more foreign currencies or currency units which shall be deemed to be Outstanding shall be the U.S. dollar equivalent, determined as of such date in the manner provided as contemplated by Section 301, of the principal amount of such Security (or, in the case of a Security described in clause (A) or (B) above, of the amount determined as provided in such clause); and (D) Securities owned by the Company or any other obligor upon the Securities or any Affiliate of the Company or of such other obligor shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent, waiver or other action, only Securities which the Trustee knows to be so owned.
shall be so disregarded. Securities so owned which have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee’s right so to act with respect to such Securities and that the pledgee is not the Company or any other obligor upon the Securities or any Affiliate of the Company or of such other obligor.

“Parent Guarantee” means any guarantee of the Parent Guarantor from time to time, which may be in the form of (i) one or more Global Guarantees or (ii) endorsed on, and relate to, the Securities of a particular series authenticated and delivered hereunder or (iii) documented in any other manner permitted by law.

“Parent Guarantor” has the meaning specified in the first paragraph of this Indenture, and any successor Person or assignee permitted pursuant to the applicable provisions of this Indenture, and following a merger under Section 801(b), “Parent Guarantor” shall mean the Absorbing Company without any further action hereunder.

“Participant” means, with respect to any Depositary, a Person who is a participant of or has an account with such Depositary, respectively.

“Paying Agent” means any Person authorized by the Company or a Guarantor to pay the principal of or any premium or interest on any Securities on behalf of the Company or Guarantor.

“Person” means any individual, Corporation, joint venture, trust, unincorporated organization or government or any agency or political subdivision thereof.

“Place of Payment”, when used with respect to the Securities of any series, means the place or places where the principal of and any premium and interest on the Securities of that series are payable as specified as contemplated by Section 301.

“Predecessor Security” of any particular Security means every previous Security evidencing all or a portion of the same debt as that evidenced by such particular Security; and, for the purposes of this definition, any Security authenticated and delivered under Section 306 in exchange for or in lieu of a mutilated, destroyed, lost or stolen Security shall be deemed to evidence the same debt as the mutilated, destroyed, lost or stolen Security.

“Principal Plant” means (a) any brewery, or any manufacturing, processing or packaging plant, now owned or hereafter acquired by the Parent Guarantor or any Subsidiary, but shall not include (i) any brewery or manufacturing, processing or packaging plant which the Parent Guarantor shall by Board Resolution have determined is not of material importance to the total business conducted by the Parent Guarantor and its Subsidiaries, (ii) any plant which the Parent Guarantor shall by Board Resolution have determined is used primarily for transportation, marketing or warehousing (any such determination to be effective as of the date specified in the applicable Board Resolution) or (iii) at the option of the Parent Guarantor, any plant that (A) does not constitute part of the brewing operations of the Parent Guarantor and its Subsidiaries and (B) has a net book value, as reflected on the balance sheet contained in the Parent Guarantor’s financial statements of not more than $100,000,000; and (b) any other facility owned by the Parent Guarantor or any of its Subsidiaries that the Parent Guarantor shall, by Board Resolution, designate as a Principal Plant.

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“Redemption Date”, when used with respect to any Security to be redeemed, means the date fixed for such redemption by or pursuant to this Indenture.

“Redemption Price”, when used with respect to any Security to be redeemed, means the price at which it is to be redeemed pursuant to this Indenture.

“Regular Record Date” for the interest payable on any Interest Payment Date on the Securities of any series means the date specified for that purpose as contemplated by Section 301.

“Restricted Certificated Security” means a Certificated Security offered and sold pursuant to an exemption from registration under the Securities Act.

“Restricted Global Security” means a Global Security offered and sold pursuant to an exemption from registration under the Securities Act.

“Restricted Subsidiary” means (a) any Subsidiary which owns or operates a Principal Plant, (b) any other subsidiary which the Parent Guarantor, by Board Resolution, shall elect to be treated as a Restricted Subsidiary, until such time as the Parent Guarantor may, by further Board Resolution, elect that such Subsidiary shall no longer be a Restricted Subsidiary, successive such elections being permitted without restriction, and (c) the Company and the Subsidiary Guarantors; provided that each of Companhia de Bebidas das Américas – AmBev and Grupo Modelo S.A.B. de C.V. shall not be “Restricted Subsidiaries” until and unless the Parent Guarantor owns, directly or indirectly, 100% of the equity interests in such company. Any such election will be effective as of the date specified in the applicable Board Resolution.

“Securities” has the meaning stated in the first recital of this Indenture and more particularly means any Securities authenticated and delivered under this Indenture.

“Securities Act” means the Securities Act of 1933 and any statute successor thereto, in each case as amended from time to time.

“Security Register” and “Security Registrar” have the respective meanings specified in Section 305.

“Significant Subsidiary” means any Subsidiary (i) the consolidated revenue of which represents 10% or more of the consolidated revenue of the Parent Guarantor, (ii) the consolidated earnings before interest, taxes, depreciation and amortization (“EBITDA”) of which represents 10% or more of the consolidated EBITDA of the Parent Guarantor, or (iii) the consolidated gross assets of which represent 10% or more of the consolidated gross assets of the Parent Guarantor, in each case as reflected in the most recent annual audited financial statements of the Parent Guarantor, provided that (A) in the case of a Subsidiary acquired by the Parent Guarantor during or after the financial year shown in the most recent annual audited financial statements of the Parent Guarantor such calculation shall be made on the basis of the contribution of the Subsidiary considered on a pro forma basis as if it had been acquired at the beginning of the relevant period, with the pro forma calculation (including any adjustments) being made by the Parent Guarantor acting in good faith, and (B) EBITDA shall be calculated by the Parent Guarantor in substantially the same manner as it is calculated for the amounts shown in the offering memorandum or circular for the relevant series of Securities.
“Special Record Date” for the payment of any Defaulted Interest means a date fixed by the Trustee pursuant to Section 307.

“Stated Maturity”, when used with respect to any Security or any installment of principal thereof or interest thereon, means the date specified in such Security as the fixed date on which the principal of such Security or such installment of principal or interest is due and payable.

“Subsidiary” means any Corporation of which more than 50% of the issued and outstanding stock entitled to vote for the election of directors or persons exercising similar functions (otherwise than by reason of default in dividends) is at the time owned directly or indirectly by the Parent Guarantor or a Subsidiary or Subsidiaries or by the Parent Guarantor and a Subsidiary or Subsidiaries.

“Subsidiary Guarantee” means the guarantee of any Subsidiary Guarantor from time to time, which may be (i) in the form of one or more Global Guarantees or (ii) endorsed on, and relate to, the Securities of a particular series authenticated and delivered hereunder or (iii) documented in any other manner permitted by law.

“Subsidiary Guarantor” shall initially include each of the following companies and shall subsequently include any Subsidiary of the Parent Guarantor that provides a guarantee under this Indenture from time to time:

- Anheuser-Busch Companies, LLC, a limited liability company duly organized and existing under the laws of the State of Delaware;
- Anheuser-Busch InBev Worldwide Inc., a corporation duly organized and existing under the laws of the State of Delaware;
- Cobrew NV, a public limited liability company organized and existing under Belgian law;
- Brandbrew; and
- Brandbev.

“Trust Indenture Act” means the Trust Indenture Act of 1939, including the rules promulgated thereunder, as in force at the date as of which this instrument was executed; provided, however, that in the event the Trust Indenture Act of 1939 is amended after such date, “Trust Indenture Act” means, to the extent required by any such amendment, the Trust Indenture Act of 1939 as so amended and any statute successor thereto.

“Trustee” means the Person named as the “Trustee” in the first paragraph of this instrument until a successor Trustee shall have become such pursuant to the applicable provisions of this Indenture, and thereafter “Trustee” shall mean or include each Person who is then a Trustee hereunder, and if at any time there is more than one such Person, “Trustee” as used with respect to the Securities of any series shall mean the Trustee with respect to Securities of that series.

“U.S. Government Obligation” has the meaning specified in Section 1304.

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“Unrestricted Certificated Security” means a Certificated Security the restrictions on transfer of which have expired or otherwise been removed.

“Unrestricted Global Security” means a Global Security the restrictions on transfer of which have expired or otherwise been removed.

“Vice President”, when used with respect to the Company or a Guarantor or the Trustee, means any vice president, whether or not designated by a number or a word or words added before or after the title “vice president”.

SECTION 102. Compliance Certificates and Opinions.

Upon any application or request by the Company or the Parent Guarantor to the Trustee to take any action under any provision of this Indenture, the Company or the Parent Guarantor, as applicable, shall furnish to the Trustee such certificates and opinions as may be required under the Trust Indenture Act. Each such certificate or opinion shall be given in the form of an Officer’s Certificate, if to be given by an officer of the Company or the Parent Guarantor, as applicable, or an Opinion of Counsel, if to be given by counsel, and shall comply with the requirements of the Trust Indenture Act and any other requirements set forth in this Indenture.

Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture (except for certificates provided for in Section 1004) shall include:

(1) a statement that each individual signing such certificate or opinion has read such covenant or condition and the definitions herein relating thereto;

(2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(3) a statement that, in the opinion of each such individual, he has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such covenant or condition has been complied with; and

(4) a statement as to whether, in the opinion of each such individual, such condition or covenant has been complied with.

SECTION 103. Form of Documents Delivered to Trustee.

In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.
Any certificate or opinion of an officer of the Company or the Parent Guarantor, as applicable, may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel, unless such officer knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion is based are erroneous. Any such certificate or opinion of counsel may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an officer or officers of the Company or the Parent Guarantor, as applicable, stating that the information with respect to such factual matters is in the possession of the Company or the Parent Guarantor, as applicable, unless such counsel knows that the certificate or opinion or representations with respect to such matters are erroneous.

Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Indenture, they may, but need not, be consolidated and form one instrument.

SECTION 104. Acts of Holders; Record Dates.

Any request, demand, authorization, direction, notice, consent, waiver or other action provided or permitted by this Indenture to be given, made or taken by Holders may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Holders in person or by agent duly appointed in writing; and, except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Trustee and, where it is hereby expressly required, to the Company or the Parent Guarantor. Such instrument or instruments (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the “Act” of the Holders signing such instrument or instruments. Proof of execution of any such instrument or of a writing appointing any such agent shall be sufficient for any purpose of this Indenture and (subject to Section 601) conclusive in favor of the Trustee, the Company or the Parent Guarantor, if made in the manner provided in this Section.

The fact and date of the execution by any Person of any such instrument or writing may be proved by the affidavit of a witness of such execution or by a certificate of a notary public or other officer authorized by law to take acknowledgments of deeds, certifying that the individual signing such instrument or writing acknowledged to him the execution thereof. Where such execution is by a signer acting in a capacity other than his individual capacity, such certificate or affidavit shall also constitute sufficient proof of his authority. The fact and date of the execution of any such instrument or writing, or the authority of the Person executing the same, may also be proved in any other manner which the Trustee deems sufficient.

The ownership of Securities shall be proved by the Security Register.

Any request, demand, authorization, direction, notice, consent, waiver or other Act of the Holder of any Security shall bind every future Holder of the same Security and the Holder of every Security issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof in respect of anything done, omitted or suffered to be done by the Trustee, the Company or the Parent Guarantor in reliance thereon, whether or not notation of such action is made upon such Security.
The Company and the Parent Guarantor may set any day as a record date for the purpose of determining the Holders of Outstanding Securities of any series entitled to give, make or take any request, demand, authorization, direction, notice, consent, waiver or other action provided or permitted by this Indenture to be given, made or taken by Holders of Securities of such series, provided that the Company and the Parent Guarantor may not set a record date for, and the provisions of this paragraph shall not apply with respect to, the giving or making of any notice, declaration, request or direction referred to in the next paragraph. If any record date is set pursuant to this paragraph, the Holders of Outstanding Securities of the relevant series on such record date, and no other Holders, shall be entitled to take the relevant action, whether or not such Holders remain Holders after such record date, provided that no such action shall be effective hereunder unless taken on or prior to the applicable Expiration Date by Holders of the requisite principal amount of Outstanding Securities of such series on such record date. Nothing in this paragraph shall be construed to prevent the Company or the Parent Guarantor from setting a new record date for any action for which a record date has previously been set pursuant to this paragraph (whereupon the record date previously set shall automatically and with no action by any Person be cancelled and of no effect), and nothing in this paragraph shall be construed to render ineffective any action taken by Holders of the requisite principal amount of Outstanding Securities of the relevant series on the date such action is taken. Promptly after any record date is set pursuant to this paragraph, the Company or the Parent Guarantor, at its own expense, shall cause notice of such record date, the proposed action by Holders and the applicable Expiration Date to be given to the Trustee in writing and to each Holder of Securities of the relevant series in the manner set forth in Section 106.

The Trustee may set any day as a record date for the purpose of determining the Holders of Outstanding Securities of any series entitled to join in the giving or making of (i) any Notice of Default, (ii) any declaration of acceleration referred to in Section 502, (iii) any request to institute proceedings referred to in Section 507(2), or (iv) any direction referred to in Section 512, in each case with respect to Securities of such series. If any record date is set pursuant to this paragraph, the Holders of Outstanding Securities of such series on such record date, and no other Holders, shall be entitled to join in such notice, declaration, request or direction, whether or not such Holders remain Holders after such record date; provided that no such action shall be effective hereunder unless taken on or prior to the applicable Expiration Date by Holders of the requisite principal amount of Outstanding Securities of such series on such record date. Nothing in this paragraph shall be construed to prevent the Trustee from setting a new record date for any action for which a record date has previously been set pursuant to this paragraph (whereupon the record date previously set shall automatically and with no action by any Person be cancelled and of no effect), and nothing in this paragraph shall be construed to render ineffective any action taken by Holders of the requisite principal amount of Outstanding Securities of the relevant series on the date such action is taken. Promptly after any record date is set pursuant to this paragraph, the Trustee, at the Company’s or the Parent Guarantor’s expense, shall cause notice of such record date, the proposed action by Holders and the applicable Expiration Date to be given to the Company and the Parent Guarantor in writing and to each Holder of Securities of the relevant series in the manner set forth in Section 106.
With respect to any record date set pursuant to this Section, the party hereto which sets such record dates may designate any day as the “Expiration Date” and from time to time may change the Expiration Date to any earlier or later day; provided that no such change shall be effective unless notice of the proposed new Expiration Date is given to the other party hereto in writing, and to each Holder of Securities of the relevant series in the manner set forth in Section 106, on or prior to the existing Expiration Date. If an Expiration Date is not designated with respect to any record date set pursuant to this Section, the party hereto which set such record date shall be deemed to have initially designated the 180th day after such record date as the Expiration Date with respect thereto, subject to its right to change the Expiration Date as provided in this paragraph. Notwithstanding the foregoing, no Expiration Date shall be later than the 180th day after the applicable record date.

Without limiting the foregoing, a Holder entitled hereunder to take any action hereunder with regard to any particular Security may do so with regard to all or any part of the principal amount of such Security or by one or more duly appointed agents each of which may do so pursuant to such appointment with regard to all or any part of such principal amount.

SECTION 105. Notices, Etc., to Trustee, the Company and a Guarantor.

Any request, demand, authorization, direction, notice, consent, waiver or Act of Holders or other document provided for or permitted by this Indenture to be made upon, given or furnished to, or filed with,

(1) the Trustee by any Holder or by the Company or a Guarantor shall be sufficient for every purpose hereunder if made, given, furnished or filed in writing to or with the Trustee at its Corporate Trust Office, 911 Washington Ave, 3rd Floor, St. Louis, Missouri 63101, USA, Attention: Corporate Trust Administration, or

(2) the Company or a Guarantor by the Trustee or by any Holder shall be sufficient for every purpose hereunder (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to the Company and a Guarantor, as applicable, addressed to it at the address specified in Section 115 of this instrument or at any other address previously furnished in writing to the Trustee by the Company or a Guarantor.

The Trustee agrees to accept and act upon instructions or directions pursuant to this Indenture sent by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods; provided, however, that (a) the party providing such electronic instructions or directions, subsequent to the transmission thereof, shall provide the originally executed instructions or directions to the Trustee in a timely manner and (b) such originally executed instructions or directions shall be signed by an authorized representative of the party providing such instructions or directions. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee’s reliance upon and compliance with such instructions or directions notwithstanding such instructions or directions conflict or are inconsistent with a subsequent written instruction or direction or if the subsequent written instruction or direction is never received. The party providing instructions or directions by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, as aforesaid, agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.
SECTION 106. Notice to Holders; Waiver.

Where this Indenture provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to each Holder affected by such event, at his address as it appears in the Security Register, not later than the latest date (if any), and not earlier than the earliest date (if any), prescribed for the giving of such notice. In any case where notice to Holders is given by mail, neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Holder shall affect the sufficiency of such notice with respect to other Holders. Where this Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

In case by reason of the suspension of regular mail service or by reason of any other cause it shall be impracticable to give such notice by mail, then such notification as shall be made with the approval of the Trustee in its sole discretion shall constitute a sufficient notification for every purpose hereunder.

The costs of any such notice to Holders as provided in this Section 106 shall be paid by the Company.

Any request, demand, authorization, direction, notice, consent or waiver required or permitted under this Indenture shall be in the English language, except that any published notice may be in an official language of the country of publication.


If any provision hereof limits, qualifies or conflicts with a provision of the Trust Indenture Act that is required under the Trust Indenture Act to be a part of and govern this Indenture, the latter provision shall control. If any provision of this Indenture modifies or excludes any provision of the Trust Indenture Act that may be so modified or excluded, the latter provision shall be deemed to apply to this Indenture as so modified or to be excluded, as the case may be.

SECTION 108. Effect of Headings and Table of Contents.

The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

SECTION 109. Successors and Assigns.

All covenants and agreements in this Indenture by the Company and any Guarantor shall bind their successors and assigns, whether so expressed or not.
SECTION 110. Separability Clause.
In case any provision in this Indenture, in any Parent Guarantee or any Subsidiary Guarantee, or in the Securities shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

SECTION 111. Benefits of Indenture.
Nothing in this Indenture, in any Parent Guarantee or Subsidiary Guarantee, or in the Securities, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder and the Holders, any benefit or any legal or equitable right, remedy or claim under this Indenture.

SECTION 112. Governing Law; Waiver of Trial by Jury.
This Indenture, each Parent Guarantee, each Subsidiary Guarantee and the Securities shall be governed by and construed in accordance with the laws of the State of New York. Each of the Company, the Guarantors and the Trustee hereby irrevocably waives, to the fullest extent permitted by applicable law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Indenture, the Securities or the transactions contemplated hereby.

SECTION 113. Legal Holidays.
In any case where any Interest Payment Date, Redemption Date or Stated Maturity of any Security shall not be a Business Day at any Place of Payment, then (notwithstanding any other provision of this Indenture, of the Guarantees or of the Securities (other than a provision of any Security which specifically states that such provision shall apply in lieu of this Section)) payment of interest or principal (and premium, if any) need not be made at such Place of Payment on such date, but may be made on the next succeeding Business Day at such Place of Payment with the same force and effect as if made on the Interest Payment Date or Redemption Date, or at the Stated Maturity.

SECTION 114. Submission to Jurisdiction; Waiver of Immunity.
For the benefit of the Holders, each of the Company and each Guarantor hereby (i) irrevocably submits to the non-exclusive jurisdiction of any New York State court or United States federal court sitting in the Borough of Manhattan in the City of New York solely for purposes of any legal action or proceeding arising out of or relating to the Securities or the Guarantees and (ii) irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of venue of any legal action or proceeding in any New York State court or United States federal court sitting in the Borough of Manhattan in the City of New York, and any claim that any such action or proceedings brought in any such court has been brought in an inconvenient forum. Each of the Company and the Parent Guarantor agrees that a final judgment in any such legal action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.
Any legal action or proceeding arising out of or relating to the Securities or the Guarantees may also be brought and enforced in the courts of the Kingdom of Belgium and each of the Company and each Guarantor irrevocably submits to the jurisdiction of each such court in respect of any such action or proceeding.

To the extent that the Company or any Guarantor may in any jurisdiction claim for itself or its assets immunity (to the extent that any immunity may now or hereafter exist) from suit, execution, attachment (whether in aid of execution, before judgment or otherwise) or other legal process (whether through service or notice or otherwise), and to the extent that in any such jurisdiction there may be attributed to itself or its assets such immunity (whether or not claimed), the Company and each Guarantor irrevocably agree not to claim, and irrevocably waive, such immunity to the full extent permitted by the laws of such jurisdiction.


By the execution and delivery of this Indenture, each Guarantor (except for Anheuser-Busch Companies, LLC and Anheuser-Busch InBev Worldwide Inc.) hereby appoints Anheuser-Busch InBev Services, LLC as its agent upon which process may be served in any legal action or proceeding which may be instituted in any Federal or State court in the Borough of Manhattan, the City of New York, arising out of or relating to the Securities or the Guarantees or this Indenture, but for that purpose only. Service of process upon such agent at the office of Anheuser-Busch InBev Services, LLC at 250 Park Avenue, New York, New York 10177, and written notice of said service to such Guarantor by the Person servicing the same addressed as provided by Section 105, shall be deemed in every respect effective service of process upon such Guarantor, respectively, in any such legal action or proceeding, and such Guarantor hereby submits to the nonexclusive jurisdiction of any such court in which any such legal action or proceeding is so instituted. Such appointment shall be irrevocable so long as the Holders of Securities shall have any rights pursuant to the terms thereof or of this Indenture until the appointment of a successor by such Guarantor with the consent of the Trustee and such successor’s acceptance of such appointment. Each such Guarantor further agrees to take any and all action, including the execution and filing of any and all such documents and instruments, as may be necessary to continue such designation and appointment of such agent or successor.

ARTICLE TWO

SECURITY AND GUARANTEE FORMS

SECTION 201. Forms Generally.

The Securities of each series shall be in substantially the form set forth in this Article, or in such other form as shall be established by or pursuant to a Board Resolution or in one or more indentures supplemental hereto, in each case with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with the rules of any securities exchange or Depositary therefor or as may, consistently herewith, be determined by the officers executing such Securities, as evidenced by their execution thereof. If the form of Securities of any series is established by action taken pursuant to a
Board Resolution, a copy of an appropriate record of such action shall be certified by a Secretary or Assistant Secretary or other authorized officer or person of the Company and delivered to the Trustee at or prior to the delivery of the Company Order contemplated by Section 303 for the authentication and delivery of such Securities.

Any Global Guarantee and any Guarantee to be endorsed on and to relate to the Securities of any series shall each be in substantially the applicable form set forth in this Article, or in such other form as shall be established by or pursuant to a Board Resolution of a Guarantor or in one or more indentures supplemental hereto, in each case with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with the rules of any securities exchange or as may, consistently herewith, be determined by the officers executing such Guarantees, as evidenced by their execution of the Guarantees. If the form of the Guarantee is to be endorsed on the Securities of any series and such form of Guarantee is established by action taken pursuant to a Board Resolution of a Guarantor, a copy of an appropriate record of such action shall be certified by the Secretary or an Assistant Secretary, or officer or person serving in a similar capacity, of the applicable Guarantor and delivered to the Trustee at or prior to the delivery of the Company Order contemplated by Section 303 for the authentication and delivery of such Securities.

The definitive Securities shall be printed, lithographed or engraved on steel engraved borders or may be produced in any other manner, all as determined by the officers executing such Securities, as evidenced by their execution of such Securities.


[Insert any legend required by the Internal Revenue Code and the regulations thereunder.]

Anheuser-Busch InBev Finance Inc.

[Title of Security]

Payment of Principal[, Premium, if any,] and Interest Irrevocably, Fully and Unconditionally Guaranteed by Anheuser-Busch InBev SA/NV and Various Subsidiary Guarantors

No. •

Anheuser-Busch InBev Finance Inc., a corporation duly organized and existing under the laws of the State of Delaware (herein called the “Company”, which term includes any successor Person under the Indenture hereinafter referred to), for value received, hereby promises to pay to , or registered assigns, on , the principal sum of Dollars if the Security is to bear interest prior to Maturity, insert — , and to pay interest thereon from or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semi-annually on and in each year, commencing , at the rate of % per annum, until the principal hereof is paid or made available for payment if applicable, insert — ; provided that any principal and premium, and any such
installment of interest, which is overdue shall bear interest at the rate of % per annum (to the extent that the payment of such interest shall be legally enforceable), from the dates such amounts are due until they are paid or made available for payment, and such interest shall be payable on demand].

The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture, be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which shall be the or (whether or not a Business Day), as the case may be, immediately preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for will forthwith cease to be payable to the Holder on such Regular Record Date and may either be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Securities of this series not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities of this series may be listed, and upon such notice as may be required by such exchange, all as more fully provided in said Indenture].

[If the Security is not to bear interest prior to Maturity, insert — The principal of this Security shall not bear interest except in the case of a default in payment of principal upon acceleration, upon redemption or at Stated Maturity, and in such case the overdue principal and any overdue premium shall bear interest at the rate of % per annum (to the extent that the payment of such interest shall be legally enforceable), from the dates such amounts are due until they are paid or made available for payment. Interest on any overdue principal or premium shall be payable on demand. [Any such interest on overdue principal or premium which is not paid on demand shall bear interest at the rate of % per annum (to the extent that the payment of such interest on interest shall be legally enforceable), from the date of such demand until the amount so demanded is paid or made available for payment. Interest on any overdue interest shall be payable on demand.]

Payment of the principal of (and premium, if any) and [if applicable, insert — any such] interest on this Security will be made at the office or agency of the Company maintained for that purpose in , in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts [if applicable, insert —; provided, however, that at the option of the Company payment of interest may be made by check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register]. Initially, the Paying Agent and Security Registrar for this Security will be The Bank of New York Mellon Trust Company, N.A., St. Louis, Missouri. The Company may change the Paying Agent or Security Registrar without prior notice to the Holders, and in such an event the Company may act as Paying Agent or Security Registrar. Payments of principal, premium, if any, and interest on this Security shall be made by wire transfer of immediately available funds; provided, however, that in the case of payments of principal and premium, if any, this Security is first surrendered to the Paying Agent.

Notwithstanding any provision of this Security or the Indenture, the Company may make any and all payments of principal, premium (if any) and interest on this Security pursuant to the applicable procedures of the Depositary for this Security as permitted in the Indenture.

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Reference is hereby made to the further provisions of this Security set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed [include only if required by applicable law: under its corporate seal].

Dated:

_____________________________________________________

By  

Name:  

Title: Authorized Officer

Attest:

_____________________________________________________

SECTION 203. Form of Reverse of Security.

This Security is one of a duly authorized issue of securities of the Company (herein called the “Securities”), issued and to be issued in one or more series under an Indenture, dated as of January 25, 2016 (herein called the “Indenture”, which term shall have the meaning assigned to it in such instrument), among the Company, Anheuser-Busch InBev SA/NV, as Parent Guarantor, the Subsidiary Guarantors party thereto from time to time and The Bank of New York Mellon Trust Company, N.A., as Trustee (herein called the “Trustee”, which term includes any successor trustee under the Indenture), and reference is hereby made to the Indenture for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Guarantors, the Trustee and the Holders of the Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered. This Security is one of the series designated on the face hereof [if applicable, insert —, limited in aggregate principal amount to $__________].

[If applicable, insert —] The Securities of this series are subject to redemption upon not less than 30 days’ notice by mail (or if the Securities of this series are represented by one or more Global Securities, by transmission in accordance with the Depositary’s customary procedures therefor), [if applicable, insert — (1) on _______ in any year commencing with the year _______ and ending with the year _______ through operation of the sinking fund for this series at a Redemption Price equal to 100% of the principal amount, and (2)] at any time [if applicable, insert — on or after _______ , 20____, as a whole or in part, at the election of the Company, at the following Redemption Prices (expressed as percentages of the principal amount): If redeemed [if applicable, insert — on or before _______ , _______ %, and if redeemed] during the 12-month period beginning of the years indicated,
and thereafter at a Redemption Price equal to % of the principal amount, together in the case of any such redemption [if applicable, insert — (whether through operation of the sinking fund or otherwise)] with accrued interest to the Redemption Date, but interest installments whose Stated Maturity is on or prior to such Redemption Date will be payable to the Holders of such Securities, or one or more Predecessor Securities, of record at the close of business on the relevant Record Dates referred to on the face hereof, all as provided in the Indenture.]

[If applicable, insert — The Securities of this series are subject to redemption upon not less than 30 days’ notice by mail (or if the Securities of this series are represented by one or more Global Securities, by transmission in accordance with the Depositary’s customary procedures therefor), (1) on in any year commencing with the year and ending with the year through operation of the sinking fund for this series at the Redemption Prices for redemption through operation of the sinking fund (expressed as percentages of the principal amount) set forth in the table below, and (2) at any time [if applicable, insert — on or after ], as a whole or in part, at the election of the Company, at the Redemption Prices for redemption otherwise than through operation of the sinking fund (expressed as percentages of the principal amount) set forth in the table below: If redeemed during the 12-month period beginning of the years indicated,

<table>
<thead>
<tr>
<th>Year</th>
<th>Redemption Price For Redemption Through Operation of the Sinking Fund</th>
<th>Year</th>
<th>Redemption Price For Redemption Otherwise Than Through Operation of the Sinking Fund</th>
</tr>
</thead>
</table>

and thereafter at a Redemption Price equal to % of the principal amount, together in the case of any such redemption (whether through operation of the sinking fund or otherwise) with accrued interest to the Redemption Date, but interest installments whose Stated Maturity is on or prior to such Redemption Date will be payable to the Holders of such Securities, or one or more Predecessor Securities, of record at the close of business on the relevant Record Dates referred to on the face hereof, all as provided in the Indenture.]
If applicable, insert — Notwithstanding the foregoing, the Company may not, prior to redemption any Securities of this series as contemplated by clause (2) of the preceding paragraph as a part of, or in anticipation of, any refunding operation by the application, directly or indirectly, of moneys borrowed having an interest cost to the Company (calculated in accordance with generally accepted financial practice) of less than % per annum.

If applicable, insert — The sinking fund for this series provides for the redemption on in each year beginning with the year and ending with the year of (“mandatory sinking fund”) and not more than $ aggregate principal amount of Securities of this series. Securities of this series acquired or redeemed by the Company otherwise than through [mandatory] sinking fund payments may be credited against subsequent [mandatory] sinking fund payments otherwise required to be made, in the inverse order in which they become due.

If the Security is subject to redemption of any kind, insert — In the event of redemption of this Security in part only, a new Security or Securities of this series and of like tenor for the unredeemed portion hereof will be issued in the name of the Holder hereof upon the cancellation hereof.

If applicable, insert paragraph regarding subordination of the Security.

If applicable, insert — The Indenture contains provisions for defeasance at any time of [the entire indebtedness of this Security] [or] [certain restrictive covenants and Events of Default with respect to this Security], in each case upon compliance with certain conditions set forth in the Indenture.

If the Security is not an Original Issue Discount Security, insert — If an Event of Default with respect to Securities of this series shall occur and be continuing, the principal of the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture.

If the Security is an Original Issue Discount Security, insert — If an Event of Default with respect to Securities of this series shall occur and be continuing, an amount of principal of the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture. Such amount shall be equal to — insert formula for determining the amount. Upon payment (i) of the amount of principal so declared due and payable and (ii) of interest on any overdue principal, premium and interest (in each case to the extent that the payment of such interest shall be legally enforceable), all of the Company’s obligations in respect of the payment of the principal of and premium and interest, if any, on the Securities of this series shall terminate.

If applicable, add — In the event that any Guarantor becomes obligated to make payments in respect of the Securities of this series, such Guarantor will make all payments in respect of the Securities of this series without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by way of withholding or deduction at source by or on behalf of any jurisdiction in which such Guarantor is incorporated, organized, or otherwise tax resident or any political subdivision or any authority thereof or therein having power to tax (the
“Relevant Taxing Jurisdiction”) unless such withholding or deduction is required by law. In such event, such Guarantor will pay to the Holders of the Securities of this series such additional amounts (the “Additional Amounts”) as shall be necessary in order that the net amounts received by such Holders, after such withholding or deduction, shall equal the respective amounts of principal and interest which would otherwise have been receivable in the absence of such withholding or deduction; except that no such Additional Amounts shall be payable on account of any taxes or duties which:

(a) are payable by any person acting as custodian bank or collecting agent on behalf of such Holder, or otherwise in any manner which does not constitute a deduction or withholding by such Guarantor from payment of principal or interest made by it, or

(b) are payable by reason of such Holder or beneficial owner having, or having had, some personal or business connection with such Relevant Taxing Jurisdiction and not merely by reason of the fact that payments in respect of the Securities of this series or the Guarantees thereof are, or for purposes of taxation are deemed to be, derived from sources in, or are secured in the Relevant Taxing Jurisdiction, or

(c) are imposed or withheld by reason of the failure of such Holder or beneficial owner to provide certification, information, documents or other evidence concerning the nationality, residence, or identity of the Holder and beneficial owner or to make any valid or timely declaration or similar claim or satisfy any other reporting requirements relating to such matters, whether required or imposed by statute, treaty, regulation or administrative practice, as a precondition to exemption from, or a reduction in the rate of withholding or deduction of such taxes, or

(d) consist of any estate, inheritance, gift, sales, excise, transfer, personal property or similar taxes, or

(e) are imposed on or with respect to any payment by the applicable Guarantor to the registered Holder of this Security if such Holder is a fiduciary or partnership or any person other than the sole beneficial owner of such payment to the extent that taxes would not have been imposed on such payment had such registered Holder been the sole beneficial owner of such Security, or

(f) are deducted or withheld pursuant to (i) any European Union directive or regulation concerning the taxation of interest income, or (ii) any international treaty or understanding relating to such taxation and to which the Relevant Taxing Jurisdiction or the European Union is a party, or (iii) any provision of law implementing, or complying with, or introduced to conform with, such directive, regulation, treaty or understanding, or

(g) are payable by reason of a change in law or practice that becomes effective more than 30 days after the relevant payment of principal or interest becomes due, or is duly provided for and written notice thereof is provided to such Holders, whichever occurs later, or

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(h) are payable because this Security was presented to a particular paying agent for payment if this Security could have been presented to another paying agent without any such withholding or deduction, or

(i) are payable for any combination of (a) through (h) above.

References to principal or interest in respect of the Securities of this series shall be deemed to include any Additional Amounts which may be payable as set forth in the Indenture.

The covenant regarding Additional Amounts will not apply to any Guarantor at any time when such Guarantor is incorporated in a jurisdiction in the United States, and will apply to the Company any time it is incorporated in a jurisdiction outside of the United States.

[In addition.] [A]ny amounts to be paid by the Company or any Guarantor on the Securities of this series will be paid net of any deduction or withholding imposed or required pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended, any current or future regulations thereunder or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code (“FATCA Withholding”). Neither any Guarantor nor the Company will be required to pay Additional Amounts on account of any FATCA Withholding.

[If applicable, add – The Securities of this series may be redeemed at any time, at the Company’s or the Parent Guarantor’s option, as a whole, but not in part, upon not less than 30 nor more than 60 days’ prior notice, at a redemption price equal to 100% of the principal amount of the Securities of this series then outstanding plus accrued and unpaid interest on the principal amount being redeemed (and all Additional Amounts, if any) to (but excluding) the redemption date, if (i) any change in, or amendment to, the laws, treaties, regulations or rulings of a Relevant Taxing Jurisdiction (as defined below) or in the interpretation, application or administration of any such laws, treaties, regulations or rulings (including a holding, judgment or order by a court of competent jurisdiction) which becomes effective on or after the issue date (any such change or amendment, a “Change in Tax Law”) would require the Company (or if a payment were then due under a Guarantee, the relevant Guarantor) to pay Additional Amounts and (ii) such obligation cannot be avoided by the Company (or the relevant Guarantor) taking reasonable measures available to it. Additional Amounts are payable by the Company under the circumstances described below under “—Additional Amounts”; provided, however, that the Securities of this series may not be redeemed to the extent such Additional Amounts arise solely as a result of the Company assigning its obligations under the Securities of this series to a Substitute Company, unless this assignment to a Substitute Company is undertaken as part of a plan of merger by the Parent Guarantor.]

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company or the Guarantors and the rights of the Holders of the Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of a majority in principal amount of the Securities at the time Outstanding

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affected thereby. The Indenture also contains provisions permitting the Holders of specified percentages in principal amount of the Securities of each series at the time Outstanding, on behalf of the Holders of all Securities of such series, to waive compliance by the Company and the Guarantors with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Security.

As provided in and subject to the provisions of the Indenture, the Holder of this Security shall not have the right to institute any proceeding with respect to the Indenture or for the appointment of a receiver or trustee or for any other remedy thereunder, unless such Holder shall have previously given the Trustee written notice of a continuing Event of Default with respect to the Securities of this series, the Holders of not less than 25% in principal amount of the Securities of this series at the time Outstanding shall have made written request to the Trustee to institute proceedings in respect of such Event of Default as Trustee and offered the Trustee indemnity and/or security, and the Trustee shall not have received from the Holders of a majority in principal amount of Securities of this series at the time Outstanding a direction inconsistent with such request, and shall have failed to institute any such proceeding, for 60 days after receipt of such notice, request and offer of indemnity and/or security. The foregoing shall not apply to any suit instituted by the Holder of this Security for the enforcement of any payment of principal hereof or any premium or interest hereon on or after the respective due dates expressed herein.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and any premium and interest on this Security at the times, place and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registrable in the Security Register, upon surrender of this Security for registration of transfer at the office or agency of the Company in any place where the principal of and any premium and interest on this Security are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities of this series and of like tenor, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Securities of this series are issuable only in registered form without coupons in denominations of $             and any integral multiple thereof. As provided in the Indenture and subject to certain limitations therein set forth, Securities of this series are exchangeable for a like aggregate principal amount of Securities of this series and of like tenor of a different authorized denomination, as requested by the Holder surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.
Prior to due presentment of this Security for registration of transfer, the Company, the Guarantors, the Trustee and any agent of the Company, the Guarantors or the Trustee may treat the Person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security be overdue, and neither the Company, the Guarantors, the Trustee nor any such agent shall be affected by notice to the contrary.

All terms used in this Security which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

SECTION 204. Form of Legends for Securities.

Unless otherwise specified as contemplated by Section 301 for the Securities evidenced thereby, every Security authenticated and delivered hereunder shall bear legends in substantially the following form:

**[If a Global Security:]**

This Security is a Global Security within the meaning of the Indenture hereinafter referred to and is registered in the name of a depositary or a nominee thereof. This Security may not be exchanged in whole or in part for a Security registered, and no transfer of this Security in whole or in part may be registered, in the name of any Person other than such depositary or a nominee thereof, except in the limited circumstances described in the Indenture.

Unless this Certificate is presented by an authorized representative of the Depository Trust Company, a New York corporation ("DTC"), to Anheuser-Busch InBev Finance Inc. or its agent for registration of transfer, exchange or payment, and any certificate issued is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), any transfer, pledge or other use hereof for value or otherwise by or to any Person is wrongful inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

**[If a Security that is offered and sold pursuant to Rule 144A or Regulation S under the Securities Act:]**

This Security has not been registered under the United States Securities Act of 1933, as amended (the "Securities Act"), or any state securities laws. Neither this Security nor any interest or participation herein may be reoffered, sold, assigned, transferred, pledged, encumbered or otherwise disposed of (I) in the absence of such registration or unless such transaction is exempt from such registration, (II) within the United States to, or for the account or benefit of, persons other than "qualified institutional buyers" (as defined in Rule 144A under the Securities Act) in transactions exempt from the registration requirements of the Securities Act or (III) outside the United States other than to persons who are U.S. persons in...
OFFSHORE TRANSACTIONS IN ACCORDANCE WITH THE REQUIREMENTS OF RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT. EACH PERSON ACQUIRING AN OWNERSHIP INTEREST IN THIS SECURITY (1) SHALL BE DEEMED TO REPRESENT AND WARRANT THAT IT EITHER (A) IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT), (B) IS NOT A U.S. PERSON (AS DEFINED IN REGULATION S) AND IS OUTSIDE THE UNITED STATES OR (C) IS ACQUIRING SUCH OWNERSHIP INTEREST PURSUANT TO A VALID REGISTRATION STATEMENT OR IN ANOTHER TRANSACTION EXEMPT FROM SUCH REGISTRATION; (2) AGREES THAT IT WILL NOT RESELL OR OTHERWISE TRANSFER THIS SECURITY EXCEPT IN ACCORDANCE WITH THE FOREGOING RESTRICTIONS, AND IN ANY CASE IN COMPLIANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER APPLICABLE JURISDICTION; (3) PRIOR TO SUCH TRANSFER, AGREES THAT IT WILL FURNISH TO THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., AS SECURITY REGISTRAR (OR A SUCCESSOR REGISTRAR, AS APPLICABLE), SUCH CERTIFICATIONS, LEGAL OPINIONS OR OTHER INFORMATION AS THE SECURITY REGISTRAR AND THE COMPANY MAY REASONABLY REQUIRE TO CONFIRM THAT SUCH TRANSFER IS BEING MADE PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND (4) AGREES THAT IT WILL DELIVER TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND. AS USED HEREIN, THE TERMS “UNITED STATES”, “U.S. PERSON” AND “OFFSHORE TRANSACTION” HAVE THE MEANINGS GIVEN TO THEM BY REGULATION S UNDER THE SECURITIES ACT.

[For all Securities the offer and sale of which is not registered under the Securities Act:]

THIS SECURITY AND ANY RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME TO MODIFY THE RESTRICTIONS ON RESALES AND OTHER TRANSFERS OF THIS SECURITY TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO THE RESALE OR TRANSFER OF RESTRICTED SECURITIES GENERALLY. THE HOLDER OF THIS SECURITY SHALL BE DEEMED BY THE ACCEPTANCE OF THIS SECURITY TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT.

SECTION 205. Form of Trustee’s Certificate of Authentication.

The Trustee’s certificates of authentication shall be in substantially the following form:

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
As Trustee

By

Authorized Signatory

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SECTION 206. Guarantees by Guarantors.

(a) Subject to this Indenture and unless provided otherwise under any Board Resolution or indenture supplement hereto, each Guarantor hereby jointly and severally, irrevocably, fully and unconditionally guarantees to the Trustee and the Holder of any Security issued under this Indenture duly authenticated and delivered by the Trustee, the due and punctual payment of the principal, and premium, if any, of (including any amount in respect of original issue discount) and interest, if any (together with any Additional Amounts payable pursuant to the terms of any such Security), on any such Security and the due and punctual payment of the sinking fund payments, if any, and analogous obligations, if any, provided for pursuant to the terms of any such Security, when and as the same shall become due and payable, whether at Stated Maturity or upon redemption, repayment or upon declaration of acceleration or otherwise according to the terms of any such Security and of the Indenture. In case of default by the Company in the payment of any such principal (including any amount payable in respect of original issue discount), and any premium or interest (together with any Additional Amounts payable pursuant to the terms of any such Security), sinking fund payment, or analogous obligation, each Guarantor agrees, duly and punctually to pay the same when and as the same shall become due and payable. Each Guarantor hereby agrees that its obligations hereunder shall be as principal and not merely as surety and shall be absolute and unconditional irrespective of any extension of the time for payment of any such Security, any modification of any such Security, any invalidity, irregularity or unenforceability of any such Security or the Indenture, any failure to enforce the same or any waiver, modification, consent or indulgence granted to the Company with respect thereto by the holder of any such Security or the Trustee, or any other circumstances which may otherwise constitute a legal or equitable discharge of a surety or guarantor. Each Guarantor hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of merger or bankruptcy of the Company, any right to require a demand or proceeding first against the Company, protest or notice with respect to any such Security or the indebtedness evidenced thereby and all demands whatsoever, and covenants that this Guarantee will not be discharged as to any such Security except by payment in full of the principal of (including any amount payable in respect of original issue discount), and any premium or interest (together with any Additional Amounts payable pursuant to the terms of any such Security) thereon.

(b) Any Guarantee may be represented by a Global Guarantee, by a Guarantee endorsed on the Securities of the series covered by the Guarantee or by any other means permitted by law.

(c) If the Guarantee is to be represented by a Guarantee endorsed on and relating to the Securities of a particular series authenticated and delivered hereunder, such Guarantee shall, subject to Section 201, Section 208 (in respect of a Subsidiary Guarantee) and Section 211, be in substantially the form set forth below:
GUARANTEE

For value received, the undersigned (herein called the “Guarantors”, and each, a “Guarantor” which terms include any successor Person or Persons under the Indenture referred to in the Security upon which this Guarantee is endorsed), hereby jointly and severally, irrevocably, fully and unconditionally guarantee to the Trustee and to each Holder of this Security, which has been authenticated and delivered by the Trustee, the due and punctual payment of the principal of (including any amount in respect of original issue discount), and any premium and interest (together with any Additional Amounts payable pursuant to the terms of this Security), on this Security and the due and punctual payment of the sinking fund payments, if any, and analogous obligations, if any, provided for pursuant to the terms of this Security, when and as the same shall become due and payable, whether at Stated Maturity or upon redemption or upon declaration of acceleration or otherwise according to the terms of this Security and of the Indenture. In case of default by the Company in the payment of any such principal (including any amount in respect of original issue discount), interest (together with any Additional Amounts payable pursuant to the terms of this Security), sinking fund payment, or analogous obligation, each Guarantor agrees duly and punctually to pay the same. Each Guarantor hereby agrees that its obligations hereunder shall rank pari passu with all other unsecured and unsubordinated obligations of such Guarantor, shall be as principal and not merely as surety, and shall be absolute and unconditional irrespective of any extension of the time for payment of this Security, any modification of this Security, any invalidity, irregularity or unenforceability of this Security or the Indenture, any failure to enforce the same or any waiver, modification, consent or indulgence granted to the Company with respect thereto by the Holder of this Security or the Trustee, or any other circumstances which may otherwise constitute a legal or equitable discharge of a surety or guarantor. Each Guarantor hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of merger or bankruptcy of the Company, any right to require a demand or proceeding first against the Company, protest or notice with respect to this Security or the indebtedness evidenced thereby and all demands whatsoever, and covenants that this Guarantee will not be discharged as to this Security except by payment in full of the principal of (including any amount payable in respect of original issue discount), and any premium and interest (together with any Additional Amounts payable pursuant to the terms of this Security), thereon.

Each Guarantor irrevocably waives any and all rights to which it may be entitled, by operation of law or otherwise, upon making any payment hereunder (i) to be subrogated to the rights of a Holder against the Company with respect to such payment or otherwise to be reimbursed, indemnified or exonerated by the Company in respect thereof or (ii) to receive any payment, in the nature of contribution or for any other reason, from any other obligor with respect to such payment.

This Guarantee shall not be valid or become obligatory for any purpose with respect to this Security until the certificate of authentication on this Security shall have been signed by the Trustee.

All terms used in this Guarantee which are not defined herein shall have the meaning assigned to them in the Security upon which this Guarantee is endorsed.

This Guarantee is subject to the release upon the terms set forth in the Indenture.

This Guarantee is subject to certain limitations and waivers set forth in the Indenture, as it may be supplemented from time to time.
This Guarantee is governed by and construed in accordance with the laws of the State of New York.

IN WITNESS WHEREOF, each of the undersigned has caused this Guarantee to be signed manually or by facsimile by its duly authorized officer or representative and, if required by applicable law, has caused a facsimile of its corporate seal to be affixed hereunto or imprinted hereon.

[GUARANTOR(S)]

By: 

Name: 

Title: Authorized Officer

(d) If a Guarantee is to be represented by a Global Guarantee, then such Guarantee shall, subject to Section 201, Section 208 (in respect of a Subsidiary Guarantee) and Section 211, be in substantially the form set forth below:

GLOBAL GUARANTEE

For value received, the undersigned (herein called the “Guarantor”, which term includes any successor Person or Persons under the Indenture, dated as of January 25, 2016, between the Company, Anheuser-Busch InBev SA/NV, as Parent Guarantor, the Subsidiaries of the Parent Guarantor party thereto from time to time, as Subsidiary Guarantors, and The Bank of New York Mellon Trust Company, N.A., as Trustee, as the same may be supplemented from time to time (the “Indenture”)), hereby jointly and severally, irrevocably, fully and unconditionally guarantee to the Trustee and to every holder of the Securities of the Company issued from time to time pursuant to the Indenture from and after the date of this Global Guarantee to but not including the date on which the Guarantor’s Notice of Revocation becomes effective, as provided below, which Securities have been authenticated and delivered by the Trustee or its Authenticating Agent, the due and punctual payment of the principal of (including any amount in respect of original issue discount), and any premium and interest (together with any Additional Amounts payable pursuant to the terms of the Securities), on the due and punctual payment of the principal of (including any amount in respect of original issue discount), and any premium and interest (together with any Additional Amounts payable pursuant to the terms of the Securities), on the Securities, when and as the same shall become due and payable, whether at Stated Maturity or upon redemption or upon declaration of acceleration or otherwise according to the terms of the Securities, or any one of them, and of the Indenture.

The total liability of the Guarantor in respect of all Securities issued pursuant to the Indenture shall not at any time exceed the aggregate principal sum of U.S. dollars plus interest and other monies (if any) from time to time payable by the Company in respect thereto.

In case of default by the Company in the payment of any such principal (including any amount in respect of original issue discount), interest (together with any Additional Amounts payable pursuant to the terms of the Securities), sinking fund payment, or analogous obligation, the Guarantor agrees duly and punctually to pay the same. The Guarantor hereby agrees that its obligations hereunder shall rank pari passu.

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with all its other unsecured and unsubordinated obligations, shall be as principal and not merely as surety, and shall be absolute and unconditional irrespective of any extension of the time for payment of the Securities, any modification of the Securities, any invalidity, irregularity or unenforceability of the Securities or the Indenture, any failure to enforce the same or any waiver, modification, consent or indulgence granted to the Company with respect thereto by the Holder of the Securities or the Trustee, or any other circumstances which may otherwise constitute a legal or equitable discharge of a surety or guarantor. The Guarantor hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of merger or bankruptcy of the Company, any right to require a demand or proceeding first against the Company, protest or notice with respect to the Securities or the indebtedness evidenced thereby and all demands whatsoever, and, except as provided in the second succeeding paragraph, covenants that this Global Guarantee will not be discharged as to the Securities, or any one of them, except by payment in full of the principal of (including any amount payable in respect of original issue discount), and any premium and interest (together with any Additional Amounts payable pursuant to the terms of the Securities), thereon.

The Guarantor irrevocably waives any and all rights to which it may be entitled, by operation of law or otherwise, upon making any payment hereunder (i) to be subrogated to the rights of a Holder against the Company with respect to such payment or otherwise to be reimbursed, indemnified or exonerated by the Company in respect thereof or (ii) to receive any payment, in the nature of contribution or for any other reason, from any other obligor with respect to such payment.

This Global Guarantee shall be revocable at the sole option of the Guarantor by providing the Trustee with written notice (a “Notice of Revocation”) of the revocation of this Global Guarantee, which shall become effective on the date specified therein, but in any event no sooner than five Business Days after the date on which such Notice of Revocation shall be delivered to the Trustee; provided, however, that any revocation of this Global Guarantee will only apply to Securities issued following the date specified in the Notice of Revocation and will not impair or otherwise affect the validity of the Global Guarantee to the extent relating to the Securities of any series issued prior to the date of the Notice of Revocation.

All terms used in this Global Guarantee which are not defined herein shall have the meaning assigned to them in the Indenture.

This Global Guarantee is subject to certain limitations and waivers set forth in the Indenture, as it may be supplemented from time to time.

This Global Guarantee is governed by and construed in accordance with the laws of the State of New York.

(e) A facsimile of any Global Guarantee may be endorsed on or appended to the Securities of any series covered by such Guarantee; provided, however, that the failure to endorse the Global Guarantee on or append it to the Securities of a series covered by such Guarantee shall not affect the validity or enforceability of such Guarantee, which shall remain in full force and effect with respect to all Securities of that series. A Global Guarantee shall be effective with respect to the Securities of a series issued after such Global Guarantee is delivered (and before such Global Guarantee is revoked pursuant to a Notice of Revocation) even if the Guarantor has not received notice of or otherwise approved the issuance thereof by Supplemental Indenture or otherwise.
SECTION 207. Additional Guarantees.

The form and terms of any Guarantee by any subsequent Subsidiary Guarantor, including any applicable legal, regulatory or contractual restrictions, shall be specified in an indenture supplement hereto pursuant to Section 901(2) and may be changed for any such series of Securities as provided in the applicable indenture supplement.


Any Subsidiary Guarantor shall be entitled to terminate its Subsidiary Guarantee, and the Trustee shall execute a release and termination agreement effecting such termination, in the event that (i) (for so long as any commitments remain outstanding under the 2010 Senior Facility Agreement) at substantially the same time as its Guarantee of the Securities is terminated, the relevant Guarantor is, or has been, released from its guarantee of the 2010 Senior Facility Agreement or is no longer a guarantor under the 2010 Senior Facility Agreement; (ii) (for so long as any commitments remain outstanding under the 2015 Senior Facilities Agreement) at substantially the same time as its Guarantee of the Securities is terminated, the relevant Guarantor is, or has been, released from its guarantee of the 2015 Senior Facilities Agreement or is no longer a guarantor under the 2015 Senior Facilities Agreement and (iii) the aggregate amount of indebtedness for borrowed money for which the relevant Subsidiary Guarantor is an obligor (as a guarantor or borrower) does not exceed 10% of the consolidated gross assets of the Parent Guarantor as reflected in the balance sheet included in its most recent publicly released interim or annual consolidated financial statements. For purposes of this clause, the amount of a Subsidiary Guarantor’s indebtedness for borrowed money shall not include (A) any Securities issued under this Indenture, the January 2009 Indenture, the October 2009 Indenture or the January 2013 Indenture, (B) any other debt the terms of which permit the termination of the Subsidiary Guarantor’s guarantee of such debt under similar circumstances, as long as such Subsidiary Guarantor’s obligations in respect of such other debt are terminated at substantially the same time as its guarantee of the relevant series of Securities in respect of which its Subsidiary Guarantor is being terminated, provided that any obligations of the Subsidiary Guarantor in respect of the debt that is being refinanced at substantially the same time that the Subsidiary Guarantee of the relevant series of Securities in respect of which its Subsidiary Guarantee is being terminated, (C) any debt that is being refinanced at substantially the same time as its Guarantee of the relevant series of Securities in respect of which its Subsidiary Guarantee is being terminated, and the Trustee shall execute a release and termination agreement effecting such termination, with respect to any or all series of Securities issued under this Indenture, in the event that such Subsidiary Guarantor determines that under the rules, regulations or interpretations of the Commission such Subsidiary Guarantor would be required to include its financial statements in any registration statement filed with the Commission with respect to Securities or Guarantees issued hereunder or in periodic reports filed with or furnished to the Commission (by reason of such limitations or otherwise).
Any Subsidiary Guarantor shall be entitled to terminate its Subsidiary Guarantee, and the Trustee shall execute a release and termination agreement effecting such termination, in the event the Subsidiary Guarantor is no longer a Subsidiary of the Parent Guarantor or disposes of all or substantially all of its assets to a Person who is not a Subsidiary of the Parent Guarantor.

SECTION 209. Limitations on Guarantees.

Further, certain of the Guarantees are subject to legal, regulatory or contractual limitations, as specified below or as may be provided in an indenture supplemental hereto by which a Subsidiary Guarantor may accede to this Indenture. Each such Subsidiary Guarantor shall be entitled to amend or modify by execution of an indenture supplemental hereto the terms of its Guarantee or the limitations applicable to its Guarantee, as set forth in this Section 209, in any respect reasonably deemed necessary by such Subsidiary Guarantor to meet the requirements of Rule 3-10 under Regulation S-X under the Securities Act (or any successor or similar regulation or exemption) in order for financial statements of such Subsidiary Guarantor not to be required to be included in any registration statement or in periodic reports filed with or furnished to the Commission.

(a) In respect of any Guarantee provided from time to time by Brandbrew (the “Brandbrew Guarantee”):

(1) notwithstanding anything to the contrary in the Brandbrew Guarantee, the maximum aggregate liability of Brandbrew under such Brandbrew Guarantee, together with any actual or contingent liabilities as a guarantor under the Other Guaranteed Facilities, shall not exceed an amount equal to the aggregate of (without double counting):

(A) the aggregate amount of all moneys received by Brandbrew and its Subsidiaries as a borrower or issuer under the Other Guaranteed Facilities;

(B) the aggregate amount of all outstanding intercompany loans made to Brandbrew and its Subsidiaries by other members of the Anheuser-Busch InBev Group which have been directly or indirectly funded using the proceeds of borrowings under this Indenture or the Other Guaranteed Facilities; and

(C) an amount equal to 100% of the greater of:

(i) the sum of Brandbrew’s own capital (capitaux propres) and its subordinated debt (dettes subordonnées) (other than any subordinated debt already accounted for under sub-paragraph (B) above) (both as referred to in article 34 of the Luxembourg Law of 2002) as reflected in Brandbrew’s then most recent annual accounts approved by the competent organ of Brandbrew (as audited by its statutory auditor (réviseur d’entreprises agréé), if required by law) at the date an enforcement is made under the Brandbrew Guarantee; and
(ii) the sum of Brandbrew’s own capital (capitaux propres) and its subordinated debt (dettes subordonnées) (other than any subordinated debt already accounted for under sub-paragraph (B) above) (both as referred to in article 34 of the Luxembourg Law of 2002) as reflected in its most recent annual accounts as of the date of this Indenture;

(2) for the avoidance of doubt, the limitation referred to in paragraph (1) above shall not apply to the guarantee by Brandbrew of any obligations owed by its Subsidiaries under any Other Guaranteed Facilities;

(3) in addition to the limitation referred to in paragraph (1) above, the obligations and liabilities of Brandbrew under this Indenture or under any Other Guaranteed Facilities shall not include any obligation which, if incurred, would constitute a breach of the provisions on unlawful financial assistance as contained in article 49-6 of the Luxembourg Law on Commercial Companies dated August 10, 1915, as amended, to the extent such or an equivalent provision is applicable to Brandbrew; and

(4) Brandbrew hereby expressly accepts and confirms, for the purposes of article 1281 of the Luxembourg civil code, that notwithstanding any novation permitted under, and made in accordance with the provisions of this Indenture, the Brandbrew Guarantee shall be preserved for the benefit of any new Holder.

(b) In respect of any Guarantee provided from time to time by Brandbev (the “Brandbev Guarantee”):

(1) notwithstanding anything to the contrary in the Brandbev Guarantee, the maximum aggregate liability of Brandbev under such Brandbev Guarantee, together with any actual or contingent liabilities as a guarantor under the Other Guaranteed Facilities, shall not exceed an amount equal to the aggregate of (without double counting):

   (A) the aggregate amount of all moneys received by Brandbev and its Subsidiaries as a borrower or issuer under the Other Guaranteed Facilities;

   (B) the aggregate amount of all outstanding intercompany loans made to Brandbev and its Subsidiaries by other members of the Anheuser-Busch InBev Group which have been directly or indirectly funded using the proceeds of borrowings under this Indenture or the Other Guaranteed Facilities; and

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(C) an amount equal to 100% of the greater of:

   (i) the sum of Brandbev’s own capital (capitaux propres) and its subordinated debt (dettes subordonnées)
   (other than any subordinated debt already accounted for under sub-paragraph (B) above) (both as referred to in
   article 34 of the Luxembourg Law of 2002) as reflected in Brandbev’s then most recent annual accounts approved
   by the competent organ of Brandbev (as audited by its statutory auditor (réviseur d’entreprises agréé), if required by
   law) at the date an enforcement is made under the Brandbev Guarantee; and

   (ii) the sum of Brandbev’s own capital (capitaux propres) and its subordinated debt (dettes subordonnées)
   (other than any subordinated debt already accounted for under sub-paragraph (B) above) (both as referred to in
   article 34 of the Luxembourg Law of 2002) as reflected in its most recent annual accounts as of the date of this
   Indenture;

(2) for the avoidance of doubt, the limitation referred to in paragraph (1) above shall not apply to the guarantee by
Brandbev of any obligations owed by its Subsidiaries under any Other Guaranteed Facilities; and

(3) Brandbev hereby expressly accepts and confirms, for the purposes of article 1281 of the Luxembourg civil code, that
notwithstanding any novation permitted under, and made in accordance with the provisions of this Indenture, the Brandbev
Guarantee shall be preserved for the benefit of any new Holder.

(c) For the purpose of this Section 209, “Other Guaranteed Facilities” means:

(1) any debt securities issued by Anheuser-Busch Companies, LLC under any of the following indentures:

   (A) the Indenture, dated August 1, 1995, between Anheuser-Busch Companies, LLC (formerly known as Anheuser-
   Busch Companies, Inc.) and The Bank of New York Mellon Trust Company, N.A. (as successor to Chemical Bank), as
   trustee;

   (B) the Indenture, dated July 1, 2001, between Anheuser-Busch Companies, LLC (formerly known as Anheuser-
   Busch Companies, Inc.) and The Bank of New York Mellon Trust Company, N.A. (as successor to The Chase Manhattan
   Bank), as trustee; and

   (C) the Indenture, dated October 1, 2007, between Anheuser-Busch Companies, LLC (formerly known as Anheuser-
   Busch Companies, Inc.) and The Bank of New York Mellon Trust Company, N.A. (formerly known as The Bank of New
   York Trust Company, N.A.), as trustee;

(2) the 2010 Senior Facility Agreement;
(3) the 2015 Senior Facilities Agreement;
(4) any debt securities issued or guaranteed by Brandbrew, Brandbev or the Parent Guarantor under the €40,000,000,000 Euro Medium Term Note Programme originally entered into on January 16, 2009;

(5) any debt securities guaranteed by Brandbrew or Brandbev under the January 2009 Indenture;

(6) any debt securities guaranteed by Brandbrew or Brandbev under the October 2009 Indenture;

(7) any debt securities guaranteed by Brandbrew or Brandbev under the U.S. Commercial Paper Program of short-term notes due up to a maximum of 364 days from the date of issue issued by Anheuser-Busch InBev Worldwide Inc. pursuant to dealer agreements, an issuing and paying agency agreement, the master note, guarantees and private placement memoranda, each dated on or around June 6, 2011, as amended and restated on or around August 20, 2014;

(8) any debt securities guaranteed by Brandbrew or Brandbev under the January 2013 Indenture;

(9) any other debt securities guaranteed by Brandbrew or Brandbev under this Indenture;

(10) any debt securities guaranteed by Brandbrew or Brandbev under the indenture expected to be entered into between Anheuser-Busch InBev Worldwide Inc. as issuer, the Parent Guarantor, the subsidiary guarantors thereunder and The Bank of New York Mellon Trust Company, N.A. as trustee, in substantially the form attached as Exhibit 4.2 to the Company’s registration statement on Form F-3 filed with the Commission on December 21, 2015; and

(11) any refinancing (in whole or part) of any of the above items or the Base Indenture for the same or a lower amount.

SECTION 210. **CUSIP Numbers.**

The Company in issuing any series of the Securities may use CUSIP numbers, if then generally in use, and thereafter with respect to such series, the Trustee may use such numbers in any notice of redemption or exchange with respect to such series provided that any such notice may state that no representation is made as to the correctness of such numbers either as printed on the Securities or as contained in any notice of a redemption or exchange and that reliance may be placed only on the other identification numbers printed on the Securities, and any such redemption shall not be affected by any defect in or omission of such numbers. The Company will promptly notify the Trustee in writing of any change in the CUSIP numbers.

SECTION 211. **Non-Impairment.**

The absence of an endorsement of a Guarantee on any Security and the lack of evidence of any guarantee of each Security by a written instrument other than this Indenture shall not affect or impair the validity of such Guarantee.
ARTICLE THREE

THE SECURITIES

SECTION 301. Amount Unlimited; Issuable in Series.

The aggregate principal amount of Securities which may be authenticated and delivered under this Indenture is unlimited.

The Securities may be issued in one or more series. There shall be established in or pursuant to a Board Resolution and, subject to Section 303, set forth, or determined in the manner provided, in an Officer’s Certificate, or established in one or more indentures supplemental hereto, prior to the issuance of Securities of any series,

(1) the title of the Securities of the series (which shall distinguish the Securities of the series from Securities of any other series);

(2) any limit upon the aggregate principal amount of the Securities of the series which may be authenticated and delivered under this Indenture (except for Securities authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other Securities of the series pursuant to Section 304, 305, 306, 906 or 1107 and except for any Securities which, pursuant to Section 303, are deemed never to have been authenticated and delivered hereunder);

(3) the Person to whom any interest on a Security of the series shall be payable, if other than the Person in whose name that Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest;

(4) the date or dates on which the principal of any Securities of the series is payable;

(5) the rate or rates at which any Securities of the series shall bear interest, if any, the date or dates from which any such interest shall accrue, the Interest Payment Dates on which any such interest shall be payable, and the Regular Record Date for any such interest payable on any Interest Payment Date;

(6) the place or places where the principal of and any premium and interest on any Securities of the series shall be payable;

(7) the period or periods within which, the price or prices at which and the terms and conditions upon which any Securities of the series may be redeemed, in whole or in part, at the option of the Company and, if other than by a Board Resolution, the manner in which any election by the Company to redeem the Securities shall be evidenced;

(8) the obligation, if any, of the Company to redeem or purchase any Securities of the series pursuant to any sinking fund or analogous provisions or at the option of the Holder thereof and the period or periods within which, the price or prices at which and the terms and conditions upon which any Securities of the series shall be redeemed or purchased, in whole or in part, pursuant to such obligation;
(9) if other than denominations of $1,000 and any integral multiple thereof, the denominations in which any Securities of the series shall be issuable;

(10) if the amount of principal of or any premium or interest on any Securities of the series may be determined with reference to an index or pursuant to a formula, the manner in which such amounts shall be determined;

(11) if other than the currency of the United States of America, the currency, currencies or currency units in which the principal of or any premium or interest on any Securities of the series shall be payable and the manner of determining the equivalent thereof in the currency of the United States of America for any purpose, including for purposes of the definition of “Outstanding” in Section 101;

(12) if the principal of or any premium or interest on any Securities of the series is to be payable, at the election of the Company or the Holder thereof, in one or more currencies or currency units other than that or those in which such Securities are stated to be payable, the currency, currencies or currency units in which the principal of or any premium or interest on such Securities as to which such election is made shall be payable, the periods within which and the terms and conditions upon which such election is to be made and the amount so payable (or the manner in which such amount shall be determined);

(13) if other than the entire principal amount thereof, the portion of the principal amount of any Securities of the series which shall be payable upon declaration of acceleration of the Maturity thereof pursuant to Section 502;

(14) if the principal amount payable at the Stated Maturity of any Securities of the series will not be determinable as of any one or more dates prior to the Stated Maturity, the amount which shall be deemed to be the principal amount of such Securities as of any such date for any purpose thereunder or hereunder, including the principal amount thereof which shall be due and payable upon any Maturity other than the Stated Maturity or which shall be deemed to be Outstanding as of any date prior to the Stated Maturity (or, in any such case, the manner in which such amount deemed to be the principal amount shall be determined);

(15) if applicable, that the Securities of the series, in whole or any specified part, shall be defeasible pursuant to Section 1302 or Section 1303 or both such Sections and, if other than by a Board Resolution, the manner in which any election by the Company to defease such Securities shall be evidenced;

(16) if applicable, that any Securities of the series shall be issuable in whole or in part in the form of one or more Global Securities and, in such case, the respective Depositaries for such Global Securities, the form of any legend or legends which shall be borne by any such Global Security in addition to or in lieu of that set forth in Section 204 and any circumstances in addition to or in lieu of those set forth in clause (2) of the last paragraph of Section 305 in which any
such Global Security may be exchanged in whole or in part for Securities registered, and any transfer of such Global Security in whole or in part may be registered, in the name or names of Persons other than the Depositary for such Global Security or a nominee thereof;

(17) any addition to or change in the Events of Default which applies to any Securities of the series and any change in the right of the Trustee or the requisite Holders of such Securities to declare the principal amount thereof due and payable pursuant to Section 502;

(18) any addition to or change in the covenants set forth in Article Ten which applies to Securities of the series; and

(19) any other terms of the series (which terms shall not be inconsistent with the provisions of this Indenture, except as permitted by Section 901(5)).

All Securities of any one series shall be substantially identical except as to denomination and except as may otherwise be provided in or pursuant to the Board Resolution referred to above and (subject to Section 303) set forth, or determined in the manner provided, in the Officer’s Certificate referred to above or in any such indenture supplemental hereto.

If any of the terms of the series are established by action taken pursuant to a Board Resolution, a copy of an appropriate record of such action shall be certified by the Secretary or an Assistant Secretary or other authorized officer or person of the Company and delivered to the Trustee at or prior to the delivery of the Officer’s Certificate setting forth the terms of the series.

All Securities of any one series need not be issued at the same time and, unless otherwise so provided by the Company, a series may be reopened for issuances of additional Securities of such series with identical terms and conditions (other than the issue date, issue price and, if applicable, initial interest accrual date and first Interest Payment Date).

SECTION 302. Denominations.

The Securities of each series shall be issuable only in registered form without coupons and only in such denominations as shall be specified as contemplated by Section 301. In the absence of any such specified denomination with respect to the Securities of any series, the Securities of such series shall be issuable in denominations of $2,000 and integral multiples of $1,000 in excess thereof.

SECTION 303. Execution, Authentication, Delivery and Dating.

The Securities shall be executed on behalf of the Company by its Chairman of the Board, its President, one of its Vice Presidents or any other person authorized by its Board of Directors to execute Securities, and any Guarantees to be endorsed on the Securities of a particular series shall be executed on behalf of the applicable Guarantor by an authorized officer or person, in each case under such entity’s corporate seal if required by applicable law, reproduced thereon. The signature of any of these officers or persons on the Securities or Guarantees may be manual or facsimile.
Any Global Guarantee shall be executed and delivered on behalf of the applicable Guarantor by an authorized officer or person, under its corporate seal if required by applicable law, reproduced thereon. The signature of any of these officers or persons on the Global Guarantee may be manual or facsimile. A facsimile of any Global Guarantee may (but need not) be appended to each Security covered by such Global Guarantee.

Securities or Guarantees bearing the manual or facsimile signatures of individuals who were at any time the proper officers or authorized representatives of the Company or a Guarantor, as applicable, shall bind the Company and the applicable Guarantor, as applicable, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Securities or did not hold such offices at the date of such Securities.

At any time and from time to time after the execution and delivery of this Indenture, the Company may deliver Securities of any series executed by the Company and, if applicable, endorsed with any Guarantees of the Securities of such series or with a facsimile of any Global Guarantees relating to the Securities of such series appended, in each case, to the Trustee for authentication, together with a Company Order for the authentication and delivery of such Securities, and the Trustee in accordance with the Company Order shall authenticate and deliver such Securities with any Guarantees endorsed thereon or appended thereto. If the form or terms of the Securities of the series have been established by or pursuant to one or more Board Resolutions as permitted by Sections 201 and 301, in authenticating such Securities and accepting the additional responsibilities under this Indenture in relation to such Securities, the Trustee shall be entitled to receive, and (subject to Section 601) shall be fully protected in relying upon, an Opinion of Counsel stating,

(1) if the form of such Securities has been established by or pursuant to Board Resolution as permitted by Section 201, that such form has been established in conformity with the provisions of this Indenture;

(2) if the terms of such Securities have been established by or pursuant to Board Resolution as permitted by Section 301, that such terms have been established in conformity with the provisions of this Indenture;

(3) that such Securities have been duly executed and, when authenticated and delivered by the Trustee and issued by the Company in the manner and subject to any conditions specified in such Opinion of Counsel, will constitute valid and legally binding obligations of the Company enforceable in accordance with their terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors’ rights and to general equity principles; and

(4) that such Guarantees have been duly executed and, when the Securities on which they shall have been endorsed or to which facsimiles thereof have been appended shall have been authenticated and delivered by the Trustee and issued by the Company in the manner and subject to any conditions specified.

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in such Opinion of Counsel, will constitute valid and legally binding obligations of each Guarantor thereof enforceable in accordance with their terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors’ rights and to general equity principles and provided that such Opinion of Counsel need not express any opinion on financial assistance or the consequences thereof.

If such form or terms have been so established, the Trustee shall not be required to authenticate such Securities if the issue of such Securities pursuant to this Indenture will affect the Trustee’s own rights, duties or immunities under the Securities and this Indenture or otherwise in a manner which is not reasonably acceptable to the Trustee.

Notwithstanding the provisions of Section 301 and of the preceding paragraph, if all Securities of a series are not to be originally issued at one time, it shall not be necessary to deliver the Officer’s Certificate otherwise required pursuant to Section 301 or the Company Order and Opinion of Counsel otherwise required pursuant to such preceding paragraph at or prior to the authentication of each Security of such series if such documents are delivered at or prior to the authentication upon original issuance of the first Security of such series to be issued.

Each Security shall be dated the date of its authentication.

No Security shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose unless there appears on such Security a certificate of authentication substantially in the form provided for herein executed by the Trustee by manual signature, and such certificate upon any Security shall be conclusive evidence, and the only evidence, that such Security has been duly authenticated and delivered hereunder. Notwithstanding the foregoing, if any Security shall have been authenticated and delivered hereunder but never issued and sold by the Company, and the Company shall deliver such Security to the Trustee for cancellation as provided in Section 309, for all purposes of this Indenture such Security shall be deemed never to have been authenticated and delivered hereunder and shall never be entitled to the benefits of this Indenture.

The delivery of any Security by the Trustee, after the authentication thereof hereunder, shall constitute due delivery of any Guarantee endorsed thereon on behalf of the Guarantors that have not executed a Global Guarantee; provided, however, that a Guarantee shall not be deemed delivered if pursuant to Section 301 the Security is originally issued without a Guarantee; if the Guarantee is thereafter attached pursuant to an order of a Guarantor, then after authentication of the corresponding Guarantee, the corresponding Guarantee shall be deemed delivered. The Trustee, in accordance with the Company Order and order of the applicable Guarantor, shall authenticate the Guarantee and deliver such Securities.

SECTION 304. Temporary Securities.

Pending the preparation of definitive Securities of any series, the Company may execute, and upon Company Order the Trustee shall authenticate and deliver, temporary Securities which may have endorsed thereon or appended thereto Guarantees duly executed by the applicable Guarantors, which are printed, lithographed, typewritten, mimeographed or otherwise produced, in any authorized denomination, substantially of the tenor of the definitive Securities in lieu of which they are issued and with such appropriate insertions, omissions, substitutions and other variations as the officers executing such Securities may determine, as evidenced by their execution of such Securities.
If temporary Securities of any series are issued, the Company will cause definitive Securities, which may have endorsed thereon or appended thereto Guarantees duly executed by the applicable Guarantors of that series, to be prepared without unreasonable delay. After the preparation of definitive Securities of such series, the temporary Securities of such series shall be exchangeable for definitive Securities of such series, having endorsed thereon or appended thereto the Guarantees duly executed by the Guarantors, upon surrender of the temporary Securities of such series at the office or agency of the Company in a Place of Payment for that series, without charge to the Holder. Upon surrender for cancellation of any one or more temporary Securities of any series, the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor one or more definitive Securities of the same series, which may have endorsed thereon or appended thereto Guarantees duly executed by the applicable Guarantors, of any authorized denominations and of like tenor and aggregate principal amount. Until so exchanged, the temporary Securities of any series shall in all respects be entitled to the same benefits under this Indenture as definitive Securities of such series and tenor.

SECTION 305. Registration, Registration of Transfer and Exchange.

(a) Registration, Restriction of Transfer and Exchange, Generally. The Company shall cause to be kept at the Corporate Trust Office of the Trustee a register (the register maintained in such office or in any other office or agency of the Company in a Place of Payment being herein sometimes referred to as the “Security Register”) in which, subject to such reasonable regulations as it may prescribe, the Company shall provide for the registration of Securities and of transfers of Securities. The Trustee is hereby appointed “Security Registrar” for the purpose of registering Securities and transfers of Securities as herein provided.

Upon surrender for registration of transfer of any Security of a series at the office or agency of the Company in a Place of Payment for that series, the Company shall execute, and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Securities of the same series, of like tenor and aggregate principal amount, and having endorsed thereon or appended thereto any Guarantees which were endorsed on or appended to the Securities so surrendered.

Subject to this Section 305(a) and Section 305(b), at the option of the Holder, Securities of any series may be exchanged for other Securities of the same series, of any authorized denominations and of like tenor and aggregate principal amount, upon surrender of the Securities to be exchanged at such office or agency. Whenever any Securities are so surrendered for exchange, the Company shall execute, and the Trustee shall authenticate and deliver, the Securities which the Holder making the exchange is entitled to receive, and having endorsed thereon or appended thereto any Guarantees which were endorsed on or appended to the Securities so surrendered.
All Securities and any Guarantees endorsed thereon or appended thereto issued upon any registration of transfer or exchange of Securities shall be the valid obligations of the Company and the Guarantors, as applicable, evidencing the same debt, and entitled to the same benefits under this Indenture, as the Securities surrendered upon such registration of transfer or exchange.

Every Security presented or surrendered for registration of transfer or for exchange shall (if so required by the Company or the Trustee) be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Company, the Parent Guarantor and the Security Registrar, duly executed by the Holder thereof or his attorney duly authorized in writing.

No service charge shall be made for any registration of transfer or exchange of Securities, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any registration of transfer or exchange of Securities, other than exchanges pursuant to Section 304, 906 or 1107 not involving any transfer.

If the Securities of any series (or of any series and specified tenor) are to be redeemed in part, the Company shall not be required (A) to issue, register the transfer of or exchange any Securities of that series (or of that series and specified tenor, as the case may be) during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of any such Securities selected for redemption under Section 1103 and ending at the close of business on the day of such mailing, or (B) to register the transfer of or exchange any Security so selected for redemption in whole or in part, except the unredeemed portion of any Security being redeemed in part.

The provisions of clauses (1), (2), (3) and (4) below shall apply only to Global Securities:

(1) Each Global Security authenticated under this Indenture shall be registered in the name of the Depositary designated for such Global Security or a nominee thereof and delivered to such Depositary or a nominee thereof or custodian therefor, and each such Global Security shall constitute a single Security for all purposes of this Indenture.

(2) Notwithstanding any other provision in this Indenture, no Global Security may be exchanged in whole or in part for Securities registered, and no transfer of a Global Security in whole or in part may be registered, in the name of any Person other than the Depositary for such Global Security or a nominee thereof unless (A) such Depositary (i) has notified the Company that it is unwilling or unable to continue as Depositary for such Global Security or (ii) has ceased to be a clearing agency registered under the Exchange Act, (B) there shall have occurred and be continuing an Event of Default with respect to such Global Security, or (C) there shall exist such circumstances, if any, in addition to or in lieu of the foregoing as have been specified for this purpose as contemplated by Section 301.

(3) Subject to clause (2) above, any exchange of a Global Security for other Securities may be made in whole or in part, and all Securities issued in exchange for a Global Security or any portion thereof shall be registered in such names as the Depositary for such Global Security shall direct.
(4) Every Security authenticated and delivered upon registration of transfer of, or in exchange for or in lieu of, a Global Security or any portion thereof, whether pursuant to this Section, Section 304, 306, 906 or 1107 or otherwise, shall be authenticated and delivered in the form of, and shall be, a Global Security, unless such Security is registered in the name of a Person other than the Depositary for such Global Security or a nominee thereof.

(b) Certain Transfers and Exchanges. Notwithstanding any other provision of this Indenture or the Securities, transfers and exchanges of Securities and beneficial interests in a Global Security of the kinds specified in this Section 305(b) shall be made only in accordance with this Section 305(b).

(1) Transfer and Exchange of Beneficial Interests in Global Securities. The transfer and exchange of beneficial interests in Global Securities will be effected through the applicable Depositary, in accordance with the provisions of this Indenture and the Applicable Procedures. Beneficial interests in the Restricted Global Securities will be subject to restrictions on transfer comparable to those set forth herein to the extent required by the Securities Act. Transfers of beneficial interests in Global Securities also will require compliance with either subparagraph (A) or (B) below, as applicable, as well as one or more of the other following subparagraphs, as applicable:

(A) Transfer of Beneficial Interests in the Same Global Security. Beneficial interests in any Restricted Global Security may be transferred to Persons who take delivery thereof in the form of a beneficial interest in the same Restricted Global Security in accordance with the transfer restrictions set forth in the applicable legends provided thereon; provided, however, that transfers of beneficial interests in the Global Security issued pursuant to Regulation S under the Securities Act may not be made to a U.S. Person or for the account or benefit of a U.S. Person prior to the expiration of the 40-day “Distribution Compliance Period” under Regulation S, unless such person is a “Distributor” as defined in Rule 902 under the Securities Act. Beneficial interests in any Unrestricted Global Security may be transferred to Persons who take delivery thereof in the form of a beneficial interest in an Unrestricted Global Security. No written orders or instructions shall be required to be delivered to the Security Registrar to effect the transfers described in this Section 305(b)(1)(A).

(B) All Other Transfers and Exchanges of Beneficial Interests in Global Securities. In connection with all transfers and exchanges of beneficial interests that are not subject to Section 305(b)(1)(A) above, the transferor of such beneficial interest must deliver to the Security Registrar both (i) a written order from a Participant or an Indirect Participant given to the applicable Depositary in accordance with the Applicable Procedures directing the applicable Depositary to credit or cause to be credited a beneficial interest in another Global Security in an amount equal to the beneficial interest to be transferred or exchanged, and (ii) instructions given in accordance with the Applicable Procedures containing information regarding the Participant account to be credited with such increase.
(C) Transfer of Beneficial Interests to Another Restricted Global Security. A beneficial interest in any Restricted
Global Security may be transferred to a Person who takes delivery thereof in the form of a beneficial interest in another
Restricted Global Security if the transfer complies with the requirements of Section 305(a) above and the Security
Registrar receives the following:

(i) if the transferee will take delivery in the form of a beneficial interest in a Global Security offered and sold
pursuant to Rule 144A under the Securities Act, then the transferor must deliver a certificate in the form of Annex
A hereto, including the certifications in item (1) thereof; and

(ii) if the transferee will take delivery in the form of a beneficial interest in a Global Security offered and sold
pursuant to Regulation S under the Securities Act, then the transferor must deliver a certificate in the form of Annex
A hereto, including the certifications in item (2) thereof.

(D) Transfer and Exchange of Beneficial Interests in a Restricted Global Security for Beneficial Interests in an
Unrestricted Global Security. A beneficial interest in any Restricted Global Security may be exchanged by any holder
thereof for a beneficial interest in an Unrestricted Global Security or transferred to a Person who takes delivery thereof in
the form of a beneficial interest in an Unrestricted Global Security if the exchange or transfer complies with the
requirements of Section 305(a) above and the Security Registrar receives the following: (i) if the holder of such beneficial
interest in a Restricted Global Security proposes to exchange such beneficial interest for a beneficial interest in an
Unrestricted Global Security, a certificate from such holder in the form of Annex B hereto, including the certifications in
item (1)(a) thereof; or (ii) if the holder of such beneficial interest in a Restricted Global Security proposes to transfer such
beneficial interest to a Person who shall take delivery thereof in the form of a beneficial interest in an Unrestricted Global
Security, a certificate from such holder in the form of Annex A hereto, including the appropriate certifications in item
(3) thereof; and, in each such case, if the Company so requests or if the Applicable Procedures so require, an Opinion of
Counsel in form reasonably acceptable to the Company to the effect that such exchange or transfer is in compliance with
the Securities Act and that the restrictions on transfer contained herein and in the applicable legends provided thereon are
no longer required in order to maintain compliance with the Securities Act.

If any such transfer is effected pursuant to clause (D) above at a time when an Unrestricted Global Security has not yet been
issued, the Company shall issue and, upon receipt of a Company Order in accordance with Section 303 hereof, the Trustee shall
authenticate one or more Unrestricted Global Securities in an aggregate principal amount equal to the aggregate principal
amount of beneficial interests transferred pursuant to clause (3) above.
Beneficial interests in an Unrestricted Global Security cannot be exchanged for, or transferred to Persons who take delivery thereof in the form of, a beneficial interest in a Restricted Global Security.

(2) Transfer or Exchange of Beneficial Interests for Certificated Securities. If any one of the events listed in Section 305(a) has occurred or the Company has elected to cause the issuance of certificated Securities, transfers or exchanges of beneficial interests in a Global Security for a certificated Security shall be effected, subject to the satisfaction of the conditions set forth in the applicable subclauses of this Section 305(b)(2).

(A) Beneficial Interests in Restricted Global Securities to Restricted Certificated Securities. If any holder of a beneficial interest in a Restricted Global Security proposes to exchange such beneficial interest for a Restricted Certificated Security or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Restricted Certificated Security, then, upon receipt by the Security Registrar of the following documentation:

(i) if the holder of such beneficial interest in a Restricted Global Security proposes to exchange such beneficial interest for a Restricted Certificated Security, a certificate from such holder in the form of Annex B hereto, including the certifications in item (2)(a) thereof;

(ii) if such beneficial interest is being transferred to a qualified institutional buyer in accordance with Rule 144A under the Securities Act, a certificate to the effect set forth in Annex A hereto, including the certifications in item (1) thereof;

(iii) if such beneficial interest is being transferred to a Non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904 under the Securities Act, a certificate to the effect set forth in Annex A hereto, including the certifications in item (2) thereof;

(iv) if such beneficial interest is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144 under the Securities Act, a certificate to the effect set forth in Annex A hereto, including the certifications in item (3)(a) thereof; and

(v) if such beneficial interest is being transferred to the Company or any of its Subsidiaries, a certificate to the effect set forth in Annex A hereto, including the certifications in item (4) thereof;

the Trustee shall cause the aggregate principal amount of the applicable Global Security to be reduced accordingly pursuant to Section 305(c) hereof, and the Company shall execute and upon receipt of a Company Order the Trustee shall authenticate and deliver to the Person designated...
in the instructions a Certificated Security in the appropriate principal amount. If any Guarantees were endorsed on or appended to the applicable Global Security, then such Guarantees (or facsimiles thereof) shall be endorsed on or appended to the Certificated Security. Any Certificated Security issued in exchange for a beneficial interest in a Restricted Global Security pursuant to this Section 305(b)(2) shall be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest shall instruct the Security Registrar through instructions from the Depositary and the Participant or Indirect Participant. The Trustee shall deliver such Certificated Securities to the Persons in whose names such Securities are so registered. Any Certificated Security issued in exchange for a beneficial interest in a Restricted Global Security pursuant to this Section 305(b)(2) shall bear the appropriate legends and shall be subject to all restrictions on transfer contained therein.

(B) Beneficial Interests in Restricted Global Securities to Unrestricted Certificated Securities. A holder of a beneficial interest in a Restricted Global Security may exchange such beneficial interest for an Unrestricted Certificated Security or may transfer such beneficial interest to a Person who takes delivery thereof in the form of an Unrestricted Certificated Security only if:

(i) such beneficial interest is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144, a certificate to the effect set forth in Annex A hereto, including the certifications in item (3)(a) thereof; or

(ii) the Security Registrar receives the following:

(a) if the holder of such beneficial interest in a Restricted Global Security proposes to exchange such beneficial interest for an Unrestricted Certificate Security, a certificate from such holder in the form of Annex B hereto, including the certifications in item (1)(b) thereof; or

(b) if the holder of such beneficial interest in a Restricted Global Security proposes to transfer such beneficial interest to a Person who shall take delivery thereof in the form of an Unrestricted Certificated Security, a certificate from such holder in the form of Annex A hereto, including the appropriate certifications in item (3) thereof;

and, in each such case set forth in this subparagraph (ii), if the Company so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Company to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the appropriate legends are no longer required in order to maintain compliance with the Securities Act.
(C) Beneficial Interests in Unrestricted Global Securities to Unrestricted Certificated Securities. If any holder of a beneficial interest in an Unrestricted Global Security proposes to exchange such beneficial interest for a Certificated Security or to transfer such beneficial interest to a Person who takes delivery thereof in the form of a Certificated Security, then, upon satisfaction of the conditions set forth in Section 305(b)(1)(B) hereof, the Trustee will cause the aggregate principal amount of the applicable Global Security to be reduced accordingly pursuant to Section 305(c) hereof, and the Company will execute and upon receipt of a Company Order the Trustee will authenticate and deliver to the Person designated in the instructions a Certificated Security in the appropriate principal amount. Any Certificated Security issued in exchange for a beneficial interest pursuant to this Section 305(b)(2)(C) will be registered in such name or names and in such authorized denomination or denominations as the holder of such beneficial interest requests through instructions to the Security Registrar from or through the applicable Depositary and the Participant or Indirect Participant. The Trustee will deliver such Certificated Securities to the Persons in whose names such Securities are so registered. Any Certificated Security issued in exchange for a beneficial interest pursuant to this Section 305(b)(2)(C) will not bear a Restricted Security legend.

(3) Transfer and Exchange of Certificated Securities for Beneficial Interests.

(A) Restricted Certificated Securities to Beneficial Interests in Restricted Global Securities. If any Holder of a Restricted Certificated Security proposes to exchange such Security for a beneficial interest in a Restricted Global Security or to transfer such Restricted Certificated Security to a Person who takes delivery thereof in the form of a beneficial interest in a Restricted Global Security, then, upon receipt by the Security Registrar of the following documentation:

(i) if the Holder of such Restricted Certificated Security proposes to exchange such Security for a beneficial interest in a Restricted Global Security, a certificate from such Holder in the form of Annex B hereto, including the certifications in item (2)(b) thereof;

(ii) if such Restricted Certificated Security is being transferred to a qualified institutional buyer in accordance with Rule 144A under the Securities Act, a certificate to the effect set forth in Annex A hereto, including the certifications in item (1) thereof;

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(iii) if such Restricted Certificated Security is being transferred to a non-U.S. Person (as defined in Regulation S) in an offshore transaction in accordance with Rule 903 or Rule 904 under the Securities Act, a certificate to the effect set forth in Annex A hereto, including the certifications in item (2) thereof; and

(iv) if such Restricted Certificated Security is being transferred to the Company or any of its Subsidiaries, a certificate to the effect set forth in Annex A hereto, including the certifications in item (4) thereof;

the Trustee will cancel the Restricted Certificated Security, increase or cause to be increased the aggregate principal amount of, in the case of clause (i) above, the appropriate Restricted Global Security, in the case of clause (ii) above, the Global Security offered and sold pursuant to Rule 144A under the Securities Act, and in the case of clause (iii) above, the Global Security offered and sold pursuant to Regulation S under the Securities Act.

(B) Restricted Certificated Securities to Beneficial Interests in Unrestricted Global Securities. A Holder of a Restricted Global Security may exchange such Security for a beneficial interest in an Unrestricted Global Security or transfer such Restricted Global Security to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Security only if:

(i) if such Restricted Certificated Security is being transferred pursuant to an exemption from the registration requirements of the Securities Act in accordance with Rule 144, a certificate to the effect set forth in Annex A hereto, including the certifications in item (3)(a) thereof; or

(ii) the Security Registrar receives: (A) if the Holder of such Restricted Certificated Security proposes to exchange such Restricted Certificated Security for a beneficial interest in the Unrestricted Global Security, a certificate from such Holder in the form of Annex B hereto, including the certifications in item (1)(c) thereof, or (B) if the Holder of such Restricted Certificated Security proposes to transfer such Restricted Certificated Security to a Person who shall take delivery thereof in the form of a beneficial interest in the Unrestricted Global Security, a certificate from such Holder in the form of Annex A hereto, including the appropriate certifications in item (3) thereof, and, in each such case, if the Company so requests or if the Applicable Procedures so require, an Opinion of Counsel in form reasonably acceptable to the Company to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the applicable legends are no longer required in order to maintain compliance with the Securities Act.
Upon satisfaction of the conditions of any of the subparagraphs in this Section 305(b)(3)(B), the Trustee will cancel the Certificated Security and increase or cause to be increased the aggregate principal amount of the Unrestricted Global Security.

(C) Unrestricted Certificated Securities to Beneficial Interests in Unrestricted Global Securities. A Holder of an Unrestricted Certificated Security may exchange such Security for a beneficial interest in an Unrestricted Global Security or transfer such Unrestricted Certificated Security to a Person who takes delivery thereof in the form of a beneficial interest in an Unrestricted Global Security at any time. Upon receipt of a request for such an exchange or transfer, the Trustee will cancel the applicable Unrestricted Certificated Security and increase or cause to be increased the aggregate principal amount of one of the Unrestricted Global Securities.

If any such exchange or transfer from a Certificated Security to a beneficial interest is effected pursuant to subparagraphs (c) above at a time when an Unrestricted Global Security has not yet been issued, the Company will issue and, upon receipt of a Company Order, the Trustee will authenticate one or more Unrestricted Global Securities in an aggregate principal amount equal to the principal amount of Certificated Securities so transferred.

(4) Transfer and Exchange of Certificated Securities for Certificated Securities. Upon request by a Holder of Certificated Securities and such Holder’s compliance with the provisions of this Section 305(b)(4), the Security Registrar will register the transfer or exchange of Certificated Securities. Prior to such registration of transfer or exchange, the requesting Holder must present or surrender to the Security Registrar the Certificated Securities duly endorsed or accompanied by a written instruction of transfer in form satisfactory to the Security Registrar duly executed by such Holder or by its attorney, duly authorized in writing. In addition, the requesting Holder must provide any additional certifications, documents and information, as applicable, required pursuant to the following provisions of this Section 305(b)(4).

(A) Restricted Certificated Securities to Restricted Certificated Securities. Any Restricted Certificated Security may be transferred to and registered in the name of Persons who take delivery thereof in the form of a Restricted Certificated Security if the Security Registrar receives the following:

(i) if the transfer will be made pursuant to Rule 144A under the Securities Act, a certificate in the form of Annex A hereto, including the certifications in item (1) thereof;

(ii) if the transfer will be made pursuant to Rule 903 or Rule 904 under the Securities Act, a certificate in the form of Annex A hereto, including the certifications in item (2) thereof; and
(iii) if the transfer will be made pursuant to any other exemption from the registration requirements of the Securities Act, a certificate in the form of Annex A hereto, including the certifications required by item (3) thereof.

(B) Restricted Certificated Securities to Unrestricted Certificated Securities. Any Restricted Certificated Security may be exchanged by the Holder thereof for an Unrestricted Certificated Security or transferred to a Person or Persons who take delivery thereof in the form of an Unrestricted Certificated Security if the Security Registrar receives: (i) if the Holder of such Restricted Certificated Security proposes to exchange such Security for an Unrestricted Certificated Security, a certificate from such Holder in the form of Annex B hereto, including the certifications in item (1)(d) thereof; or (ii) if the Holder of such Restricted Certificated Security proposes to transfer such Security to a Person who shall take delivery thereof in the form of an Unrestricted Certificated Security, a certificate from such Holder in the form of Annex A hereto, including the appropriate certifications in item (3) thereof; and, in each such case, if the Security Registrar so requests, an Opinion of Counsel in form reasonably acceptable to the Security Registrar to the effect that such exchange or transfer is in compliance with the Securities Act and that the restrictions on transfer contained herein and in the appropriate legends are no longer required in order to maintain compliance with the Securities Act.

(C) Unrestricted Certificated Securities to Unrestricted Certificated Securities. A Holder of Unrestricted Certificated Securities may transfer such Securities to a Person who takes delivery thereof in the form of an Unrestricted Certificated Security. Upon receipt of a request to register such a transfer, the Security Registrar shall register the Unrestricted Certificated Securities pursuant to the instructions from the Holder thereof.

(c) Cancellation and/or Adjustment of Global Securities. At such time as all beneficial interests in a particular Global Security have been exchanged for Certificated Securities or a particular Certificated Security has been redeemed, repurchased or canceled in whole and not in part, each such Global Security will be returned to or retained and canceled by the Trustee in accordance with Section 311 hereof. At any time prior to such cancellation, if any beneficial interest in a Global Security is exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Security or for Certificated Securities, the principal amount of Securities represented by such Global Security will be reduced accordingly and an endorsement will be made on such Global Security by the Trustee or by the Depositary at the direction of the Trustee to reflect such reduction; and if the beneficial interest is being exchanged for or transferred to a Person who will take delivery thereof in the form of a beneficial interest in another Global Security, such other Global Security will be increased accordingly and an endorsement will be made on such Global Security by the Trustee or by the Depositary at the direction of the Trustee to reflect such increase.
(d) The Trustee shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer or exchange imposed under this Indenture or under applicable law with respect to any transfer or exchange of any interest in any Security (including any transfers between or among Participants or beneficial owners in any Global Security) other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by, the terms of this Indenture, and to examine the same to determine substantial compliance as to form with the express requirements hereof.

SECTION 306. Mutilated, Destroyed, Lost and Stolen Securities.

If any mutilated Security is surrendered to the Trustee, the Company shall execute and the Trustee shall authenticate and deliver in exchange therefor a new Security of the same series and of like tenor and principal amount and bearing a number not contemporaneously outstanding.

If there shall be delivered to the Company and the Trustee (i) evidence to their satisfaction of the destruction, loss or theft of any Security and (ii) such security or indemnity as may be required by them to save each of them, the Guarantors and any agent of either of them harmless, then, in the absence of notice to the Company or the Trustee that such Security has been acquired by a bona fide purchaser, the Company shall execute and the Trustee shall authenticate and deliver, in lieu of any such destroyed, lost or stolen Security, a new Security of the same series and of like tenor and principal amount and bearing a number not contemporaneously outstanding.

In case any such mutilated, destroyed, lost or stolen Security has become or is about to become due and payable, the Company in its discretion may, instead of issuing a new Security, pay such Security.

Upon the issuance of any new Security under this Section, the Company may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith.

Every new Security of any series issued pursuant to this Section in lieu of any destroyed, lost or stolen Security shall constitute an original additional contractual obligation of the Company and the Guarantors, respectively, whether or not the destroyed, lost or stolen Security shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Securities of that series duly issued hereunder.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities.

SECTION 307. Payment of Interest; Interest Rights Preserved.

Except as otherwise provided as contemplated by Section 301 with respect to any series of Securities, interest on any Security which is payable, and is punctually paid or duly provided for, on any Interest Payment Date shall be paid to the Person in whose name that Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest.

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Any interest on any Security of any series which is payable, but is not punctually paid or duly provided for, on any Interest Payment Date (herein called “Defaulted Interest”) shall forthwith cease to be payable to the Holder on the relevant Regular Record Date by virtue of having been such Holder, and such Defaulted Interest may be paid by the Company, at its election in each case, as provided in clause (1) or (2) below:

(1) The Company may elect to make payment of any Defaulted Interest to the Persons in whose names the Securities of such series (or their respective Predecessor Securities) are registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Company shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Security of such series and the date of the proposed payment, and at the same time the Company shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Interest as in this clause provided. Thereupon the Trustee shall fix a Special Record Date for the payment of such Defaulted Interest which shall be not more than 15 days and not less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Company of such Special Record Date and, in the name and at the expense of the Company, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be given to each Holder of Securities of such series in the manner set forth in Section 106, not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest shall be paid to the Persons in whose names the Securities of such series (or their respective Predecessor Securities) are registered at the close of business on such Special Record Date and shall no longer be payable pursuant to the following clause (2).

(2) The Company may make payment of any Defaulted Interest on the Securities of any series in any other lawful manner not inconsistent with the requirements of any securities exchange on which such Securities may be listed, and upon such notice as may be required by such exchange, if, after notice given by the Company to the Trustee of the proposed payment pursuant to this clause, such manner of payment shall be deemed practicable by the Trustee.

Subject to the foregoing provisions of this Section, each Security delivered under this Indenture upon registration of transfer of or in exchange for or in lieu of any other Security shall carry the rights to interest accrued and unpaid, and to accrue, which were carried by such other Security.

SECTION 308. Persons Deemed Owners.

Prior to due presentment of a Security for registration of transfer, the Company, the Parent Guarantor, the Trustee and any agent of the Company, the Guarantors or the Trustee may treat the Person in whose name such Security is registered as the owner of such Security for the purpose of receiving payment of principal of and any premium and
(subject to Section 307) any interest on such Security and for all other purposes whatsoever, whether or not such Security be overdue, and neither the Company, the Guarantors, the Trustee nor any agent of the Company, the Guarantors or the Trustee shall be affected by notice to the contrary.

No holder of any beneficial interest in any Global Security held on its behalf by a Depositary shall have any rights under this Indenture with respect to such Global Security, and such Depositary may be treated by the Company, the Parent Guarantor, the Trustee and any agent of the Company, the Guarantors or the Trustee as the owner of such Global Security for all purposes whatsoever. None of the Company, the Guarantors, the Trustee, any Paying Agent or the Security Registrar will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests of a Global Security or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

SECTION 309. Cancellation.

All Securities surrendered for payment, redemption, registration of transfer or exchange or for credit against any sinking fund payment shall, if surrendered to any Person other than the Trustee, be delivered to the Trustee and shall be promptly cancelled by it. The Company may at any time deliver to the Trustee for cancellation any Securities previously authenticated and delivered hereunder which the Company or the Guarantor may have acquired in any manner whatsoever, and may deliver to the Trustee (or to any other Person for delivery to the Trustee) for cancellation any Securities previously authenticated hereunder which the Company has not issued and sold, and all Securities so delivered shall be promptly cancelled by the Trustee. No Securities shall be authenticated in lieu of or in exchange for any Securities cancelled as provided in this Section, except as expressly permitted by this Indenture. The Trustee shall dispose of all cancelled Securities in accordance with its customary procedures.

SECTION 310. Computation of Interest.

Except as otherwise specified as contemplated by Section 301 for Securities of any series, interest on the Securities of each series shall be computed on the basis of a 360-day year of twelve 30-day months.
(A) all Securities theretofore authenticated and delivered (other than (i) Securities which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 306 and (ii) Securities for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Company or a Guarantor and thereafter repaid to the Company or that Guarantor or discharged from such trust, as provided in Section 1003) have been delivered to the Trustee for cancellation; or

(B) all such Securities not theretofore delivered to the Trustee for cancellation
   (i) have become due and payable, or
   (ii) will become due and payable at their Stated Maturity within one year, or
   (iii) are to be called for redemption within one year under arrangements satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Company, and the Company or a Guarantor, as the case may be, in the case of (i), (ii) or (iii) above, has deposited or caused to be deposited with the Trustee as trust funds in trust for the purpose money in an amount sufficient to pay and discharge the entire indebtedness on such Securities not theretofore delivered to the Trustee for cancellation, for principal and any premium and interest to the date of such deposit (in the case of Securities which have become due and payable) or to the Stated Maturity or Redemption Date, as the case may be;

   (2) the Company or a Guarantor, as the case may be, has paid or caused to be paid all other sums payable hereunder by the Company; and

   (3) the Company has delivered to the Trustee an Officer’s Certificate and an Opinion of Counsel, each stating that all conditions precedent herein provided for relating to the satisfaction and discharge of this Indenture have been complied with.

Notwithstanding the satisfaction and discharge of this Indenture, the obligations of the Company and the Guarantors to the Trustee under Section 607 and, if money shall have been deposited with the Trustee pursuant to subclause (B) of clause (1) of this Section, the obligations of the Trustee under Section 402 and the last paragraph of Section 1003 shall survive.

SECTION 402. Application of Trust Money.

Subject to the provisions of the last paragraph of Section 1003, all money deposited with the Trustee pursuant to Section 401 shall be held in trust and applied by it, in accordance with the provisions of the Securities and Guarantees and this Indenture, to the payment, either directly or through any Guarantor (including the Company acting as its own Paying Agent) as the Trustee may determine, to the Persons entitled thereto, of the principal and any premium and interest for whose payment such money has been deposited with the Trustee.

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ARTICLE FIVE

REMEDIES

SECTION 501. Events of Default.

“Event of Default”, wherever used herein with respect to Securities of any series, means any one of the following events (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(1) default in the payment of any interest upon any Security of that series when it becomes due and payable, and continuance of such default for a period of 30 days; or

(2) default in the payment of the principal of or any premium on any Security of that series at its Maturity; provided that to the extent any such failure to pay principal or premium is caused by a technical or administrative error, delay in processing payments or event beyond the control of the Company or a Guarantor, no Event of Default shall occur for three days following such failure to pay; provided further that in the case of any redemption payment, no Event of Default shall occur for 30 days following a failure to make such payment; or

(3) default in the performance or observance of any other material obligation of the Company or a Guarantor under any Security or any Guarantee applicable to such Security, including any material covenant or warranty in this Indenture (other than a covenant or warranty a default in whose performance or whose breach is elsewhere in this Section specifically dealt with or which has expressly been included in this Indenture solely for the benefit of series of Securities other than that series), and continuance of such default for a period of 90 days after there has been given, by registered or certified mail, to the Company and the Parent Guarantor by the Trustee or to the Company, the Parent Guarantor and the Trustee by the Holders of at least 25% in principal amount of the Outstanding Securities of that series a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a “Notice of Default” hereunder; or

(4) a default with respect to any obligation for the payment or repayment under any bond, debenture, note or other evidence of indebtedness for money borrowed by the Company or a Guarantor having an aggregate principal amount outstanding of at least €100,000,000 (or its equivalent in any other currency) that shall have resulted in such indebtedness becoming or being declared due and payable prior to the date on which it would otherwise have become due and payable, without such indebtedness having been discharged, or such acceleration having been rescinded or annulled within 30 days; or
(5) the entry by a court having jurisdiction in the premises of (A) a decree or order for relief in respect of the Company, the Parent Guarantor or a Guarantor that is a Significant Subsidiary of the Parent Guarantor in an involuntary case or proceeding under the applicable laws of their respective jurisdictions of organization or incorporation relating to bankruptcy, insolvency, reorganization or other similar law or (B) a decree or order adjudging the Company, the Parent Guarantor or a Guarantor that is a Significant Subsidiary of the Parent Guarantor as bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Company, the Parent Guarantor or the applicable Guarantor under the applicable laws of their respective jurisdictions of organization or incorporation, or appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company, the Parent Guarantor or the applicable Guarantor or of any substantial part of their property, or ordering the winding up or liquidation of their affairs, and the continuance of any such decree or order for relief or any such other decree or order unstayed and in effect for a period of 90 consecutive days; or

(6) the commencement by the Company, the Parent Guarantor or a Guarantor that is a Significant Subsidiary of the Parent Guarantor of a voluntary case or proceeding under the applicable laws of their respective jurisdictions of organization or incorporation relating to bankruptcy, insolvency, reorganization or other similar law or of any other case or proceeding to be adjudicated as bankrupt or insolvent, or the consent by the Company, the Parent Guarantor or a Guarantor that is a Significant Subsidiary of the Parent Guarantor to the entry of a decree or order for relief in respect of the Company, the Parent Guarantor or the applicable Guarantor, respectively, in an involuntary case or proceeding under the applicable laws of their respective jurisdictions of organization or incorporation relating to bankruptcy, insolvency, reorganization or other similar law or to the commencement of any bankruptcy or insolvency case or proceeding against the Company, the Parent Guarantor or the applicable Guarantor, or the filing by the Company, the Parent Guarantor or a Guarantor that is a Significant Subsidiary of a petition or answer or consent seeking reorganization or relief under the applicable laws of their respective jurisdictions of organization or incorporation, or the consent by the Company, the Parent Guarantor or a Guarantor that is a Significant Subsidiary of the Parent Guarantor to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company, the Parent Guarantor or the applicable Guarantor or of any substantial part of their property, or the making by the Company, the Parent Guarantor or a Guarantor that is a Significant Subsidiary of the Parent Guarantor of an assignment for the benefit of creditors, or the admission by the Company, the Parent Guarantor or a Guarantor that is a Significant Subsidiary of the Parent Guarantor in writing of its inability to pay its debts generally as they become due, or the taking of corporate action by the Company, the Parent Guarantor or the applicable Guarantor in furtherance of any such action; or

(7) the issuance of any governmental order, decree or enactment in or by Belgium or the jurisdiction of organization of a Guarantor that is a Significant Subsidiary of the Parent Guarantor whereby the Company, Parent Guarantor or applicable Guarantor is prevented from observing and performing in full its obligations pursuant to the Securities or that series and the Guarantees thereof, respectively, and such situation is not cured within 90 days; or
(8) a Guarantee of the Securities of that series provided by the Parent Guarantor or a Guarantor that is a Significant Subsidiary ceases to be valid and legally binding for any reason or the Parent Guarantor or a Guarantor that is a Significant Subsidiary seeks to deny or disaffirm its obligations under such Guarantee; or

(9) any other Event of Default provided with respect to Securities of that series.

SECTION 502. Acceleration of Maturity; Rescission and Annulment.

If an Event of Default (other than an Event of Default specified in Section 501(5) or 501(6)) with respect to Securities of any series at the time Outstanding occurs and is continuing, then in every such case the Trustee or the Holders of not less than 25% in principal amount of the Outstanding Securities of that series may declare the principal amount of all the Securities of that series (or, if any Securities of that series are Original Issue Discount Securities, such portion of the principal amount of such Securities as may be specified by the terms thereof) to be due and payable immediately, by a notice in writing to the Company and the Parent Guarantor (and to the Trustee if given by Holders), and upon any such declaration such principal amount (or specified amount) shall become immediately due and payable. If an Event of Default specified in Section 501(5) or 501(6) with respect to Securities of any series at the time Outstanding occurs, the principal amount of all the Securities of that series (or, if any Securities of that series are Original Issue Discount Securities, such portion of the principal amount of such Securities as may be specified by the terms thereof) shall automatically, and without any declaration or other action on the part of the Trustee or any Holder, become immediately due and payable.

At any time after such a declaration of acceleration with respect to Securities of any series has been made and before a judgment or decree for payment of the money due has been obtained by the Trustee as hereinafter in this Article provided, the Holders of a majority in principal amount of the Outstanding Securities of that series, by written notice to the Company, the Parent Guarantor and the Trustee, may rescind and annul such declaration and its consequences if

(1) the Company or the Guarantors have paid or deposited with the Trustee a sum sufficient to pay

(A) all overdue interest on all Securities of that series,
(B) the principal of (and premium, if any, on) any Securities of that series which have become due otherwise than by such declaration of acceleration and any interest thereon at the rate or rates prescribed therefor in such Securities,
(C) to the extent that payment of such interest is lawful, interest upon overdue interest at the rate or rates prescribed therefor in such Securities, and
(D) all sums paid or advanced by the Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents, advisers and counsel;

and

(2) all Events of Default with respect to Securities of that series, other than the non-payment of the principal of Securities of that series which have become due solely by such declaration of acceleration, have been cured or waived as provided in Section 513.

No such rescission shall affect any subsequent default or impair any right consequent thereon.

SECTION 503. Collection of Indebtedness and Suits for Enforcement by Trustee.

The Company and the Guarantors covenant that if

(1) default is made in the payment of any interest on any Security when such interest becomes due and payable and such default continues for a period of 30 days, or

(2) default is made in the payment of the principal of or premium on any Security at its Maturity; provided that in case any such failure to pay principal or premium is caused by a technical or administrative error, delay in processing payments or event beyond the control of the Company or a Guarantor, such default continues for more than three days; provided, further, that, in the case of a default in making a redemption payment, such default continues for 30 days,

the Company and the Guarantors will, upon demand of the Trustee, pay to it, for the benefit of the Holders of such Securities, the whole amount then due and payable on such Securities for principal and any premium and interest and, to the extent that payment of such interest shall be legally enforceable, interest on any overdue principal and premium and on any overdue interest, at the rate or rates prescribed therefor in such Securities, and, in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection, including compensation, expenses, disbursements and advances of the Trustee, its agents, advisers and counsel that are properly incurred.

If the Company fails to pay such amounts forthwith upon such demand, the Trustee, in its own name and as trustee of an express trust, may institute a judicial proceeding for the collection of the sums so due and unpaid, may prosecute such proceeding to judgment or final decree and may enforce the same against the Company or any other obligor upon such Securities and collect the moneys adjudged or decreed to be payable in the manner provided by law out of the property of the Company or any other obligor upon such Securities, wherever situated.

If an Event of Default with respect to Securities of any series occurs and is continuing, the Trustee may in its discretion, and subject to indemnity and/or security, proceed to protect and enforce its rights and the rights of the Holders of Securities of such series by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement in this Indenture or in aid of the exercise of any power granted herein, or to enforce any other proper remedy.
SECTION 504. Trustee May File Proofs of Claim.

In case of any judicial proceeding relative to the Company, any Guarantor (or any other obligor upon the Securities), its property or its creditors, the Trustee shall be entitled and empowered, by intervention in such proceeding or otherwise, to take any and all actions authorized under the Trust Indenture Act and local law in order to have claims of the Holders and the Trustee allowed in any such proceeding. In particular, the Trustee shall be authorized to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same; and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due it for the compensation, expenses, disbursements and advances of the Trustee, its agents, advisers and reasonable fees and expenses of its counsel, and any other amounts due the Trustee under Section 607.

No provision of this Indenture shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Securities of any series or the rights of any Holder thereof or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding; provided, however, that the Trustee may, on behalf of the Holders, vote for the election of a trustee in bankruptcy or similar official and be a member of a creditors’ or other similar committee.

SECTION 505. Trustee May Enforce Claims Without Possession of Securities.

All rights of action and claims under this Indenture, the Securities or any Guarantee may be prosecuted and enforced by the Trustee without the possession of any of the Securities or any Guarantee or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall, after provision for the payment of the compensation, expenses, disbursements and advances of the Trustee, its agents, advisers and reasonable fees and expenses of its counsel, be for the ratable benefit of the Holders of the Securities in respect of which such judgment has been recovered.

SECTION 506. Application of Money Collected.

Any money collected by the Trustee pursuant to this Article shall be applied in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such money on account of principal or any premium or interest, upon presentation of the Securities and the notation thereon of the payment if only partially paid and upon surrender thereof if fully paid:

FIRST: To the payment of all amounts due the Trustee and its agents and advisers under Section 607; and
SECOND: the payment of the amounts then due and unpaid for principal of and any premium and interest on the Securities in respect of which or for the benefit of which such money has been collected, ratably, without preference or priority of any kind, according to the amounts due and payable on such Securities for principal and any premium and interest, respectively.

SECTION 507. Limitation on Suits.

No Holder of any Security of any series shall have any right to institute any proceeding, judicial or otherwise, with respect to this Indenture, the Securities or any Guarantees or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless

(1) such Holder has previously given written notice to the Trustee of a continuing Event of Default with respect to the Securities of that series;

(2) the Holders of not less than 25% in principal amount of the Outstanding Securities of that series shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder;

(3) such Holder or Holders have offered to the Trustee indemnity and/or security satisfactory to it against the costs, expenses and liabilities to be incurred in compliance with such request;

(4) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and

(5) no direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Holders of a majority in principal amount of the Outstanding Securities of that series;

it being understood and intended that no one or more of such Holders shall have any right in any manner whatever by virtue of, or by availing itself of, any provision of this Indenture to affect, disturb or prejudice the rights of any other of such Holders, or to obtain or to seek to obtain priority or preference over any other of such Holders or to enforce any right under this Indenture, except in the manner herein provided and for the equal and ratable benefit of all of such Holders.

SECTION 508. Unconditional Right of Holders to Receive Principal, Premium and Interest.

Notwithstanding any other provision in this Indenture, the Holder of any Security shall have the right, which is absolute and unconditional, to receive payment of the principal of and any premium and (subject to Section 307) interest on such Security on the respective Stated Maturities expressed in such Security (or, in the case of redemption, on the Redemption Date) and to institute suit for the enforcement of any such payment, and such rights shall not be impaired without the consent of such Holder.
SECTION 509. Restoration of Rights and Remedies.

If the Trustee or any Holder has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such Holder, then and in every such case, subject to any determination in such proceeding, the Company, the Guarantors, the Trustee and the Holders shall be restored severally and respectively to their former positions hereunder and thereafter all rights and remedies of the Trustee and the Holders shall continue as though no such proceeding had been instituted.

SECTION 510. Rights and Remedies Cumulative.

Except as otherwise provided with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities in the last paragraph of Section 306, no right or remedy herein conferred upon or reserved to the Trustee or to the Holders is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy, hereunder or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

SECTION 511. Delay or Omission Not Waiver.

No delay or omission by the Trustee or by any Holder of any Securities to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article or by law to the Trustee or to the Holders may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Holders, as the case may be.

SECTION 512. Control by Holders.

The Holders of a majority in principal amount of the Outstanding Securities of any series shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee, with respect to the Securities of such series, provided that

1. such direction shall not be in conflict with any rule of law or with this Indenture and would not involve the Trustee in personal liability, and

2. the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction.

SECTION 513. Waiver of Past Defaults.

The Holders of not less than a majority in principal amount of the Outstanding Securities of any series may on behalf of the Holders of all the Securities of such series waive any past default hereunder with respect to such series and its consequences, except a default
(1) in the payment of the principal of or any premium or interest on any Security of such series, or
(2) in respect of a covenant or provision hereof which under Article Nine cannot be modified or amended without the consent of the Holder of each Outstanding Security of such series affected.

Upon any such waiver, such default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

SECTION 514. Undertaking for Costs.

In any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken, suffered or omitted by it as Trustee, a court may require any party litigant in such suit to file an undertaking to pay the costs of such suit, and may assess costs against any such party litigant, in the manner and to the extent provided in the Trust Indenture Act; provided that neither this Section nor the Trust Indenture Act shall be deemed to authorize any court to require such an undertaking or to make such an assessment in any suit instituted by the Trustee or to any suit instituted by any Holder, or group of Holders, holding in the aggregate more than 10% in principal amount of the Outstanding Securities of any series, or to any suit instituted by any Holder for the enforcement of the payment of the principal of (or premium, if any) or interest on any Security on or after the Stated Maturity or Maturities expressed in such Security (or, in the case of redemption, on or after the Redemption Date).

SECTION 515. Waiver of Usury, Stay or Extension Laws.

Each of the Company and Guarantors covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any usury, stay or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants or the performance of this Indenture; and the Company and Guarantors (to the extent that it may lawfully do so) hereby each expressly waives all benefit or advantage of any such law and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

SECTION 516. Agents to Act for Trustee.

At any time after the occurrence of an Event of Default, the Trustee shall be entitled to require the Authenticating Agent, the Paying Agent or another agent acting on behalf of the Company in relation to any of the Securities to act under its direction.
ARTICLE SIX
THE TRUSTEE

SECTION 601. Certain Duties and Responsibilities.

The duties and responsibilities of the Trustee shall be as provided by the Trust Indenture Act and this Indenture; provided that (i) notwithstanding Section 315(a)(2) of the Trust Indenture Act, the Trustee need not confirm or investigate the accuracy of any mathematical calculations or other facts, statements, opinions or conclusions stated in the certificates or opinions referred to therein, and (ii) except during the continuance of an Event of Default, no implied covenants or obligations shall be read into this Indenture against the Trustee. Notwithstanding the foregoing, no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability, including, for the avoidance of doubt, compensation for its services hereunder, in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity and/or security against such risk or liability is not reasonably assured to it, nor shall the Trustee be required to do anything which it believes is illegal or contrary to applicable laws. Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section.

SECTION 602. Notice to Holders of Defaults.

If a default occurs hereunder with respect to Securities of any series, the Trustee shall give the Holders of Securities of such series notice of such default as and to the extent provided by the Trust Indenture Act; provided, however, that in the case of any default of the character specified in Section 501(4) with respect to Securities of such series, no such notice to Holders shall be given until at least 30 days after the occurrence thereof. For the purpose of this Section, the term “default” means any event which is, or after notice or lapse of time or both would become, an Event of Default with respect to Securities of such series.

SECTION 603. Certain Rights of Trustee.

Subject to the provisions of Section 601:

(1) the Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document (whether in its original or facsimile form) believed by it to be genuine and to have been signed or presented by the proper party or parties;

(2) any request or direction of the Company or the Parent Guarantor mentioned herein shall be sufficiently evidenced by a Company Request or Company Order or order by the Parent Guarantor, and any resolution of the Board of Directors of the Company or the Parent Guarantor shall be sufficiently evidenced by a Board Resolution of the Company or the Parent Guarantor;

(3) whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, exclusively rely upon an Officer’s Certificate;
(4) the Trustee may consult with counsel and other advisers of its own selection and the advice of such counsel or other
advisers or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken,
suffered or omitted by it hereunder in good faith and in reliance thereon;

(5) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by, or pursuant to, this
Indenture at the request or direction of any of the Holders pursuant to this Indenture or otherwise take any action, unless such
Holders shall have offered to the Trustee security and/or indemnity reasonably satisfactory to it against the costs, expenses and
liabilities which might be incurred by it in compliance with such request or direction or the taking of such action;

(6) the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate,
statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of
indebtedness or other paper or document, but the Trustee, in its discretion acting reasonably, may make such further inquiry or
investigation into such facts or matters as it may see fit at the sole cost of the Company and shall incur no liability or additional
liability of any kind by reason of such inquiry or investigation except for liability resulting from the Trustee’s gross negligence,
bad faith or willful misconduct, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be
entitled to examine the books, records and premises of the Company, personally or by agent or attorney, at the sole cost of the
Company;

(7) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or
through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or
attorney appointed with due care by it hereunder;

(8) in no event shall the Trustee be responsible or liable for special, indirect, or consequential loss or damage of any kind
whatsoever (including, but not limited to, loss of business, goodwill, opportunity or profit) irrespective of whether the Trustee
has been advised of the likelihood of such loss or damage and regardless of the form of action;

(9) the Trustee shall not be deemed to have notice of any Event of Default unless an officer of the Trustee responsible for
the administration of this Indenture has actual knowledge thereof or unless written notice of any event which is in fact such an
Event of Default is received by the Trustee at the Corporate Trust Office of the Trustee, and such notice references the relevant
Securities and this Indenture;

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whether or not expressly provided in any other provision hereof, the rights, privileges, protections, immunities and benefits given to the Trustee, including, without limitation, its right to be indemnified and all rights provided under Sections 601 and this Section 603, are extended to, and shall be enforceable by, the Trustee in each of its capacities hereunder, and each agent, custodian and other Person employed to act hereunder, and shall survive the earlier of any removal or resignation, or the termination of this Indenture;

(11) the Trustee shall not be liable with respect to any action taken, suffered or omitted to be taken by it in good faith in accordance with an Act of the Holders hereunder, and, to the extent not so provided herein, with respect to any Act requiring the Trustee to exercise its own discretion, relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture or any Notes, unless it shall be proved that, in connection with any such action taken, suffered or omitted or any such act, the Trustee was grossly negligent, acted in bad faith or engaged in willful misconduct;

(12) the permissive rights of the Trustee to do things enumerated in this Indenture shall not be construed as a duty, and the Trustee shall not be liable for any action taken, suffered, or omitted to be taken by it except in case of gross negligence, bad faith or willful default or misconduct;

(13) the Trustee shall not be required to give any bond or surety with respect to the performance of its duties or the exercise of its powers under this Indenture;

(14) in the event the Trustee receives inconsistent or conflicting requests and indemnity from two or more Holders or groups of Holders, each representing less than a majority in aggregate principal amount of the Securities of a series then outstanding, each pursuant to the provisions of this Indenture, the Trustee, in its sole discretion, may, but shall not be obligated to, determine what action, if any, shall be taken and the Trustee shall suffer no liability from so determining or not determining what action, if any, shall be taken, as the case may be, or otherwise from failing to act;

(15) except as provided herein, the Trustee shall have no duty to inquire as to the performance of the covenants of the Company, the Parent Guarantor, or any other entity and the Trustee shall be entitled to assume without inquiry that the Company, the Parent Guarantor, and any other Guarantor have each performed in accordance with all of the provisions of the Indenture, unless notified to the contrary;

(16) in no event shall the Trustee be liable for any failure or delay in the performance of its obligations hereunder arising out of, or caused by, directly or indirectly, forces or circumstances beyond the Trustee’s control, including, but not limited to, acts of God, flood, war (whether declared or undeclared), civil or military disturbances, terrorism, fire, riot, embargo, strikes, work stoppages, accidents, nuclear or natural catastrophes, government action (including any laws, ordinances or regulations) or interruptions, loss or malfunctions of utilities, communications or computer (software or hardware) services, which delay, restrict or prohibit the providing of any services or the taking of any action contemplated by this Indenture;
(17) the Trustee will not be liable to any person if prevented or delayed in performing any of its obligations or
discretionary functions under this Indenture by reason of any present or future law applicable to it, by any governmental or
regulatory authority or by any circumstances beyond its control; and

(18) the Trustee may request that the Company deliver an Officer’s Certificate setting forth the names of individuals and/or
titles of officers authorized at such time to take specified actions pursuant to this Indenture, which Officer’s Certificate may be
signed by any person authorized to sign an Officer’s Certificate, including any person as so authorized in any such certificate
previously delivered and not superseded.

SECTION 604. Not Responsible for Recitals or Issuance of Securities.

The recitals contained herein and in the Securities and the Guarantees, except the Trustee’s certificates of authentication, shall
be taken as the statements of the Company and the Guarantors, and neither the Trustee nor any Authenticating Agent assumes any
responsibility for their correctness. The Trustee makes no representations as to the validity or sufficiency of this Indenture or of the
Securities or the Guarantees. Neither the Trustee nor any Authenticating Agent shall be accountable for the use or application by the
Company of Securities or the proceeds thereof.

SECTION 605. May Hold Securities.

The Trustee, any Authenticating Agent, any Paying Agent, any Security Registrar or any other agent of the Trustee, the
Company or the Guarantors, in its individual or any other capacity, may become the owner or pledgee of Securities and, subject to
Sections 608 and 613, may otherwise deal with the Company or the Guarantors with the same rights it would have if it were not
Trustee, Authenticating Agent, Paying Agent, Security Registrar or such other agent.

SECTION 606. Money Held in Trust.

Money held by the Trustee in trust hereunder need not be segregated from other funds except to the extent required by law. The
Trustee shall be under no liability for interest on any money received by it hereunder except as otherwise agreed with the Company.

SECTION 607. Compensation and Reimbursement.

Each of the Company and the Parent Guarantor agrees:

(1) to pay to the Trustee from time to time compensation for all services rendered by it hereunder, including, if applicable,
additional compensation in the event of a default or Event of Default (which compensation shall not be limited by any provision
of law in regard to the compensation of a trustee of an express trust);
(2) except as otherwise expressly provided herein, to reimburse the Trustee upon its request for all expenses, disbursements and advances properly incurred or made by the Trustee in accordance with any provision of this Indenture or arising out of, or in connection with, the acceptance or administration of the trust or trusts hereunder (including the compensation and the expenses and disbursements of its agents and counsel), except any such expense, disbursement or advance as shall be determined to have been caused by its willful misconduct, gross negligence or bad faith; and

(3) to indemnify the Trustee, its officers, directors, employees, representatives and agents for, and to hold it harmless against, any loss, liability or expense incurred without negligence or bad faith on its part, arising out of or in connection with the acceptance or administration of the trust or trusts hereunder, including the costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder.

The Trustee shall have a lien prior to the Securities as to all property and funds held or collected by it hereunder for any amount owing it or any predecessor Trustee pursuant to this Section 607, except with respect to funds held in trust for the benefit of the Holders of particular Securities.

Without prejudice to any other rights available to the Trustee under applicable law, when the Trustee incurs expenses or renders services after the occurrence of an Event of Default specified in Section 501(5) or (6), the expenses (including the reasonable charges and expenses of its counsel, agents and advisers) and the compensation for the services are intended to constitute expenses of administration under any applicable bankruptcy, insolvency or other similar law.

The provisions of this Section shall survive the termination of this Indenture and the resignation or removal of the Trustee and shall apply with equal force and effect to any agent under this Indenture.

SECTION 608. Conflicting Interests.

If the Trustee has or shall acquire a conflicting interest within the meaning of the Trust Indenture Act, the Trustee shall either eliminate such interest or resign, to the extent and in the manner provided by, and subject to the provisions of, the Trust Indenture Act and this Indenture. To the extent permitted by such Act, the Trustee shall not be deemed to have a conflicting interest by virtue of being a trustee under this Indenture with respect to Securities of more than one series.

SECTION 609. Corporate Trustee Required; Eligibility.

There shall at all times be one (and only one) Trustee hereunder with respect to the Securities of each series, which may be Trustee hereunder for Securities of one or more other series. Each Trustee shall be a Person that is eligible pursuant to the Trust Indenture Act to act as such and has a combined capital and surplus of at least $50,000,000. If any such Person publishes reports of condition at least annually, pursuant to law or to the requirements of its supervising or examining authority, then for the purposes of this Section and to the extent permitted by the Trust Indenture Act, the combined capital and surplus of such Person shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee with respect to the Securities of any series shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect hereinafter specified in this Article.
SECTION 610. Resignation and Removal; Appointment of Successor.

No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee in accordance with the applicable requirements of Section 611.

The Trustee may resign at any time, without giving explanation as to such resignation, with respect to the Securities of one or more series by giving written notice thereof to the Company. If the instrument of acceptance by a successor Trustee required by Section 611 shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may petition at the expense of the Company any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Securities of such series.

The Trustee may be removed at any time with respect to the Securities of any series by Act of the Holders of a majority in principal amount of the Outstanding Securities of such series, delivered to the Trustee and to the Company and the Parent Guarantor.

If at any time:

(1) the Trustee shall fail to comply with Section 608 after written request therefor by the Company and the Parent Guarantor or by any Holder who has been a bona fide Holder of a Security for at least six months, or

(2) the Trustee shall cease to be eligible under Section 609 and shall fail to resign after written request therefor by the Company and the Parent Guarantor or by any such Holder, or

(3) the Trustee shall become incapable of acting or shall be adjudged bankrupt or insolvent or a receiver of the Trustee or of its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in any such case, (A) the Company and the Parent Guarantor by a Board Resolution may remove the Trustee with respect to all Securities, or (B) subject to Section 514, any Holder who has been a bona fide Holder of a Security for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the removal of the Trustee with respect to all Securities and the appointment of a successor Trustee or Trustees.

If the Trustee shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of Trustee for any cause, with respect to the Securities of one or more series, the Company and the Parent Guarantor, by a Board Resolution, shall promptly appoint a successor Trustee or Trustees with respect to the Securities of that or those series (it being understood that any such successor Trustee may be appointed...
with respect to the Securities of one or more or all of such series and that at any time there shall be only one Trustee with respect to
the Securities of any particular series) and shall comply with the applicable requirements of Section 611. If, within one year after such
resignation, removal or incapability, or the occurrence of such vacancy, a successor Trustee with respect to the Securities of any
series shall be appointed by Act of the Holders of a majority in principal amount of the Outstanding Securities of such series
delivered to the Company, the Parent Guarantor and the retiring Trustee, the successor Trustee so appointed shall, forthwith upon its
acceptance of such appointment in accordance with the applicable requirements of Section 611, become the successor Trustee with
respect to the Securities of such series and to that extent supersede the successor Trustee appointed by the Company and the Parent
Guarantor. If no successor Trustee with respect to the Securities of any series shall have been so appointed by the Company and the
Parent Guarantor or the Holders and accepted appointment in the manner required by Section 611, any Holder who has been a bona
fide Holder of a Security of such series for at least six months may, on behalf of himself and all others similarly situated, petition any
court of competent jurisdiction for the appointment of a successor Trustee with respect to the Securities of such series.

The Company shall give notice of each resignation and each removal of the Trustee with respect to the Securities of any series
and each appointment of a successor Trustee with respect to the Securities of any series to all Holders of Securities of such series in
the manner provided in Section 106. Each notice shall include the name of the successor Trustee with respect to the Securities of such
series and the address of its Corporate Trust Office.

In no event shall any retiring Trustee be held liable for any acts or omissions of any successor Trustee hereunder.

SECTION 611. Acceptance of Appointment by Successor.

In case of the appointment hereunder of a successor Trustee with respect to all Securities, every such successor Trustee so
appointed shall execute, acknowledge and deliver to the Company and the Parent Guarantor and to the retiring Trustee an instrument
accepting such appointment, and thereupon the resignation or removal of the retiring Trustee shall become effective and such
successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of
the retiring Trustee; but, on the request of the Company, the Parent Guarantor or the successor Trustee, such retiring Trustee shall,
on payment of its charges, execute and deliver an instrument transferring to such successor Trustee all the rights, powers and trusts
of the retiring Trustee and shall duly assign, transfer and deliver to such successor Trustee all property and money held by such
retiring Trustee hereunder.

In case of the appointment hereunder of a successor Trustee with respect to the Securities of one or more (but not all) series, the
Company, the retiring Trustee and each successor Trustee with respect to the Securities of one or more series shall execute and
deliver an indenture supplemental hereto wherein each successor Trustee shall accept such appointment and which (1) shall contain
such provisions as shall be necessary or desirable to transfer and confirm, to and to vest in, each successor Trustee all the rights,
powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such
successor Trustee relates; (2) if the retiring Trustee is not retiring with respect to all Securities, shall contain such provisions as shall

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be deemed necessary or desirable to confirm that all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series as to which the retiring Trustee is not retiring shall continue to be vested in the retiring Trustee; and (3) shall add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, it being understood that nothing herein or in such supplemental indenture shall constitute such Trustees co-trustees of the same trust and that each such Trustee shall be trustee of a trust or trusts hereunder separate and apart from any trust or trusts hereunder administered by any other such Trustee; and upon the execution and delivery of such supplemental indenture the resignation or removal of the retiring Trustee shall become effective to the extent provided therein and each such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor Trustee relates; but, on request of the Company, the Parent Guarantor, or any successor Trustee, such retiring Trustee shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder with respect to the Securities of that or those series to which the appointment of such successor Trustee relates.

Upon request of any such successor Trustee, the Company shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Trustee all such rights, powers and trusts referred to in the first or second preceding paragraph, as the case may be.

No successor Trustee shall accept its appointment unless at the time of such acceptance such successor Trustee shall be qualified and eligible under this Article.

SECTION 612. Merger, Conversion, Consolidation or Succession to Business.

Any Corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any Corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any Corporation succeeding to all or substantially all the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such Corporation shall be otherwise qualified and eligible under this Article, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Securities shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such authentication and deliver the Securities so authenticated with the same effect as if such successor Trustee had itself authenticated such Securities.

SECTION 613. Preferential Collection of Claims Against Company or the Guarantors.

If and when the Trustee shall be or become a creditor of the Company or a Guarantor (or any other obligor upon the Securities), the Trustee shall be subject to the provisions of the Trust Indenture Act regarding the collection of claims against the Company or the Guarantor (or any such other obligor).
SECTION 614. Appointment of Authenticating Agent.

The Trustee may appoint an Authenticating Agent or Agents with respect to one or more series of Securities which shall be authorized to act on behalf of the Trustee to authenticate Securities of such series issued upon original issue and upon exchange, registration of transfer or partial redemption thereof or pursuant to Section 306, and Securities so authenticated shall be entitled to the benefits of this Indenture and shall be valid and obligatory for all purposes as if authenticated by the Trustee hereunder. Wherever reference is made in this Indenture to the authentication and delivery of Securities by the Trustee or the Trustee’s certificate of authentication, such reference shall be deemed to include authentication and delivery on behalf of the Trustee by an Authenticating Agent and a certificate of authentication executed on behalf of the Trustee by an Authenticating Agent. Each Authenticating Agent shall be acceptable to the Company and the Parent Guarantor and shall at all times be a corporation organized and doing business under the laws of the United States of America, any State thereof or the District of Columbia, authorized under such laws to act as Authenticating Agent, having a combined capital and surplus of not less than $50,000,000 and subject to supervision or examination by Federal or State authority. If such Authenticating Agent publishes reports of condition at least annually, pursuant to law or to the requirements of said supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such Authenticating Agent shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time an Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, such Authenticating Agent shall resign immediately in the manner and with the effect specified in this Section.

Any corporation into which an Authenticating Agent may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which such Authenticating Agent shall be a party, or any corporation succeeding to the corporate agency or corporate trust business of an Authenticating Agent, provided such corporation shall be otherwise eligible under this Section, without the execution or filing of any paper or any further act on the part of the Trustee or the Authenticating Agent.

An Authenticating Agent may resign at any time by giving written notice thereof to the Trustee and to the Company and the Parent Guarantor. The Trustee may at any time terminate the agency of an Authenticating Agent by giving written notice thereof to such Authenticating Agent and to the Company and the Parent Guarantor. Upon receiving such a notice of resignation or upon such a termination, or in case at any time such Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, the Trustee may appoint a successor Authenticating Agent which shall be acceptable to the Company and shall give notice of such appointment in the manner provided in Section 106 to all Holders of Securities of the series with respect to which such Authenticating Agent will serve. Any successor Authenticating Agent upon acceptance of its appointment hereunder shall become vested with all the rights, powers and duties of its predecessor hereunder, with like effect as if originally named as an Authenticating Agent. No successor Authenticating Agent shall be appointed unless eligible under the provisions of this Section.

The Company agrees to pay to each Authenticating Agent from time to time reasonable compensation for its services under this Section.
If an appointment with respect to one or more series is made pursuant to this Section, the Securities of such series may have endorsed thereon, in addition to the Trustee’s certificate of authentication, an alternative certificate of authentication in the following form:

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

THE BANK OF NEW YORK MELLON TRUST
COMPANY, N.A.
As Trustee

By ____________________________
As Authenticating Agent

By ____________________________
Authorized Officer

SECTION 615. FATCA Withholding.

The Trustee shall be entitled to deduct FATCA Withholding, and shall have no obligation to gross-up any payment hereunder or to pay any additional amount as a result of such FATCA Withholding. Each of the Company, each Guarantor and the Trustee agrees to cooperate and to provide the others with such information as each may have in its possession to enable the determination of whether any payments pursuant to this Indenture are subject to the deduction or withholding requirements imposed or required pursuant to Sections 1471 through 1474 of the Code, any current or future regulations thereunder or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code (“FATCA Withholding”).

ARTICLE SEVEN
HOLDERS’ LISTS AND REPORTS BY TRUSTEE AND COMPANY

SECTION 701. Company and the Parent Guarantor to Furnish Trustee Names and Addresses of Holders.

The Company and the Parent Guarantor will furnish or cause to be furnished to the Trustee:

(1) semi-annually, not later than June 30 and December 30 in each year, a list, in such form as the Trustee may reasonably require, of the names and addresses of the Holders of Securities of each series as of the preceding June 15 or December 15, as the case may be, and

(2) at such other times as the Trustee may request in writing, within 30 days after the receipt by the Company or the Parent Guarantor of any such request, a list of similar form and content as of a date not more than 15 days prior to the time such list is furnished;
excluding from any such list names and addresses received by the Trustee in its capacity as Security Registrar.

SECTION 702. Preservation of Information; Communications to Holders.

The Trustee shall preserve, in as current a form as is reasonably practicable, the names and addresses of Holders contained in the most recent list furnished to the Trustee as provided in Section 701 and the names and addresses of Holders received by the Trustee in its capacity as Security Registrar. The Trustee may destroy any list furnished to it as provided in Section 701 upon receipt of a new list so furnished.

The rights of Holders to communicate with other Holders with respect to their rights under this Indenture or under the Securities, and the corresponding rights and privileges of the Trustee, shall be as provided by the Trust Indenture Act.

Every Holder of Securities, by receiving and holding the same, agrees with the Company, the Guarantors and the Trustee that neither the Company, the Guarantors nor the Trustee nor any agent of any of them shall be held accountable by reason of any disclosure of information as to names and addresses of Holders made pursuant to the Trust Indenture Act.

SECTION 703. Reports by Trustee.

The Trustee shall transmit to Holders such reports concerning the Trustee and its actions under this Indenture as may be required pursuant to the Trust Indenture Act at the times and in the manner provided pursuant thereto. Reports so required to be transmitted at stated intervals of not more than 12 months shall be transmitted within 60 days after (i) the first anniversary of the first date of issuance of Securities hereunder and (ii) each anniversary of such date.

A copy of each such report shall, at the time of such transmission to Holders, be filed by the Trustee with each stock exchange upon which any Securities are listed, with the Commission and with the Company and the Parent Guarantor. The Company or the Parent Guarantor will notify the Trustee when any Securities are listed on any stock exchange.

SECTION 704. Reports by the Parent Guarantor.

The Parent Guarantor will file with the Trustee, within 15 days after it files the same with the Commission, copies of the annual reports and of the information, documents and other reports that, if it is subject to the reporting requirements of either Section 13 or 15(d) of the Exchange Act, it files with the Commission pursuant to Section 13 or Section 15(d). If the Parent Guarantor is not required to file with the Commission information, documents or reports pursuant to either of those sections of the Exchange Act, then it will file with the Trustee and the Commission such reports, if any, as may be prescribed by the Commission pursuant to the Trust Indenture Act at such time, in each case within 15 days after it files the same with the Commission.
Delivery of such reports, information and documents to the Trustee is for informational purposes only and the Trustee’s receipt of such shall not constitute constructive notice of any information contained therein or determinable from information contained therein, including the Company’s or any Guarantor’s compliance with any of its covenants hereunder (as to which the Trustee is entitled to rely exclusively on Officers’ Certificates).

ARTICLE EIGHT
CONSOLIDATION, MERGER, CONVEYANCE, TRANSFER OR LEASE

SECTION 801. Company and a Guarantor May Consolidate, Etc., Only on Certain Terms.

(a) (x) Any of the Company or the Guarantors may, without the consent of the Holders, consolidate with, or merge into, or sell, transfer, lease or convey all or substantially all of their respective assets to, any Corporation or (y) the Company may at any time substitute for the Company either a Guarantor or any Affiliate of a Guarantor as principal debtor under the Securities (a “Substitute Company”); provided that:

(1) except as provided in Section 801(b) below, in the case that a Guarantor or the Company shall consolidate with or merge into another Person or convey, transfer or lease its properties and assets substantially as an entirety to any Person, the Person formed by such consolidation or into which such Guarantor or the Company is merged or the Person which acquires by conveyance or transfer, or which leases, the properties and assets of such Guarantor or the Company substantially as an entirety shall by an indenture supplemental hereto, executed and delivered to the Trustee, in form reasonably satisfactory to the Trustee, (i) in the case of a Guarantor, expressly guarantee, or (ii) in the case of the Company, expressly assume the due and punctual payment of the principal of and any premium and interest on all the Securities and the performance or observance of every covenant of this Indenture on the part of the applicable Guarantor or the Company, as the case may be, to be performed or observed;

(2) the Company is not in default of any payments due under the Securities and immediately after giving effect to such transaction, no Event of Default shall be continuing;

(3) the Person formed by such consolidation or into which a Guarantor or the Company is merged or the Person which acquires by conveyance or transfer, or which leases, the properties and assets of a Guarantor or the Company substantially as an entirety shall be organized under the laws of a member country of the Organization for Economic Co-Operation and Development;

(4) in the case of a Substitute Company:

(i) the obligations of the Substitute Company arising under or in connection with the Securities and the Indenture are jointly and severally, irrevocably, fully and unconditionally guaranteed by the Guarantors (other than the Substitute Company, if applicable) on the same terms as existed immediately prior to such substitution under the Guarantees given by such Guarantors;

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(ii) the Parent Guarantor, the Company and the Substitute Company jointly and severally indemnify each Holder for any income tax or other tax (if any) recognized by such Holder solely as a result of the substitution of the Substitute Company (and not as a result of any transfer by such Holder), provided, however, that this indemnity shall not apply to any deduction or withholding imposed or required pursuant to Sections 1471 through 1474 of the Code, any current or future regulations thereunder or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code, and shall not require the payment of Additional Amounts on account of any such withholding or deduction;

(iii) each stock exchange on which the Securities are listed, if any, shall have confirmed that, following the proposed substitution, such Securities will continue to be listed on such stock exchange; and

(iv) each rating agency that rates the Securities, if any, shall have confirmed that, following the proposed substitution of the Substitute Company, such Securities will continue to have the same or better rating as immediately prior to such substitution;

(5) written notice of such transaction shall be promptly provided to the Holders.

(b) In the case that the Parent Guarantor shall merge into another Person (the “Absorbing Company”) organized under the laws of the Kingdom of Belgium via a “merger by absorption” in accordance with the Belgian Companies Code, the Absorbing Company in such merger shall, by virtue of the operation of Belgian law and without further action by the Parent Guarantor or the Absorbing Company, assume the obligations of and be substituted for the Parent Guarantor; provided that:

(1) the Company is not in default of any payments due under the Securities and immediately after giving effect to such transaction, no Event of Default shall be continuing;

(2) an Opinion of Counsel under Belgian law shall promptly be provided to the Trustee by the Absorbing Company stating that the Absorbing Company has validly assumed by operation of law the obligations of Parent Guarantor under the Indenture and the Parent Guarantee and that no supplemental indenture or other instrument of assumption is required under Belgian law to effect such assumption;
(3) a copy of the written notice of the completion of the merger as announced pursuant to the Belgian Companies Code shall be promptly provided to the Trustee and the Holders; and

(4) an Officer’s Certificate of the Absorbing Company shall be promptly delivered to the Trustee stating that all conditions precedent provided for in this Indenture to such merger and assumption have been complied with.

(c) In the circumstances described in Section 801(b) above, the Absorbing Company shall succeed to all of the obligations of the Parent Guarantor hereunder and under the Parent Guarantees and shall guarantee the due and punctual payment of the principal of and any premium and interest on all the Securities and the performance or observance of every covenant of this Indenture on the part of the Parent Guarantor to be performed or observed, and neither the Parent Guarantor nor the Absorbing Company shall be required to execute an indenture supplemental hereto or any other document.

SECTION 802. Successor Substituted.

Upon any consolidation of a Guarantor or the Company, as the case may be, with, or merger of such Guarantor or the Company, as the case may be, into, any other Person or any conveyance, transfer or lease of the properties and assets of such Guarantor or the Company, as the case may be, substantially as an entirety in accordance with Section 801, the successor Person formed by such consolidation or into which such Guarantor or the Company, as the case may be, is merged or to which such conveyance, transfer or lease is made shall succeed to, and be substituted for, and may exercise every right and power of, such Guarantor or the Company, as the case may be, under this Indenture with the same effect as if such successor Person had been named as such Guarantor or the Company, as the case may be, herein, and thereafter, except in the case of a lease, the predecessor Person shall be relieved of all obligations and covenants under this Indenture and the Securities.

Upon any substitution pursuant to Section 801(a)(4), the Substitute Company shall succeed to, and be substituted for, and may exercise every right and power of, the Company under this Indenture with the same effect as if the Substitute Company had been named as the Company herein, and thereafter, the predecessor Company shall be relieved of all obligations and covenants under this Indenture and the Securities.

Upon any merger and assumption pursuant to Section 801(b), the Absorbing Company shall succeed to, and be substituted for, and may exercise every right and power of, the Parent Guarantor under this Indenture with the same effect as if the Absorbing Company had been named as the Parent Guarantor herein, and thereafter (to the extent it continues to exist in any form) the predecessor Parent Guarantor shall be relieved of all obligations and covenants under this Indenture and its Guarantee.
SECTION 803. Conversion to Limited Liability Company.

(a) Notwithstanding any other provision hereof, the Company may at any time, in its sole discretion, convert from a corporation into a limited liability company, pursuant to Section 266 of the Delaware General Corporation Law or any other applicable law of the State of Delaware that provides that the limited liability company resulting from such conversion shall be deemed to be the same entity as the corporation.

(b) Upon such conversion, all references to the Company herein, in any indenture supplemental hereto and in any Outstanding Securities shall be deemed to refer to the limited liability company resulting from such conversion without any further action by the Company hereunder. Such conversion shall not constitute a breach of any covenant or warranty of the Company or any Guarantor in this Indenture and shall not constitute a default in the performance or observance of any of their respective obligations hereunder.

(c) Promptly following any such conversion, the Company shall give written notice of such conversion to the Trustee and shall deliver to the Trustee:

(1) copies of (a) a Board Resolution approving such conversion and (b) the certificate of conversion filed with the Secretary of State for Delaware, in each case certified by the Secretary or an Assistant Secretary or other authorized officer or person of the Company; and

(2) an Opinion of Counsel stating that the Company is an existing limited liability company in good standing under the laws of the State of Delaware and that all conditions precedent provided for in this Indenture to such conversion have been complied with.

(d) For the avoidance of doubt, the Company shall not be required to enter into any indenture supplemental hereto in order to affect the conversion pursuant this Section 803.

ARTICLE NINE
SUPPLEMENTAL INDENTURES

SECTION 901. Supplemental Indentures Without Consent of Holders.

Without the consent of any Holders, the Company, the Parent Guarantor and the Guarantors party hereto from time to time, when authorized by their respective boards of directors or other governing bodies, and the Trustee, at any time and from time to time, may enter into one or more indentures supplemental hereto, in form satisfactory to the Trustee, for any of the following purposes:

(1) to evidence the succession of another Person to the Company or a Guarantor, or successive successions, and the assumption by any such successor of the covenants of the Company or such Guarantor herein and in the Securities; or

(2) to add any Subsidiary of the Parent Guarantor as a Guarantor with respect to any series of Securities, subject to applicable legal, regulatory or contractual limitations relating to such Subsidiary’s Guarantee; or
(3) to add to the covenants of the Company or the Guarantors for the benefit of the Holders of all or any series of Securities (and if such covenants are to be for the benefit of less than all series of Securities, stating that such covenants are expressly being included solely for the benefit of such series) or to surrender any right or power herein conferred upon the Company or the Guarantors; or

(4) to modify the restrictions on and procedures for resale and the transfers of the Securities pursuant to law, regulation or practice relating to the resale or transfer of restricted securities generally; or

(5) to add any additional Events of Default for the benefit of the Holders of all or any series of Securities (and if such additional Events of Default are to be for the benefit of less than all series of Securities, stating that such additional Events of Default are expressly being included solely for the benefit of such series); or

(6) to add to, change or eliminate any of the provisions of this Indenture in respect of one or more series of Securities, provided that any such addition, change or elimination (A) shall neither (i) apply to any Security of any series created prior to the execution of such supplemental indenture and entitled to the benefit of such provision nor (ii) modify the rights of the Holder of any such Security with respect to such provision or (B) shall become effective only when there is no such Security Outstanding; or

(7) to convey, transfer, assign, mortgage or pledge any property or assets to the Trustee or another person as security for the Securities; or

(8) to provide for the issues of Securities in exchange for one or more series of outstanding Securities; or

(9) to provide for the issuance and terms of any particular series of Securities or Guarantees as permitted by Sections 201, 206, 301 and 312, the rights and obligations of the Guarantors and the Holders of the Securities of such series, the form or forms of the Securities of such series and such other matters in connection therewith as the Company and the Guarantors shall consider appropriate, including, without limitation, provisions for (a) additional or different covenants, restrictions or conditions applicable to such series, (b) additional or different events of default in respect of such series, (c) a longer or shorter period of grace and/or notice in respect of any provision applicable to such series than is otherwise provided, (d) immediate enforcement of any event of default in respect of such series, or (e) limitations upon the remedies available in respect of any events of default in respect of such series or upon the rights of the holders of securities of such series to waive any such event of default; or

(10) to evidence and provide for the acceptance of appointment hereunder by a successor Trustee with respect to the Securities of one or more series and to add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, pursuant to the requirements of Section 611; or
(11) to cure any ambiguity, to correct or supplement any provision herein or in the Securities or Guarantees or in any supplemental agreement, which may be defective or inconsistent with any other provision herein or therein or any supplemental agreement, to eliminate any conflict between the terms hereof and the Trust Indenture Act or to make any other provisions with respect to matters or questions arising under this Indenture or any supplemental agreement as the Company may deem necessary or desirable, provided that in either case such action pursuant to this clause (11) shall not adversely affect the interests of the Holders of Securities of any series to which such provisions relate in any material respect; or

(12) to “reopen” any series of Securities and to create and issue additional Securities of the same series having identical terms and conditions as any series already issued (or in all respects except for the issue date, issue price and, if applicable, initial interest accrual date and first Interest Payment Date), any such additional Securities to be consolidated and form a single series with the outstanding Securities of such series; or

(13) to provide for the release and termination of any Guarantee by any Subsidiary as provided herein;

(14) to provide for any amendment, modification or alteration of the Guarantees or the limitations applicable thereto, in accordance with Section 209; or

(15) to make any other change that does not materially adversely affect the interests of the Holders of the series of Securities affected thereby;

provided, however, that no Guarantor shall be required to execute and deliver any indenture supplemental hereto pursuant to this Section 901, including with respect to the issuance and terms of any particular series of Securities or Guarantees as described in clause (9) above, in relation to any series of Securities covered by a Global Guarantee of such Guarantor.

SECTION 902. Supplemental Indentures With Consent of Holders.

With the consent of the Holders of not less than a majority in principal amount of the Outstanding Securities (irrespective of series) affected by such supplemental indenture, by Act of said Holders delivered to the Company, the Parent Guarantor and the Trustee, the Company, when authorized by a Board Resolution, the Parent Guarantor, the Subsidiary Guarantors party hereto from time to time and the Trustee may enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or of modifying in any manner the rights of the Holders of Securities of such series under this Indenture; provided, however, that no such supplemental indenture shall, without the consent of the Holder of each Outstanding Security affected thereby,

(1) change the Stated Maturity of the principal of, or any installment of principal of or interest on, any Security, or reduce the principal amount thereof or the rate of interest thereon or any premium payable upon the redemption thereof, or reduce the amount of the principal of an Original Issue Discount
Security or any other Security which would be due and payable upon a declaration of acceleration of the Maturity thereof pursuant to Section 502, or change the coin or currency in which any Security or any premium or interest thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the Stated Maturity thereof (or, in the case of redemption, on or after the Redemption Date), or change the Company’s or a Guarantor’s obligation to pay Additional Amounts, or change in any manner adverse to the interests of the Holders the terms and provisions of the Guarantees in respect of the due and punctual payment of principal amount of the Securities then Outstanding plus accrued and unpaid interest (and all Additional Amounts, if any);

(2) reduce the percentage in principal amount of the Outstanding Securities of any series, the consent of whose Holders is required for any such supplemental indenture or the consent of whose Holders is required for any waiver (of compliance with certain provisions of this Indenture or certain defaults hereunder and their consequences) provided for in this Indenture.

A supplemental indenture which changes or eliminates any covenant or other provision of this Indenture which has expressly been included solely for the benefit of one or more particular series of Securities, or which modifies the rights of the Holders of Securities of such series with respect to such covenant or other provision, shall be deemed not to affect the rights under this Indenture of the Holders of Securities of any other series.

It shall not be necessary for any Act of Holders under this Section to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such Act shall approve the substance thereof.

Any amendment, modification or alteration authorized pursuant to Section 901 shall not be subject to this Section 902.

SECTION 903. Execution of Supplemental Indentures.

In executing, or accepting the additional trusts created by, any supplemental indenture permitted by this Article or the modifications thereby of the trusts created by this Indenture, the Trustee shall be entitled to receive, and (subject to Section 601) shall be fully protected in relying upon, an Opinion of Counsel and an Officer’s Certificate, each stating that the execution of such supplemental indenture is authorized or permitted by this Indenture. The Trustee may, but shall not be obligated to, enter into any such supplemental indenture which affects the Trustee’s own rights, duties or immunities under this Indenture or otherwise.

SECTION 904. Effect of Supplemental Indentures.

Upon the execution of any supplemental indenture under this Article, this Indenture shall be modified in accordance therewith, and such supplemental indenture shall form a part of this Indenture for all purposes; and every Holder of Securities theretofore or thereafter authenticated and delivered hereunder shall be bound thereby.
SECTION 905. Conformity with Trust Indenture Act.

Every supplemental indenture executed pursuant to this Article shall conform to the requirements of the Trust Indenture Act.

SECTION 906. Reference in Securities to Supplemental Indentures.

Securities of any series authenticated and delivered after the execution of any supplemental indenture pursuant to this Article may, and shall if required by the Trustee, bear a notation in form approved by the Trustee as to any matter provided for in such supplemental indenture. If the Company shall so determine, new Securities of any series so modified as to conform, in the opinion of the Trustee and the Company, to any such supplemental indenture may be prepared and executed by the Company and authenticated and delivered by the Trustee in exchange for Outstanding Securities of such series.

ARTICLE TEN
Covenants

SECTION 1001. Payment of Principal, Premium and Interest.

The Company covenants and agrees for the benefit of each series of Securities that it will duly and punctually pay the principal of and any premium and interest on the Securities of that series in accordance with the terms of the Securities and this Indenture.

SECTION 1002. Maintenance of Office or Agency.

The Company will maintain in each Place of Payment for any series of Securities an office or agency where Securities of that series may be presented or surrendered for payment, where Securities of that series may be surrendered for registration of transfer or exchange and where notices and demands to or upon the Company in respect of the Securities of that series and this Indenture may be served. The Company will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee, and the Company hereby appoints the Trustee as its agent to receive all such presentations, surrenders, notices and demands. The Company hereby appoints the Trustee as its agent for all of the foregoing purposes with respect to the Securities of each series.

The Company may also from time to time designate one or more other offices or agencies where the Securities of one or more series may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; provided, however, that no such designation or rescission shall in any manner relieve the Company of its obligation to maintain an office or agency in each Place of Payment for Securities of any series for such purposes. The Company will give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

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SECTION 1003. Money for Securities Payments to Be Held in Trust.

If the Company or a Guarantor shall at any time act as its own Paying Agent with respect to any series of Securities, it will, on or before each due date of the principal of or any premium or interest on any of the Securities of that series, segregate and hold in trust for the benefit of the Persons entitled thereto a sum sufficient to pay the principal and any premium and interest so becoming due until such sums shall be paid to such Persons or otherwise disposed of as herein provided and will promptly notify the Trustee of its action or failure so to act.

Whenever the Company shall have one or more Paying Agents for any series of Securities, it will, before 10:00 am (London time) at least one Business Day prior to each due date of the principal of or any premium or interest or any other amounts on any Securities of that series, deposit with a Paying Agent a sum in immediately available funds sufficient to pay such amount, such sum to be held as provided by the Trust Indenture Act, and (unless such Paying Agent is the Trustee) the Company will promptly notify the Trustee of its action or failure so to act. No Paying Agent shall be obligated to make any payment with respect to the Securities unless and until such funds have been so deposited.

The Company will cause each Paying Agent for any series of Securities, other than the Trustee, to execute and deliver to the Trustee an instrument in which such Paying Agent shall agree with the Trustee, subject to the provisions of this Section, that such Paying Agent will (1) comply with the provisions of the Trust Indenture Act applicable to it as a Paying Agent; (2) give the Trustee notice of any default by the Company or any Guarantor (or any other obligor upon the Securities) in the making of any payment of principal, premium, if any, any Additional Amounts or interest on the Securities; and (3) at any time during the continuance of any such default, upon the written request of the Trustee, forthwith pay to the Trustee all sums so held in trust by such Paying Agent for payment in respect of that series of Securities.

The Company may at any time, for the purpose of obtaining the satisfaction and discharge of this Indenture or for any other purpose, pay, or by Company Order direct any Paying Agent to pay, to the Trustee all sums held in trust by the Company or such Paying Agent, such sums to be held by the Trustee upon the same trusts as those upon which such sums were held by the Company or such Paying Agent; and, upon such payment by any Paying Agent to the Trustee, such Paying Agent shall be released from all further liability with respect to such money.

Any money deposited with the Trustee or any Paying Agent, or then held by the Company, in trust for the payment of the principal of or any premium or interest on any Security of any series and remaining unclaimed for two years after such principal, premium or interest has become due and payable shall be paid to the Company on Company Request, or (if then held by the Company) shall be discharged from such trust, and the Holder of such Security shall thereafter, as an unsecured general creditor, look only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company as trustee thereof, shall thereupon cease; provided, however, that the Trustee or such Paying Agent, before being required to make any such repayment may at the expense of the Company cause to be published once, in a newspaper published in the English language, customarily published on each Business Day and of general circulation in the City of New York, notice that such money remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such publication, any unclaimed balance of such money then remaining will be repaid to the Company.
SECTION 1004. Statement by Officers as to Default.

The Company will deliver to the Trustee, within 90 days after the end of each fiscal year of the Company ending after the date hereof, an Officer’s Certificate, complying with Section 314(a)(4) of the Trust Indenture Act, stating whether or not to the best knowledge of the signers thereof the Company is in default in the performance and observance of any of the terms, provisions and conditions of this Indenture (without regard to any period of grace or requirement of notice provided hereunder) and, if the Company shall be in default, specifying all such defaults and the nature and status thereof of which they may have knowledge.

SECTION 1005. Existence.

Subject to Article Eight, the Company will do or cause to be done all things necessary to preserve and keep in full force and effect its existence, rights (charter and statutory) and franchises; provided, however, that the Company shall not be required to preserve any such right or franchise if the Board of Directors of the Company shall determine that the preservation thereof is no longer desirable in the conduct of the business of the Company and that the loss thereof is not disadvantageous in any material respect to the Holders; provided further that, for the avoidance of doubt, a conversion of the Company pursuant to Section 803 hereof shall not result in a breach of this Section 1005.

SECTION 1006. Limitation on Liens.

So long as any of the Securities remains outstanding, the Parent Guarantor will not, nor will it permit any Restricted Subsidiary to, create, assume, guarantee or suffer to exist any Encumbrance on any of its Principal Plants or on any capital stock of any Restricted Subsidiary without effectively providing that the Securities shall be secured by the security for such secured indebtedness equally and ratably therewith, provided, however, the above limitation does not apply to:

(a) purchase money liens, so long as such liens attach only to the assets so acquired and improvements thereon;
(b) Encumbrances existing at the time of acquisition of property (including through merger or consolidation) or securing indebtedness the proceeds of which are used to pay or reimburse the Parent Guarantor or a Restricted Subsidiary for the cost of such property (provided such indebtedness is incurred within 180 days after such acquisition);
(c) Encumbrances on property of a Restricted Subsidiary existing at the time it becomes a Restricted Subsidiary;
(d) Encumbrances to secure the cost of development or construction of property, or improvements thereon, *provided* that the recourse of the creditors in respect of such indebtedness is limited to such property and improvements;

(e) Encumbrances in connection with the acquisition or construction of Principal Plants or additions thereto financed by tax-exempt securities;

(f) Encumbrances securing indebtedness owing to the Parent Guarantor or a Restricted Subsidiary by a Restricted Subsidiary;

(g) Encumbrances existing at the date of the Indenture;

(h) Encumbrances required in connection with state or local governmental programs which provide financial or tax benefits, *provided* the obligations secured are in lieu of or reduce an obligation that would have been secured by an Encumbrance permitted under the Indenture;

(i) any Encumbrance arising by operation of law and not securing amounts more than ninety (90) days overdue or otherwise being contested in good faith;

(j) judgment Encumbrances not giving rise to an Event of Default;

(k) any Encumbrance incurred or deposits made in the ordinary course of business, including, but not limited to, (i) any mechanics’, materialmen’s, carriers’, workmen’s, vendors’ or other like Encumbrances, (ii) any Encumbrances securing amounts in connection with workers’ compensation, unemployment insurance and other types of social security, and (iii) any easements, rights-of-way, restrictions and other similar charges;

(l) any Encumbrance upon specific items of inventory or other goods and proceeds of the Parent Guarantor or any Restricted Subsidiary securing the Parent Guarantor’s or any such Restricted Subsidiary’s obligations in respect of bankers’ acceptances issued or created for the account of such person to facilitate the purchase, shipment or storage of such inventory or other goods;

(m) any Encumbrance incurred or deposits made securing the performance of tenders, bids, leases, statutory obligations, surety and appeal bonds, government contracts, performance and return-of-money bonds and other obligations of like nature incurred in the ordinary course of business;

(n) any Encumbrance on any Principal Plant of the Parent Guarantor or any Restricted Subsidiary in favor of the Federal Government of the United States or the government of any State thereof, or the government of the United Kingdom, or any state in, or former state of, the European Union, or any instrumentality of any of them, securing the obligations of the Parent Guarantor or any Restricted Subsidiary pursuant to any contract or payments owed to such entity pursuant to applicable laws, rules, regulations or statutes;
Notwithstanding the provisions described in the immediately preceding paragraph, the Parent Guarantor or any Restricted Subsidiary may, without rateably securing the Securities, create, assume, guarantee or suffer to exist any indebtedness which would otherwise be subject to such restrictions, and renew, extend or replace such indebtedness, provided that the aggregate amount of such indebtedness, when added to the fair market value of property transferred in sale-leaseback transactions as described in Section 1011 (computed without duplication of amount) does not at the time exceed 15% of Net-Tangible Assets.

If the Parent Guarantor or any Restricted Subsidiary merges or consolidates with, or purchases all or substantially all of the assets of, another Corporation, or the Parent Guarantor sells all or substantially all of its assets to another Corporation, and if such other Corporation has outstanding obligations secured by an Encumbrance which, by reason of an after-acquired property clause or similar provision, would extend to any Principal Plant owned by the Parent Guarantor or such Restricted Subsidiary immediately prior thereto, the Parent Guarantor or such Restricted Subsidiary, as the case may be, will in such event be deemed to have created an Encumbrance, within the prohibition of the covenant described above, unless (a) such merger or consolidation involving a Restricted Subsidiary constitutes a disposition by the Parent Guarantor of its interest in the Restricted Subsidiary or (b) (i) at or prior to the effective date of such merger, consolidation, sale or purchase such Encumbrance shall be released of record or otherwise satisfied to the extent it would extend to such Principal Plant, (ii) prior thereto, the Parent Guarantor or such Restricted Subsidiary shall have created, as security for the Securities (and, if the Parent Guarantor shall so determine, as security for any other indebtedness of the Parent Guarantor then existing or thereafter created ranking equally with the Securities and any other indebtedness of such Restricted Subsidiary then existing or thereafter created), a valid Encumbrance which will rank equally and ratably with the Encumbrances of such other Corporation on such Principal Plant of the Parent Guarantor or such Restricted Subsidiary, as the case may be, or (iii) such Encumbrance is otherwise permitted or complies with the Covenant described above.

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SECTION 1007. Sale-Leaseback Transactions.

(a) Except to the extent permitted under paragraph (c) below, and except for any transaction involving a lease for a temporary period, not to exceed three years, by the end of which it is intended that the use of the leased property by the Parent Guarantor or any Restricted Subsidiary will be discontinued and except for any transaction with a state or local authority that is required in connection with any program, law, statute or regulation that provides financial or tax benefits not available without such transaction, the Parent Guarantor shall not sell any Principal Plant as an entirety, or any substantial portion thereof, with the intention of taking back a lease of such property and the Parent Guarantor will not permit any Restricted Subsidiary to sell to anyone other than the Parent Guarantor or a Restricted Subsidiary any Principal Plant as an entirety, or any substantial portion thereof, with the intention of taking back a lease of such property unless:

(i) the net proceeds of such sale (including any purchase money mortgages received in connection with such sale) are at least equal to the fair market value (as determined by an officer of the Parent Guarantor) of such property; and

(ii) subject to paragraph (d) below, the Parent Guarantor shall, within 120 days after the transfer of title to such property (or, if the Parent Guarantor holds the net proceeds described below in cash or cash equivalents, within two years):

(A) purchase, and surrender to the Trustee for retirement as provided in this covenant, a principal amount of Securities equal to the net proceeds derived from such sale (including the amount of any such purchase money mortgages), or

(B) repay other pari passu indebtedness of the Parent Guarantor or any Restricted Subsidiary in an amount equal to such net proceeds, or

(C) expend an amount equal to such net proceeds for the expansion, construction or acquisition of a Principal Plant, or

(D) effect a combination of such purchases, repayments and plant expenditures in an amount equal to such net proceeds.

(b) At or prior to the date 120 days after a transfer of title to a Principal Plant which shall be subject to the requirements of this covenant, the Parent Guarantor shall furnish to the Trustee:

(i) an Officer’s Certificate stating that paragraph (a) of this covenant has been complied with and setting forth in detail the manner of such compliance, which certificate shall contain information as to:

(A) the amount of Securities theretofore redeemed and the amount of Securities theretofore purchased by the Parent Guarantor and cancelled by the Trustee and the amount of Securities purchased by the Parent Guarantor and then being surrendered to the Trustee for cancellation,
(B) the amount thereof previously credited under paragraph (d) below,
(C) the amount thereof which it then elects to have credited on its obligation under paragraph (d) below, and
(D) any amount of other indebtedness which the Parent Guarantor has repaid or will repay and of the expenditures
which the Parent Guarantor has made or will make in compliance with its obligation under paragraph (a), and

(ii) if applicable, a deposit with the Trustee for cancellation of the Securities then being surrendered as set forth in such
certificate.

c) Notwithstanding the restriction of paragraph (a), the Parent Guarantor and any one or more Restricted Subsidiaries may
transfer property in sale-leaseback transactions which would otherwise be subject to such restriction if the aggregate principal amount
of the fair market value of the property so transferred and not reacquired at such time, when added to the aggregate amount of
indebtedness for borrowed money permitted by the last paragraph of the covenant described under “—Limitation on Liens” which
shall be outstanding at the time (computed without duplication of the value of property transferred as provided in this paragraph (c)),
does not at the time exceed 15% of Net Tangible Assets.

(d) The Parent Guarantor, at its option, shall be entitled to a credit, in respect of its obligation to purchase and retire Securities
under this covenant, for the principal amount of any Securities deposited with the Trustee for the purpose and also for the principal
amount of (i) any Securities theretofore redeemed at the option of the Parent Guarantor and (ii) any Securities previously purchased
by the Parent Guarantor and cancelled by the Trustee, and in each case not theretofore applied as a credit under this paragraph (d) or
as part of a sinking fund arrangement for the Securities.

e) For purposes of this covenant, the amount or the principal amount of Securities which are issued with original issue discount
shall be the principal amount of such Securities that on the date of the purchase or redemption of such Securities referred to in this
covenant could be declared to be due and payable pursuant to the Indenture.

SECTION 1008. Waiver of Certain Covenants.

Except as otherwise specified as contemplated by Section 301 for Securities of such series, the Company may, with respect to
the Securities of any series, omit in any particular instance to comply with any term, provision or condition set forth in any covenant
provided pursuant to Section 301(18), 901(3), 901(9), 1006 or 1007 for the benefit of the Holders of such series if before the time for
such compliance the Holders of at least a majority in principal amount of the Outstanding Securities of such series shall, by Act of
such Holders, either waive such compliance in such instance or generally waive compliance with such term, provision or condition,
but no such waiver shall extend to or affect such term, provision or condition except to the extent so expressly waived, and, until such
waiver shall become effective, the obligations of the Company and the duties of the Trustee in respect of any such term, provision or
condition shall remain in full force and effect.

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SECTION 1009. Additional Amounts.

Unless otherwise specified in any Board Resolution of the Company or the relevant Guarantor establishing the terms of Securities of a series or the Guarantees relating thereto in accordance with Section 301, in the event that a Guarantor becomes obligated under this Indenture to make payments in respect of the Securities, such Guarantor will make all payments in respect of the Securities without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by way of withholding or deduction at source by or on behalf of any jurisdiction in which such Guarantor is incorporated, organized, or otherwise tax resident or any political subdivision or any authority thereof or therein having power to tax (the “Relevant Taxing Jurisdiction”) unless such withholding or deduction is required by law. In such event, such Guarantor will pay to the Holders such additional amounts (the “Additional Amounts”) as shall be necessary in order that the net amounts received by the Holders, after such withholding or deduction, shall equal the respective amounts of principal and interest which would otherwise have been receivable in the absence of such withholding or deduction; except that no such Additional Amounts shall be payable on account of any taxes or duties which:

(a) are payable by any person acting as custodian bank or collecting agent on behalf of a Holder, or otherwise in any manner which does not constitute a deduction or withholding by the Guarantor from payment of principal or interest made by it; or

(b) are payable by reason of the Holder or beneficial owner having, or having had, some personal or business connection with such Relevant Taxing Jurisdiction and not merely by reason of the fact that payments in respect of the Securities or the Guarantees are, or for purposes of taxation are deemed to be, derived from sources in, or are secured in the Relevant Taxing Jurisdiction; or

(c) are imposed or withheld by reason of the failure of the Holder or beneficial owner to provide certification, information, documents or other evidence concerning the nationality, residence, or identity of the Holder and beneficial owner or to make any valid or timely declaration or similar claim or satisfy any other reporting requirements relating to such matters, whether required or imposed by statute, treaty, regulation or administrative practice, as a precondition to exemption from, or a reduction in the rate of withholding or deduction of such taxes; or

(d) consist of any estate, inheritance, gift, sales, excise, transfer, personal property or similar taxes; or

(e) are imposed on or with respect to any payment by the applicable Guarantor to the registered Holder if such Holder is a fiduciary or partnership or any person other than the sole beneficial owner of such payment to the extent that taxes would not have been imposed on such payment had such registered Holder been the sole beneficial owner of such Security; or
In addition, any amounts to be paid by the Company or any Guarantor on the Securities will be paid net of any FATCA Withholding. Neither any Guarantor nor the Company will be required to pay Additional Amounts on account of any FATCA Withholding. Such payment of Additional Amounts may be subject to such further exceptions as may be established in the terms of such Securities established as contemplated by Section 301. Subject to the foregoing provisions, whenever in this Indenture there is mentioned, in any context, the payment of the principal of or any premium or interest on, or in respect of, any Security of any series or the net proceeds received on the sale or exchange of any Security of any series, such mention shall be deemed to include mention of the payment of Additional Amounts provided for in this Section to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof pursuant to the provisions of this Section and express mention of the payment of Additional Amounts (if applicable) in any provisions hereof shall not be construed as excluding Additional Amounts in those provisions hereof where such express mention is not made, provided, however, that the covenant regarding Additional Amounts provided for in this Section shall not apply to any Guarantor at any time when such Guarantor is incorporated in a jurisdiction in the United States; provided further that the covenant regarding Additional Amounts provided for in this Section shall apply to the Company at any time when it is incorporated in a jurisdiction outside of the United States.

If the terms of the Securities of a series established as contemplated by Section 301 do not specify that Additional Amounts will not be payable by the Company or a Guarantor, at least 10 days prior to the first Interest Payment Date with respect to that series of Securities (or if the Securities of that series will not bear interest prior to Maturity, the first day on which a payment of principal and any premium is made), and at least 10 days prior to each date of payment of principal and any premium or interest if there has been any change with respect to the matters set forth in the below-mentioned

(f) are deducted or withheld pursuant to (i) any European Union directive or regulation concerning the taxation of interest income, or (ii) any international treaty or understanding relating to such taxation and to which the Relevant Taxing Jurisdiction or the European Union is a party, or (iii) any provision of law implementing, or complying with, or introduced to conform with, such directive, regulation, treaty or understanding; or

(g) are payable by reason of a change in law or practice that becomes effective more than 30 days after the relevant payment of principal or interest becomes due, or is duly provided for and written notice thereof is provided to the Holders, whichever occurs later; or

(h) are payable because any Security was presented to a particular paying agent for payment if the Security could have been presented to another paying agent without any such withholding or deduction; or

(i) are payable for any combination of (a) through (h) above.

In addition, any amounts to be paid by the Company or any Guarantor on the Securities will be paid net of any FATCA Withholding. Neither any Guarantor nor the Company will be required to pay Additional Amounts on account of any FATCA Withholding.

Such payment of Additional Amounts may be subject to such further exceptions as may be established in the terms of such Securities established as contemplated by Section 301. Subject to the foregoing provisions, whenever in this Indenture there is mentioned, in any context, the payment of the principal of or any premium or interest on, or in respect of, any Security of any series or the net proceeds received on the sale or exchange of any Security of any series, such mention shall be deemed to include mention of the payment of Additional Amounts provided for in this Section to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof pursuant to the provisions of this Section and express mention of the payment of Additional Amounts (if applicable) in any provisions hereof shall not be construed as excluding Additional Amounts in those provisions hereof where such express mention is not made, provided, however, that the covenant regarding Additional Amounts provided for in this Section shall not apply to any Guarantor at any time when such Guarantor is incorporated in a jurisdiction in the United States; provided further that the covenant regarding Additional Amounts provided for in this Section shall apply to the Company at any time when it is incorporated in a jurisdiction outside of the United States.

If the terms of the Securities of a series established as contemplated by Section 301 do not specify that Additional Amounts will not be payable by the Company or a Guarantor, at least 10 days prior to the first Interest Payment Date with respect to that series of Securities (or if the Securities of that series will not bear interest prior to Maturity, the first day on which a payment of principal and any premium is made), and at least 10 days prior to each date of payment of principal and any premium or interest if there has been any change with respect to the matters set forth in the below-mentioned

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Office’s Certificate, the Company will furnish the Trustee and the Company’s principal Paying Agent or Paying Agents, if other than the Trustee, with an Officer’s Certificate instructing the Trustee and such Paying Agent or Paying Agents whether such payment of principal of and any premium or interest on the Securities of that series shall be made to Holders of Securities of that series without withholding for or on account of any tax, assessment or other governmental charge described in the Securities of that series. If any such withholding shall be required, then such Officer’s Certificate shall specify by country the amount, if any, required to be withheld on such payments to such Holders of Securities and the Company or Guarantor, as the case may be, will pay to the Trustee or such Paying Agent or Paying Agents the Additional Amounts required by this Section. Each of the Company and Guarantors covenant to indemnify each of the Trustee and any Paying Agent for, and to hold each of them harmless against, any loss, liability or expense arising out of or in connection with actions taken or omitted by any of them in reliance on any Officer’s Certificate furnished pursuant to this Section, except to the extent that any such loss, liability or expense is due to its own negligence or bad faith.

SECTION 1010. Additional Information.

The Company agrees to furnish, at any time when the Company is not subject to Section 13 or 15(d) of the Exchange Act or exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act, in respect of any Securities sold or offered for sale pursuant to an exemption from registration under Rule 144A of the Securities Act, at its expense and upon request, to the Holders and prospective purchasers of such Securities information satisfying the requirements of subsection (d)(4) of Rule 144A under the Securities Act.


The Company hereby covenants with the Trustee that, so long as any of the Securities remain Outstanding, it will promptly give notice in writing to the Trustee upon having knowledge (and in no event later than seven days after obtaining such knowledge) of any Event of Default.

SECTION 1012. Indemnification of Judgment Currency.

To the fullest extent permitted by applicable law, the Company and each of the Guarantors shall indemnify each Holder against any loss incurred by such Holder as a result of any judgment or order being given or made for any amount due under any Security or Guarantee and such judgment or order being expressed and paid in a currency (the “Judgment Currency”), which is other than U.S. dollars and as a result of any variation as between (i) the rate of exchange at which the U.S. dollar is converted into the Judgment Currency for the purposes of such judgment or order and (ii) the spot rate of exchange in The City of New York at which the Holder on the date of payment of such judgment is able to purchase U.S. dollars with the amount of the Judgment Currency actually received by such Holder. This indemnification will constitute a separate and independent obligation of the Company or each of the Guarantors, as the case may be, and will continue in full force and effect notwithstanding any such judgment or order as aforesaid. The term “spot rate of exchange” includes any premiums and costs of exchange payable in connection with the purchase of, or conversion into, U.S. dollars.
SECTION 1013. Further Instruments and Acts.

The Company and the Parent Guarantor hereby covenant with the Trustee that, so long as any of the Securities remain Outstanding, upon request of the Trustee, but without an affirmative duty on the Trustee to do so, they and any other Guarantor shall execute and deliver such further instruments and acts as may be reasonably necessary or proper to carry out more effectively the purpose of this Indenture.

ARTICLE ELEVEN

REDEMPTION OF SECURITIES

SECTION 1101. Applicability of Article.

Securities of any series which are redeemable before their Stated Maturity shall be redeemable in accordance with their terms and (except as otherwise specified as contemplated by Section 301 for such Securities) in accordance with this Article.

SECTION 1102. Election to Redeem; Notice to Trustee.

The election of the Company or Parent Guarantor to redeem any Securities shall be evidenced by a Board Resolution or in another manner specified as contemplated by Section 301 for such Securities. In case of any redemption at the election of the Company or Parent Guarantor of the Securities of any series in whole or in part (including any such redemption affecting only a single Security), the Company or Parent Guarantor shall, at least 60 days prior to the Redemption Date fixed by the Company or the Parent Guarantor (unless a shorter notice shall be satisfactory to the Trustee), notify the Trustee of such Redemption Date, of the principal amount of Securities of such series to be redeemed and, if applicable, of the tenor of the Securities to be redeemed. In the case of any redemption of Securities (a) prior to the expiration of any restriction on such redemption provided in the terms of such Securities or elsewhere in this Indenture, or (b) pursuant to an election of the Company which is subject to a condition specified in the terms of such Securities or elsewhere in this Indenture, the Company shall furnish the Trustee with an Officer’s Certificate evidencing compliance with such restriction or condition.

SECTION 1103. Selection by Trustee of Securities to Be Redeemed.

If less than all the Securities of any series are to be redeemed (unless all the Securities of such series and of a specified tenor are to be redeemed or unless such redemption affects only a single Security), the particular Securities to be redeemed shall be selected not more than 60 days prior to the Redemption Date by the Trustee, from the Outstanding Securities of such series not previously called for redemption, by such method as the Trustee in its sole discretion shall deem fair and appropriate and which may provide for the selection for redemption of a portion of the principal amount of any Security of such series, except that if the Securities of such series are listed on any securities exchange, any such selection and redemption of the Securities shall be in compliance with the requirements of the principal securities exchange on which those Securities are listed (as such requirements shall be specified to the Trustee in an Officer’s Certificate from the Company), except that if the Securities of such series are represented by one or more Global Securities, interests in such Securities shall be selected for redemption by the Depositary in accordance with its customary procedures therefor, and

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provided that the unredeemed portion of the principal amount of any Security shall be in an authorized denomination (which shall not be less than the minimum authorized denomination) for such Security. If less than all the Securities of such series and of a specified tenor are to be redeemed (unless such redemption affects only a single Security), the particular Securities to be redeemed shall be selected not more than 60 days prior to the Redemption Date by the Trustee, from the Outstanding Securities of such series and specified tenor not previously called for redemption in accordance with the preceding sentence.

The Trustee shall promptly notify the Company in writing of the Securities selected for redemption as aforesaid and, in case of any Securities selected for partial redemption as aforesaid, the principal amount thereof to be redeemed.

The provisions of the two preceding paragraphs shall not apply with respect to any redemption affecting only a single Security, whether such Security is to be redeemed in whole or in part. In the case of any such redemption in part, the unredeemed portion of the principal amount of the Security shall be in an authorized denomination (which shall not be less than the minimum authorized denomination) for such Security.

For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of Securities shall relate, in the case of any Securities redeemed or to be redeemed only in part, to the portion of the principal amount of such Securities which has been or is to be redeemed.

SECTION 1104. Notice of Redemption.

Notice of redemption shall be given by first-class mail, postage prepaid, mailed (or if the Securities of the applicable series are represented by one or more Global Securities, transmitted in accordance with the Depositary’s customary procedures therefor) not less than 30 nor more than 60 days prior to the Redemption Date, unless a shorter period is specified in the Securities to be redeemed, to each Holder of Securities to be redeemed, at his address appearing in the Security Register.

All notices of redemption shall state:

(1) the Redemption Date;
(2) the Redemption Price or if not then ascertainable, the manner of calculation thereof;
(3) if less than all the Outstanding Securities of any series consisting of more than a single Security are to be redeemed, the identification (and, in the case of partial redemption of any such Securities, the principal amounts) of the particular Securities to be redeemed and, if less than all the Outstanding Securities of any series consisting of a single Security are to be redeemed, the principal amount of the particular Security to be redeemed;
(4) that on the Redemption Date the Redemption Price will become due and payable upon each such Security to be redeemed and, if applicable, that interest thereon will cease to accrue on and after said date;
(5) the place or places where each such Security is to be surrendered for payment of the Redemption Price;
(6) applicable CUSIP numbers, if any; and
(7) that the redemption is for a sinking fund, if such is the case.

Notice of redemption of Securities to be redeemed at the election of the Company shall be given by the Company or, at the
Company’s request, by the Trustee in the name and at the expense of the Company; provided, however, that the Company shall have
delivered to the Trustee, at least 45 days prior to the Redemption Date (or such shorter period as may be satisfactory to the Trustee),
an Officer’s Certificate requesting that the Trustee give such notice and setting forth the information to be stated in such notice as
provided above. Any notice of redemption pursuant to this Section shall be irrevocable.

SECTION 1105. Deposit of Redemption Price.

By 10:00 am (London time) at least one Business Day prior to any Redemption Date, the Company or the Parent Guarantor shall
deposit with the Trustee or with a Paying Agent (or, if the Company is acting as its own Paying Agent, segregate and hold in trust as
provided in Section 1003) an amount of money sufficient to pay the Redemption Price of, and (except if the Redemption Date shall
be an Interest Payment Date) accrued interest on, all the Securities which are to be redeemed on that date.

SECTION 1106. Securities Payable on Redemption Date.

Notice of redemption having been given as aforesaid, the Securities so to be redeemed shall, on the Redemption Date, become
due and payable at the Redemption Price therein specified, and from and after such date (unless the Company shall default in the
payment of the Redemption Price and accrued interest) such Securities shall cease to bear interest. Upon surrender of any such
Security for redemption in accordance with said notice, such Security shall be paid by the Company at the Redemption Price, together
with accrued interest to the Redemption Date; provided, however, that, unless otherwise specified as contemplated by Section 301,
installments of interest whose Stated Maturity is on or prior to the Redemption Date will be payable to the Holders of such Securities,
or one or more Predecessor Securities, registered as such at the close of business on the relevant Record Dates according to their
terms and the provisions of Section 307.

If any Security called for redemption shall not be so paid upon surrender thereof for redemption, the principal and any premium
shall, until paid, bear interest from the Redemption Date at the rate prescribed therefor in the Security.

SECTION 1107. Securities Redeemed in Part.

Any Security which is to be redeemed only in part shall be surrendered at a Place of Payment therefor (with, if the Company or
the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company and the Trustee
duly executed by, the Holder thereof or his attorney duly authorized in writing), and the Company shall execute, and the Trustee shall
authenticate and deliver to the Holder of such Security without service charge, a new Security or Securities of the same
series and of like tenor, of any authorized denomination as requested by such Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Security so surrendered and with any applicable Guarantees endorsed thereon or attached thereto if such Guarantees were endorsed on or attached to the Security redeemed in part.

ARTICLE TWELVE
SINKING FUNDS

SECTION 1201. Applicability of Article.

The provisions of this Article shall be applicable to any sinking fund for the retirement of Securities of a series except as otherwise specified as contemplated by Section 301 for Securities of such series.

The minimum amount of any sinking fund payment provided for by the terms of Securities of any series is herein referred to as a “mandatory sinking fund payment”, and any payment in excess of such minimum amount provided for by the terms of Securities of any series is herein referred to as an “optional sinking fund payment”. If provided for by the terms of Securities of any series, the cash amount of any sinking fund payment may be subject to reduction as provided in Section 1202. Each sinking fund payment shall be applied to the redemption of Securities of any series as provided for by the terms of Securities of such series.

SECTION 1202. Satisfaction of Sinking Fund Payments with Securities.

The Company or Parent Guarantor (1) may deliver Outstanding Securities of a series (other than any previously called for redemption) and (2) may apply as a credit Securities of a series which have been redeemed either at the election of the Company pursuant to the terms of such Securities or through the application of permitted optional sinking fund payments pursuant to the terms of such Securities, in each case in satisfaction of all or any part of any sinking fund payment with respect to any Securities of such series required to be made pursuant to the terms of such Securities as and to the extent provided for by the terms of such Securities; provided that the Securities to be so credited have not been previously so credited. The Securities to be so credited shall be received and credited for such purpose by the Trustee at the Redemption Price, as specified in the Securities so to be redeemed, for redemption through operation of the sinking fund and the amount of such sinking fund payment shall be reduced accordingly.

SECTION 1203. Redemption of Securities for Sinking Fund.

Not less than 45 days prior to each sinking fund payment date for any Securities, the Company will deliver to the Trustee an Officer’s Certificate specifying the amount of the next ensuing sinking fund payment for such Securities pursuant to the terms of such Securities, the portion thereof, if any, which is to be satisfied by payment of cash and the portion thereof, if any, which is to be satisfied by delivering and crediting Securities pursuant to Section 1202 and the basis for such credit and will also deliver to the Trustee any Securities to be so delivered. Not less than 30 days prior to each such sinking fund payment date, the Trustee shall select the Securities to be redeemed upon such sinking fund payment date in the manner specified in Section 1103 and cause notice of the redemption thereof to be given in the name of and at the expense of the Company in the manner provided in Section 1104. Such notice having been duly given, the redemption of such Securities shall be made upon the terms and in the manner stated in Sections 1106 and 1107.
ARTICLE THIRTEEN

DEFEASANCE AND COVENANT DEFEASANCE

SECTION 1301. Company’s and the Parent Guarantor’s Option to Effect Defeasance or Covenant Defeasance.

The Company or the Parent Guarantor may elect, at its option at any time, to have Section 1302 or Section 1303 applied to any Securities or any series of Securities, as the case may be, designated pursuant to Section 301 as being defeasible pursuant to such Section 1302 or 1303, in accordance with any applicable requirements provided pursuant to Section 301 and upon compliance with the conditions set forth below in this Article. Any such election shall be evidenced by a Board Resolution or in another manner specified as contemplated by Section 301 for such Securities.

SECTION 1302. Defeasance and Discharge.

Upon the Company’s or the Parent Guarantor’s exercise of its option (if any) to have this Section applied to any Securities or any series of Securities, as the case may be, each of the Company and the Guarantors shall be deemed to have been discharged from its obligations with respect to such Securities as provided in this Section on and after the date the conditions set forth in Section 1304 are satisfied (hereinafter called “Defeasance”). For this purpose, such Defeasance means that the Company and the Guarantors shall be deemed to have paid and discharged the entire indebtedness represented by such Securities and to have satisfied all its other obligations under such Securities and this Indenture insofar as such Securities are concerned (and the Trustee, at the expense of the Company or the Parent Guarantor, shall execute proper instruments acknowledging the same), subject to the following which shall survive until otherwise terminated or discharged hereunder: (1) the rights of Holders of such Securities to receive, solely from the trust fund described in Section 1304 and as more fully set forth in such Section, payments in respect of the principal of and any premium and interest on such Securities when payments are due, (2) the Company’s or the Guarantors’ obligations with respect to such Securities under Sections 304, 305, 306, 1002 and 1003, (3) the rights, powers, trusts, duties and immunities of the Trustee hereunder and (4) this Article. Subject to compliance with this Article, the Company and the Parent Guarantor may exercise their option (if any) to have this Section applied to any Securities notwithstanding the prior exercise of its option (if any) to have Section 1303 applied to such Securities.

SECTION 1303. Covenant Defeasance.

Upon the Company’s or the Parent Guarantor’s exercise of its option (if any) to have this Section applied to any Securities or any series of Securities, as the case may be, (1) the Company and the Guarantors shall be released from their obligations under Section 801(2), Sections 1006 through 1007, inclusive, and any covenants provided pursuant to Section 301(18), 901(3) or 901(9) for the benefit of the Holders of such Securities.
Securities and (2) the occurrence of any event specified in Sections 501(3) (with respect to any of Section 801(2), Sections 1006 through 1007, inclusive, and any such covenants provided pursuant to Section 301(18), 901(3) or 901(9)) and 501(4) shall be deemed not to be or result in an Event of Default, in each case with respect to such Securities as provided in this Section on and after the date the conditions set forth in Section 1304 are satisfied (hereinafter called “Covenant Defeasance”). For this purpose, such Covenant Defeasance means that, with respect to such Securities, the Company and the Guarantor may omit to comply with and shall have no liability in respect of any term, condition or limitation set forth in any such specified Section (to the extent so specified in the case of Section 501(3)), whether directly or indirectly by reason of any reference elsewhere herein to any such Section or Article or by reason of any reference in any such Section or Article to any other provision herein or in any other document, but the remainder of this Indenture and such Securities shall be unaffected thereby.

SECTION 1304. Conditions to Defeasance or Covenant Defeasance.

The following shall be the conditions to the application of Section 1302 or Section 1303 to any Securities or any series of Securities, as the case may be:

(1) The Company or the Parent Guarantor shall irrevocably have deposited or caused to be deposited with the Trustee (or another trustee which satisfies the requirements contemplated by Section 609 and agrees to comply with the provisions of this Article applicable to it) as trust funds in trust for the purpose of making the following payments, specifically pledged as security for, and dedicated solely to, the benefits of the Holders of such Securities, (A) money in an amount, or (B) U.S. Government Obligations which through the scheduled payment of principal and interest in respect thereof in accordance with their terms will provide, not later than one day before the due date of any payment, money in an amount, or (C) a combination thereof, in each case sufficient, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, to pay and discharge, and which shall be applied by the Trustee (or any such other qualifying trustee) to pay and discharge, the principal of and any premium and interest on such Securities on the respective Maturities, in accordance with the terms of this Indenture and such Securities, provided that the Company shall specify whether such Securities are being defeased to Stated Maturity or to the Redemption Date. As used herein, “U.S. Government Obligation” means any security which is (i) a direct obligation of the United States of America for the payment of which the full faith and credit of the United States of America is pledged or (ii) an obligation of a Person controlled or supervised by and acting as an agency or instrumentality of the United States of America the payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America, which, in either case (i) or (ii), is not callable or redeemable at the option of the issuer thereof.

(2) In the event of an election to have Section 1302 apply to any Securities or any series of Securities, as the case may be, the Company or the Parent Guarantor shall have delivered to the Trustee an Opinion of Counsel stating that (A) the Company or the Parent Guarantor has received from, or there has been published by, the Internal Revenue Service a ruling or (B) since the date of this instrument, there has been a change in the applicable U.S. Federal income
tax law, in either case (A) or (B) to the effect that, and based thereon such opinion shall confirm that, the Holders of such
Securities will not recognize gain or loss for U.S. Federal income tax purposes as a result of the deposit, Defeasance and
discharge to be effected with respect to such Securities and will be subject to Federal income tax on the same amount, in the
same manner and at the same times as would be the case if such deposit, Defeasance and discharge were not to occur.

(3) In the event of an election to have Section 1303 apply to any Securities or any series of Securities, as the case may be,
the Company or the Parent Guarantor shall have delivered to the Trustee an Opinion of Counsel to the effect that the Holders of
such Securities will not recognize gain or loss for U.S. Federal income tax purposes as a result of the deposit and Covenant
Defeasance to be effected with respect to such Securities and will be subject to U.S. Federal income tax on the same amount, in
the same manner and at the same times as would be the case if such deposit and Covenant Defeasance were not to occur.

(4) The Company or the Parent Guarantor shall have delivered to the Trustee an Officer’s Certificate to the effect that
neither such Securities nor any other Securities of the same series, if then listed on any securities exchange, will be delisted as a
result of such deposit.

(5) The Company or the Parent Guarantor shall have delivered to the Trustee for cancellation all Securities Outstanding
theretofore authenticated.

(6) No event which is, or after notice or lapse of time or both would become, an Event of Default with respect to such
Securities or any other Securities shall have occurred and be continuing at the time of such deposit or, with regard to any such
event specified in Sections 501(5) and (6), at any time on or prior to the 90th day after the date of such deposit (it being
understood that this condition shall not be deemed satisfied until after such 90th day).

(7) Such Defeasance or Covenant Defeasance shall not cause the Trustee to have a conflicting interest within the meaning
of the Trust Indenture Act (assuming all Securities are in default within the meaning of such Act).

(8) Such Defeasance or Covenant Defeasance shall not result in a breach or violation of, or constitute a default under, any
other agreement or instrument to which the Company or the Parent Guarantor is a party or by which it is bound.

(9) Such Defeasance or Covenant Defeasance shall not result in the trust arising from such deposit constituting an
investment Company within the meaning of the Investment Company Act unless such trust shall be registered under such Act or
exempt from registration thereunder.

(10) The Company or the Parent Guarantor shall have delivered to the Trustee an Officer’s Certificate and an Opinion of
Counsel, each stating that all conditions precedent with respect to such Defeasance or Covenant Defeasance have been complied
with.

Subject to the provisions of the last paragraph of Section 1003, all money and U.S. Government Obligations (including the proceeds thereof) deposited with the Trustee or other qualifying trustee (solely for purposes of this Section and Section 1306, the Trustee and any such other trustee are referred to collectively as the “Trustee”) pursuant to Section 1304 in respect of any Securities shall be held in trust and applied by the Trustee, in accordance with the provisions of such Securities and this Indenture, to the payment, either directly or through any such Paying Agent (including the Company or a Guarantor acting as its own Paying Agent) as the Trustee may determine, to the Holders of such Securities, of all sums due and to become due thereon in respect of principal and any premium and interest, but money so held in trust need not be segregated from other funds except to the extent required by law.

The Company and the Parent Guarantor shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the U.S. Government Obligations deposited pursuant to Section 1304 or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of Outstanding Securities.

Anything in this Article to the contrary notwithstanding, the Trustee shall deliver or pay to the Company or the Parent Guarantor from time to time upon Company Request any money or U.S. Government Obligations held by it as provided in Section 1304 with respect to any Securities which, in the opinion of a nationally recognized firm of independent public accountants expressed in a written certification thereof delivered to the Trustee, are in excess of the amount thereof which would then be required to be deposited to effect the Defeasance or Covenant Defeasance, as the case may be, with respect to such Securities.

SECTION 1306. Reinstatement.

If the Trustee or the Paying Agent is unable to apply any money in accordance with this Article with respect to any Securities by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application, then the obligations under this Indenture and such Securities from which the Company and the Guarantors have been discharged or released pursuant to Section 1302 or 1303 shall be revived and reinstated as though no deposit had occurred pursuant to this Article with respect to such Securities, until such time as the Trustee or Paying Agent is permitted to apply all money held in trust pursuant to Section 1305 with respect to such Securities in accordance with this Article; provided, however, that if the Company or the Guarantors make any payment of principal of or any premium or interest on any such Security following such reinstatement of its obligations, the Company and the Guarantors shall be subrogated to the rights (if any) of the Holders of such Securities to receive such payment from the money so held in trust.
SECTION 1307. Qualifying Trustee.

Any trustee appointed pursuant to Section 1304 for the purpose of holding trust funds deposited pursuant to that Section shall be appointed under an agreement in form acceptable to the Trustee and shall provide to the Trustee a certificate of such trustee, upon which certificate the Trustee shall be entitled to conclusively rely, that all conditions precedent provided for herein to the related Defeasance or Covenant Defeasance have been complied with. In no event shall the Trustee be liable for any acts or omissions of said trustee.
IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed all as of the day and year first above written.

ANHEUSER-BUSCH INBев FINANCE INC.
as Company

By: /s/ Augusto Lima
   Name: Augusto Lima
   Title: Authorized Officer

ANHEUSER-BUSCH INBев SA/NV
as Parent Guarantor

By: /s/ Benoit Loore
   Name: Benoit Loore
   Title: Authorized Officer

By: /s/ Jan Vandermeersch
   Name: Jan Vandermeersch
   Title: Authorized Officer

THE BANK OF NEW YORK MELLON, TRUST
COMPANY, N.A.,
as Trustee

By: /s/ R. Tarnas
   Name: R. Tarnas
   Title: Vice President

[ABIFI 2016 Base Indenture Signature Page]
ANHEUSER-BUSCH INBEV WORLDWIDE INC.
as Subsidiary Guarantor

By: /s/ Augusto Lima
Name: Augusto Lima
Title: Authorized Officer

ANHEUSER-BUSCH COMPANIES, LLC
as Subsidiary Guarantor

By: /s/ Augusto Lima
Name: Augusto Lima
Title: Authorized Officer

COBREW NV
as Subsidiary Guarantor

By: /s/ Benoit Loore
Name: Benoit Loore
Title: Authorized Officer

By: /s/ Jan Vandermeersch
Name: Jan Vandermeersch
Title: Authorized Officer

BRANDBREW SA
as Subsidiary Guarantor

By: /s/ Benoit Loore
Name: Benoit Loore
Title: Authorized Officer

BRANDBEV S.A.R.L.
as Subsidiary Guarantor

By: /s/ Benoit Loore
Name: Benoit Loore
Title: Authorized Officer

[ABIFI 2016 Base Indenture Signature Page]
FORM OF CERTIFICATE OF TRANSFER

Anheuser-Busch InBev Finance Inc.
attn: Treasurer
250 Park Avenue, New York, New York 10177
USA

Anheuser-Busch InBev SA/NV
Brouwerijplein 1, 3000
Leuven, Belgium

The Bank of New York Mellon Trust Company, N.A.
911 Washington Ave, 3rd Floor
St. Louis, Missouri 63101,
USA

Re: [Title of Securities]

Reference is hereby made to the Indenture, dated as of January 25, 2016 (as supplemented to the date hereof, the “Indenture”), among Anheuser-Busch InBev Finance Inc., as issuer (the “Company”), Anheuser-Busch InBev SA/NV, as parent guarantor (the “Parent Guarantor”), the Subsidiary Guarantors party thereto from time to time and The Bank of New York Mellon Trust Company, N.A., as trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

, (the “Transferor”) owns and proposes to transfer the [Security][Securities] or beneficial interest in such [Security][Securities] specified in Exhibit 1 hereto, in the principal amount of $                    (the “Transfer”), to                     (the “Transferee”), as further specified in Exhibit 1 hereto. In connection with the Transfer, the Transferor hereby certifies that:

[CHECK ALL THAT APPLY]

1. ☐ Check if Transferee will take delivery of a beneficial interest in the Global Security or a Certificated Security Pursuant to Rule 144A. The Transfer is being effected pursuant to and in accordance with Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”), and, accordingly, the Transferor hereby further certifies that the beneficial interest or Certificated Security is being transferred to a Person that the Transferor reasonably believed and believes is purchasing the beneficial interest or Certificated Security for its own account, or for one or more accounts with respect to which such Person exercises sole investment discretion, and such Person and each such account is a “qualified institutional buyer” within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A and such Transfer is in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Certificated Security will be subject to the restrictions on transfer enumerated in the applicable legend printed on the Global Security and/or the Certificated Security pursuant to Rule 144A and in the Indenture and the Securities Act.

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2. □ Check if Transferee will take delivery of a beneficial interest in the Global Security or a Certified Security pursuant to Regulation S. The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and, accordingly, the Transferor hereby further certifies that (i) the Transfer is not being made to a Person in the United States and (x) at the time the buy order was originated, the Transferee was outside the United States or such Transferor and any Person acting on its behalf reasonably believed and believes that the Transferee was outside the United States or (y) the transaction was executed in, on or through the facilities of a designated offshore securities market and neither such Transferor nor any Person acting on its behalf knows that the transaction was prearranged with a buyer in the United States, (ii) no directed selling efforts have been made in contravention of the requirements of Rule 903(b) or Rule 904(b) of Regulation S under the Securities Act, (iii) the transaction is not part of a plan or scheme to evade the registration requirements of the Securities Act and (iv) if the proposed transfer is being made prior to the expiration of the 40-day “Distribution Compliance Period” under Regulation S, the transfer is not being made to a U.S. Person or for the account or benefit of a U.S. Person (other than a “Distributor” as defined in Rule 902 of Regulation S) and the transferred beneficial interest will be held immediately after such Transfer through Euroclear or Clearstream. Upon consummation of the proposed transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Certified Security will be subject to the restrictions on transfer enumerated in the applicable legend printed on the Global Security and/or the Certified Security and in the Indenture and the Securities Act.

3. □ Check if Transferee will take delivery of a beneficial interest in an Unrestricted Global Security or of an Unrestricted Certified Security.

(a) □ Check if Transfer is pursuant to Rule 144. (i) The Transfer is being effected pursuant to and in accordance with Rule 144 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the applicable legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Certified Security will no longer be subject to the restrictions on transfer enumerated in the applicable legend printed on the Restricted Global Securities, on Restricted Certificated Securities and in the Indenture.

(b) □ Check if Transfer is Pursuant to Regulation S. (i) The Transfer is being effected pursuant to and in accordance with Rule 903 or Rule 904 under the Securities Act and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States and (ii) the restrictions on transfer contained in the Indenture and the applicable legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Certified Security will no longer be subject to the restrictions on transfer enumerated in the applicable legend printed on the Restricted Global Securities, on Restricted Certificated Securities and in the Indenture.
(c) **Check if Transfer is Pursuant to an Effective Registration Statement.** The Transfer is being effected in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States pursuant to an effective registration statement under the Securities Act and in compliance with the prospectus delivery requirements of the Securities Act.

(d) **Check if Transfer is Pursuant to Other Exemption.** (i) The Transfer is being effected pursuant to and in compliance with an exemption from the registration requirements of the Securities Act other than Rule 144, Rule 903 or Rule 904 and in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any State of the United States and (ii) the restrictions on transfer contained in the Indenture and the applicable legend are not required in order to maintain compliance with the Securities Act. Upon consummation of the proposed Transfer in accordance with the terms of the Indenture, the transferred beneficial interest or Certificated Security will not be subject to the restrictions on transfer enumerated in the applicable legend printed on the Restricted Global Securities or Restricted Certificated Securities and in the Indenture.

4. **Check if Transfer is to the Company or any of its Subsidiaries.** The transfer is being effected in compliance with the transfer restrictions contained in the Indenture and any applicable blue sky securities laws of any state of the United States.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company and the Guarantors.

[Insert Name of Transferor]

By: ________________________________

Name: ________________________________

Title: ________________________________

Dated: ________________________________

A-3
EXHIBIT 1 TO CERTIFICATE OF TRANSFER

1. The Transferor owns and proposes to transfer the following:

   [CHECK ONE OF (a) OR (b)]

   (a) ☐ a beneficial interest in the:
       (i) ☐ Global Security offered and sold pursuant to Rule 144A (CUSIP ), or
       (ii) ☐ Global Security offered and sold pursuant to Regulation S (CUSIP )
   (b) ☐ a Restricted Certificated Security.

2. After the Transfer the Transferee will hold:

   [CHECK ONE]

   (a) ☐ a beneficial interest in the:
       (i) ☐ Global Security offered and sold pursuant to Rule 144A (CUSIP ), or
       (ii) ☐ Global Security offered and sold pursuant to Regulation S (CUSIP ), or
       (iii) ☐ Unrestricted Global Security (CUSIP ); or
   (b) ☐ a Restricted Certificated Security; or
   (c) ☐ an Unrestricted Certificated Security, in accordance with the terms of the Indenture.

A-4
FORM OF CERTIFICATE OF EXCHANGE

Anheuser-Busch InBev Finance Inc.
attn: Treasurer
250 Park Avenue, New York, New York 10177
USA

Anheuser-Busch InBev SA/NV
Brouwerijplein 1, 3000
Leuven, Belgium

The Bank of New York Mellon Trust Company, N.A.
911 Washington Ave, 3rd Floor
St. Louis, Missouri 63101,
USA

Re: [Title of Securities]

Reference is hereby made to the Indenture, dated as of January 25, 2016 (as supplemented to the date hereof, the “Indenture”), among Anheuser-Busch InBev Finance Inc., as issuer (the “Company”), Anheuser-Busch InBev SA/NV, as parent guarantor (the “Parent Guarantor”), the Subsidiary Guarantors party thereto from time to time and The Bank of New York Mellon Trust Company, N.A., as trustee. Capitalized terms used but not defined herein shall have the meanings given to them in the Indenture.

, (the “Owner”) owns and proposes to exchange the Note[s] or beneficial interest in such Note[s] specified herein, in the principal amount of $            (the “Exchange”). In connection with the Exchange, the Owner hereby certifies that:

1. Exchange of Restricted Certificated Securities or Beneficial Interests in a Restricted Global Security for Unrestricted Certificated Securities or Beneficial Interests in an Unrestricted Global Security

(a) ☐ Check if Exchange is from beneficial interest in a Restricted Global Security to beneficial interest in an Unrestricted Global Security. In connection with the Exchange of the Owner’s beneficial interest in a Restricted Global Security for a beneficial interest in an Unrestricted Global Security in an equal principal amount, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner’s own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Global Securities and pursuant to and in accordance with the Securities Act of 1933, as amended (the “Securities Act”), (iii) the restrictions on transfer contained in the Indenture and the applicable legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest in an Unrestricted Global Security is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.
(b) Check if Exchange is from beneficial interest in a Restricted Global Security to Unrestricted Certificated Security. In connection with the Exchange of the Owner’s beneficial interest in a Restricted Global Security for an Unrestricted Certificated Security, the Owner hereby certifies (i) the Certificated Security is being acquired for the Owner’s own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Securities and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the applicable legend are not required in order to maintain compliance with the Securities Act and (iv) the Certificated Security is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(c) Check if Exchange is from Restricted Certificated Security to beneficial interest in an Unrestricted Global Security. In connection with the Owner’s Exchange of a Restricted Certificated Security for a beneficial interest in an Unrestricted Global Security, the Owner hereby certifies (i) the beneficial interest is being acquired for the Owner’s own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Certificated Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the applicable legend are not required in order to maintain compliance with the Securities Act and (iv) the beneficial interest is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

(d) Check if Exchange is from Restricted Certificated Security to Unrestricted Certificated Security. In connection with the Owner’s Exchange of a Restricted Certificated Security for an Unrestricted Certificated Security, the Owner hereby certifies (i) the Unrestricted Certificated Security is being acquired for the Owner’s own account without transfer, (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to Restricted Certificated Notes and pursuant to and in accordance with the Securities Act, (iii) the restrictions on transfer contained in the Indenture and the applicable legend are not required in order to maintain compliance with the Securities Act and (iv) the Unrestricted Certificated Security is being acquired in compliance with any applicable blue sky securities laws of any state of the United States.

2. Exchange of Restricted Certificated Notes or Beneficial Interests in Restricted Global Securities for Restricted Certificated Securities or Beneficial Interests in Restricted Global Securities

(a) Check if Exchange is from beneficial interest in a Restricted Global Security to Restricted Certificated Security. In connection with the Exchange of the Owner’s beneficial interest in a Restricted Global Security for a Restricted Certificated Security with an equal principal amount, the Owner hereby certifies that the Restricted Certificated Security is being acquired for the Owner’s own account without transfer. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the Restricted Certificated Security issued will continue to be subject to the restrictions on transfer enumerated in the applicable legend printed on the Restricted Certificated Security and in the Indenture and the Securities Act.

(b) Check if Exchange is from Restricted Certificated Security to beneficial interest in a Restricted Global Security. In connection with the Exchange of the Owner’s Restricted Certificated Security for a beneficial interest in the [CHECK ONE] ☐ Global Note offered and sold pursuant to Rule 144A, ☐ Global Note offered and sold pursuant to Regulation S, with an equal principal amount, the Owner hereby certifies
(i) the beneficial interest is being acquired for the Owner’s own account without transfer and (ii) such Exchange has been effected in compliance with the transfer restrictions applicable to the Restricted Global Securities and pursuant to and in accordance with the Securities Act, and in compliance with any applicable blue sky securities laws of any state of the United States. Upon consummation of the proposed Exchange in accordance with the terms of the Indenture, the beneficial interest issued will be subject to the restrictions on transfer enumerated in the applicable legend printed on the relevant Restricted Global Security and in the Indenture and the Securities Act.

This certificate and the statements contained herein are made for your benefit and the benefit of the Company and the Guarantors.

[Insert Name of Transferor]

By: ____________________________
   Name: __________________________
   Title: __________________________

Dated: ___________________________

B-3
AMENDMENT AND RESTATEMENT AGREEMENT
DATED 28 AUGUST 2015

FOR

ANHEUSER-BUSCH INBEV SA/NV

AS COMPANY

WITH

BNP PARIBAS FORTIS SA/NV

ACTING AS AGENT

RELATING TO A USD8,000,000,000 (ORIGINALLY USD13,000,000,000) FACILITIES AGREEMENT
DATED 26 FEBRUARY 2010 (AS AMENDED ON 25 JULY 2011 AND EXTENDED ON 20 AUGUST 2013)
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THIS AGREEMENT is dated August 2015 and made between:

(1) **ANHEUSER-BUSCH INBEV SA/NV**, a *naamloze vennootschap/société anonyme*, with its registered office at Grand Place 1, 1000 Brussels, registered with the Crossroads Bank of Enterprises (*Kruispuntbank voor Ondernemingen/Banque Carrefour des Entreprises*) under number 0417.497.106 (the “**Company**”);

(2) **THE COMPANIES** listed in Part I of Schedule 1 (*The Parties*) as borrowers (the “**Borrowers**”);

(3) **THE COMPANIES** listed in Part II of Schedule 1 (*The Parties*) as guarantors (the “**Guarantors**”);

(4) **THE FINANCIAL INSTITUTIONS** listed in Part III of Schedule 1 (*The Parties*), Bank of America, N.A, Deutsche Bank AG, New York Branch, Société Générale, UniCredit Bank Austria AG, Export Development Canada, TD Bank Europe Limited and Rabobank International as existing lenders (the “**Existing Lenders**”);

(5) **THE FINANCIAL INSTITUTIONS** listed in Part IV of Schedule 1 (*The Parties*) as new lenders (the “**New Lenders**”);

(6) **DEUTSCHE BANK LUXEMBOURG S.A.** and **SUMITOMO MITSUI BANKING CORPORATION** as new mandated lead arrangers and bookrunners (the “**New Mandated Lead Arrangers and Bookrunners**”)

(7) **COOPERATIEVE CENTRALE RAIFFEISEN-BOERENLEENBANK B.A., “RABOBANK NEDERLAND”, NEW YORK BRANCH** as new mandated lead arrangers (the “**New Mandated Lead Arrangers**”);

(8) **CITIGROUP GLOBAL MARKETS INC., HSBC BANK USA, N.A., THE TORONTO-DOMINION BANK and WELLS FARGO BANK, NATIONAL ASSOCIATION** as new lead arrangers (the “**New Lead Arrangers**”);

(9) **AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED, COMMERZBANK AG, FILIALE LUXEMBURG, THE BANK OF NEW YORK MELLON, MORGAN STANLEY BANK INTERNATIONAL LIMITED, U.S. BANK N.A. and UNICREDIT BANK AG** as new arrangers (together with the New Mandated Lead Arrangers and Bookrunners, the New Mandated Lead Arrangers and the New Lead Arrangers, the “**New Arrangers**”);

(10) **BNP PARIBAS FORTIS SA/NV** as agent of the other Finance Parties (the “**Agent**”); and

(11) **BNP PARIBAS FORTIS SA/NV** as issuing bank (the “**Issuing Bank**”).
IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement:

“Amended Facility Agreement” means the Original Facility Agreement, as amended and restated by this Agreement.

“Anti-Corruption Law” means the United Kingdom Bribery Act 2010, the United States Foreign Corrupt Practices Act 1977 or other similar legislation in other jurisdictions which is directly applicable to the relevant member of the Group.

“Effective Date” means the date on which the Agent confirms to the Existing Lenders, the New Lenders, the New Arrangers, the Issuing Bank and the Company that it has received each of the documents and other evidence listed in Schedule 2 (Conditions Precedent to the Effective Date) in form and substance satisfactory to the Agent (and the Agent shall provide such confirmation promptly upon being so satisfied), provided that on such date the Effective Date shall only occur if the Facilities (as defined in the Original Facility Agreement) are undrawn. The Effective Date shall otherwise occur on the first date following such confirmation by the Agent on which the Facilities (as defined in the Original Facility Agreement) are undrawn and provided in each case that such conditions have been satisfied by no later than 30 September 2015.

“Guarantee Obligations” means the guarantee and indemnity obligations of a Guarantor contained in the Finance Documents.

“Original Facility Agreement” means the USD8,000,000,000 (previously USD13,000,000,000) facilities agreement dated 26 February 2010 (as amended on 25 July 2011 and as extended on 20 August 2013) between, among others, the Company as company, the Company and Anheuser-Busch InBev Worldwide Inc. as original borrowers and original guarantors, Anheuser-Busch Companies, LLC as original guarantor, BNP Paribas Fortis SA/NV (formerly Fortis Bank SA/NV) as Agent and Issuing Bank and the financial institutions listed therein as original lenders.

“Sanctioned Country” means a country or territory that is the subject of comprehensive Sanctions (being, as at the date of this Agreement, the Crimea, Cuba, Iran, Myanmar, North Korea, Sudan and Syria).

“Sanctions” means:

(a) United Nations sanctions imposed pursuant to any United Nations Security Council Resolution;

(b) US sanctions administered or enforced by the Office of Foreign Assets Control of the US Department of the Treasury or the US Department of State;
(c) EU restrictive measures implemented pursuant to any EU Council or Commission Regulation or Decision adopted pursuant to a Common Position in furtherance of the EU’s Common Foreign and Security Policy; and

(d) UK sanctions (i) enacted by statutory instrument pursuant to the United Nations Act 1946 or the European Communities Act 1972; and/or (ii) administered or enforced by Her Majesty’s Treasury of the UK.

1.2 Incorporation of defined terms
(a) Unless a contrary indication appears, a term defined in the Original Facility Agreement has the same meaning in this Agreement.

(b) The principles of construction set out in the Original Facility Agreement shall have effect as if set out in this Agreement.

1.3 Clauses
In this Agreement any reference to a “Clause” or a “Schedule” is, unless the context otherwise requires, a reference to a Clause in or a Schedule to this Agreement.

1.4 Third party rights
A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or to enjoy the benefit of any term of this Agreement.

1.5 Designation
In accordance with the terms of the Original Facility Agreement, each of the Company and the Agent designates this Agreement as a Finance Document.

2. REPRESENTATIONS
(a) Each of the representations and warranties in clause 29 (Representations), other than in clause 29.10 (Financial statements), of the Original Facility Agreement are made by each Obligor (by reference to the facts and circumstances then existing) on:

(i) the date of this Agreement; and

(ii) the Effective Date,

and references to “this Agreement” or to the “Finance Documents” in those representations and warranties shall be construed as references to or including (as the case may be) this Agreement and to the Original Facility Agreement and on the Effective Date, to the Amended Facility Agreement.

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(b) The following additional representations and warranties are deemed to be made by the Company on the Effective Date:

(i) **Sanctions**

(A) Neither it nor any Obligor is (i) currently a designated target of any Sanctions or (ii) organised or resident in a Sanctioned Country.

(B) in relation to a Sanctioned Country in which it (or an Obligor) is operating or conducting any business, it (or the relevant Obligor) is conducting such business in compliance with the Sanctions applicable to that Sanctioned Country in all material respects.

(C) It has instituted and maintains policies and procedures designed to promote compliance by the Group with Sanctions applicable to the Group and the Group’s business.

(D) In relation to each Finance Party which notifies the Agent in writing that it is a “Restricted Finance Party” for the purposes of this Clause 2, the representations made in this paragraph (b)(i) of Clause 2 shall only apply for the benefit of that Restricted Finance Party to the extent that the sanctions provisions would not result in (i) any violation of, conflict with or liability under EU Regulation (EC) 2271/96 or (ii) a violation or conflict with Section 7 Foreign Trade And Payments Rules (AWV) (Außenwirtschaftsverordnung) (in connection with Section 4 paragraph 1 a no. 3 German Foreign Trade and Payments Act (AWG) (Außenwirtschaftsgesetz) or a similar anti-boycott statute). In connection with any amendment, waiver, determination or direction relating to any part of this Clause of which a Restricted Finance Party does not have the benefit, the commitments of that Restricted Finance Party will (to the extent that it is a Lender) be excluded for the purpose of determining whether the consent of the Majority Lenders has been obtained or whether the determination or direction by the Majority Lenders has been made.

(ii) **Anti-corruption**

It is the policy of the Company to conduct its business in compliance with all applicable anti-money laundering and Anti-Corruption Laws in all material respects and it has instituted and maintains policies and procedures designed to promote and achieve compliance with such laws across the Group.
3. AMENDMENT AND RESTATEMENT

With effect from the Effective Date, the Original Facility Agreement shall be amended and restated so that it shall be read and construed for all purposes as set out in Schedule 3 (Restated Agreement).

4. NEW LENDERS AND COMMITMENT INCREASES

4.1 New Lender accession

On the Effective Date:

(a) the Total Commitments will be increased to USD9,000,000,000;

(b) the Commitments of Deutsche Bank AG, New York Branch, TD Bank Europe Limited, Société Générale, UniCredit Bank Austria AG and Rabobank International shall be reduced to zero, each such entity shall cease to be a Lender under the Amended Facility Agreement and each of the Obligors, Deutsche Bank AG, New York Branch, Société Générale, UniCredit Bank Austria AG, TD Bank Europe Limited and Rabobank International shall be released from further obligations towards one another under the Finance Documents and their respective rights against one another under the Finance Documents shall be cancelled;

(c) the Revolving Facility Commitments and Euro Swingline Commitments of Bank of America, N.A shall (without prejudice to its Dollar Swingline Commitments) be reduced to zero and each of the Obligors and Bank of America, N.A shall be released from further obligations towards one another in respect of such Commitments under the Finance Documents and their respective rights against one another in respect of such Commitments under the Finance Documents shall be cancelled;

(d) the Commitments of Export Development Canada shall be reduced to zero and it shall each cease to be a Lender under the Amended Facility Agreement and each of the Obligors and Export Development Canada shall be released from further obligations towards one another under the Finance Documents and their respective rights against one another under the Finance Documents shall be cancelled; and

(e) the Commitments of each of the Existing Lenders other than Deutsche Bank AG, New York Branch, Société Générale, UniCredit Bank Austria AG, TD Bank Europe Limited, Export Development Canada and Rabobank International will be increased or decreased (as applicable) to the amount set out in the relevant columns entitled “2015 Effective Date Revolving Facility Commitment”, “2015 Effective Date Dollar Swingline Commitment” and “2015 Effective Date Euro Swingline Commitment” opposite its name in Part III of Schedule 1 (The Parties);

(f) each New Lender will become a Lender under the Amended Facility Agreement with Commitments as set out in the relevant columns entitled “2015 Effective Date Revolving Facility Commitment”, “2015 Effective Date Dollar Swingline Commitment” and “2015 Effective Date Euro Swingline Commitment” opposite its name in Part IV of Schedule 1 (The Parties);
(g) each New Arranger will become an Arranger under the Amended Facility Agreement;

(h) Intesa Sanpaolo S.p.A shall cease to be a bookrunner under the Amended Facility Agreement;

(i) Deutsche Bank AG, London Branch shall cease to be a mandated lead arranger and bookrunner under the Amended Facility Agreement;

(j) each of the Obligors, the Agent, the Arrangers, the New Arrangers, the Issuing Bank, the Existing Lenders other than Deutsche Bank AG, New York Branch, Société Générale, UniCredit Bank Austria AG, TD Bank Europe Limited, Export Development Canada and Rabobank International and the New Lenders shall assume obligations towards one another and/or acquire rights against one another as such parties would have assumed and/or acquired had:

(i) the relevant Existing Lenders been Original Lenders with the Commitments set out opposite their name in Part III of Schedule 1 (The Parties);

(ii) the New Lenders been Original Lenders with the Commitments set out opposite their name in Part IV of Schedule 1 (The Parties); and

(iii) the New Arrangers been party to the Original Facility Agreement as Arrangers.

As a result of the above, the parties to the Amended Facility Agreement on the Effective Date will be the Obligors (in their respective capacities), the Agent, the Existing Lenders other than Deutsche Bank AG, New York Branch, Société Générale, UniCredit Bank Austria AG, TD Bank Europe Limited, Export Development Canada and Rabobank International, the New Lenders, the Issuing Bank, the Arrangers and the New Arrangers.

4.2 Amounts payable on or before the Effective Date

Any amounts payable to an Existing Lender by the Obligors pursuant to any Finance Document on or before the Effective Date (including, without limitation, all interest, fees and commission payable to that Existing Lender on the Effective Date) in respect of any period ending on or prior to the Effective Date shall be for the account of that Existing Lender and none of the New Lenders shall have any interest in, or any rights in respect of, any such amount.

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4.3 Limitation of responsibility of Existing Lenders

(a) Each New Lender confirms to each Existing Lender and the other Finance Parties that it:

(i) has received a copy of the Original Facility Agreement together with such other information as it has required in connection with this transaction;

(ii) has made (and shall continue to make) its own independent investigation and assessment of the financial condition and affairs of each Obligor and its related entities in connection with its participation in this Agreement and the Amended Facility Agreement and has not relied exclusively on any information provided to it by any Existing Lender in connection with any Finance Document; and

(iii) will continue to make its own independent appraisal of the creditworthiness of each Obligor and its related entities whilst any amount is or may be outstanding under the Finance Documents or any Commitment is in force.

(b) Unless expressly agreed to the contrary, no Existing Lender nor any other Finance Party makes any representation or warranty nor assumes any responsibility to the New Lenders for:

(i) the legality, validity, effectiveness, adequacy or enforceability of the Finance Documents or any other documents;

(ii) the financial condition of any Obligor;

(iii) the performance and observance by any Obligor of its obligations under the Finance Documents or any other documents; or

(iv) the accuracy of any statements (whether written or oral) made in or in connection with the Finance Documents or any other document,

and any representations or warranties implied by law are excluded.

(c) Nothing in any Finance Document obliges any Existing Lender to support any losses directly or indirectly incurred by a New Lender by reason of the non-performance by any Obligor of its obligations under the Finance Documents or otherwise.

4.4 Administrative Details

Each New Lender confirms that it has delivered to the Agent its Facility Office details and address, fax number and attention details for the purposes of clause 40 (Notices) of the Amended Facility Agreement.
4.5 **New Lender Status Confirmation**

Each New Lender confirms in the relevant column opposite its name in Part IV of Schedule 1 (*The Parties*) whether it is a Qualifying Lender (other than a Treaty Lender), a Treaty Lender or is not a Qualifying Lender.

5. **CONTINUITY**

5.1 **Continuing obligations**

The provisions of the Original Facility Agreement and the other Finance Documents shall, save as amended by this Agreement, continue in full force and effect.

5.2 **Confirmation of Guarantee Obligations**

Each Guarantor confirms for the benefit of the Finance Parties its acceptance of the Amended Facility Agreement and that all Guarantee Obligations owed by it under the Original Facility Agreement shall (a) remain in full force and effect following the Effective Date notwithstanding the amendments referred to in Clause 3 (*Amendment and Restatement*) and (b) extend to any new obligations assumed by any Obligor under the Finance Documents as a result of this Agreement (including, but not limited to, under the Amended Facility Agreement).

6. **FEES, COSTS AND EXPENSES**

6.1 **Amendment fee**

(a) The Company shall within 5 Business Days of the Effective Date pay to the Agent (for the account of the Lenders under (and as defined in) the Amended Facility Agreement) an amendment fee (the “Amendment Fee”) in an amount equal to 0.15% of the amount of the Revolving Facility Commitment of each Lender under the Amended Facility Agreement on the Effective Date (as set out in Part III of Schedule 1 (*The Parties*)), but only on an amount of such Revolving Facility Commitment being equal to the amount of that Lender’s (or, in accordance with paragraph (b) below, the Affiliate of that Lender’s) Revolving Facility Commitment under the Original Facility Agreement immediately before the Effective Date. Subject to paragraph (b) below, no Amendment Fee will be payable in respect of the Revolving Facility Commitments of any New Lender under the Amended Facility Agreement.

(b) For the purposes of paragraph (a) above, the Amendment Fee payable to:

(i) Bank of America Merrill Lynch International Limited shall be calculated as if its Revolving Facility Commitment under the Original Facility Agreement immediately before the Effective Date had been the same as that of Bank of America, N.A. at that time;

(ii) J.P. Morgan Securities plc shall be calculated as if its Revolving Facility Commitment under the Original Facility Agreement immediately before the Effective Date had been the same as that of JPMorgan Chase Bank, N.A. at that time.
(iii) Société Générale Succursale en Belgique de la Société Générale France and Société Générale, London Branch (taken together) shall be calculated as if their aggregate Revolving Facility Commitment under the Original Facility Agreement immediately before the Effective Date had been the same as that of Société Générale at that time (and such aggregate fee shall thereafter be distributed by the Agent to Société Générale Succursale en Belgique de la Société Générale France and Société Générale, London Branch in proportion to their respective Revolving Facility Commitments under the Amended Facility Agreement);

(iv) The Toronto-Dominion Bank shall be calculated as if its Revolving Facility Commitment under the Original Facility Agreement immediately before the Effective Date had been the same as the aggregate of its own Revolving Facility Commitment at that time and the Revolving Facility Commitment of TD Bank Europe Limited at that time;

(v) UniCredit Bank AG shall be calculated as if its Revolving Facility Commitment under the Original Facility Agreement immediately before the Effective Date had been the same as that of UniCredit Bank Austria AG at that time; and

(vi) Cooperatieve Centrale Raiffeisen-Boerenleenbank B.A., “Rabobank Nederland”, New York Branch shall be calculated as if its Revolving Facility Commitment under the Original Facility Agreement immediately before the Effective Date had been the same as that of Rabobank International at that time.

6.2 Incremental commitment fee

(a) The Company shall within 5 Business Days of the Effective Date pay to the Agent (for the account of the Lenders under (and as defined in) the Amended Facility Agreement) an incremental commitment fee (the “Incremental Commitment Fee”) in the following amount:

(i) in respect of the Revolving Facility Commitments of each Lender under the Amended Facility Agreement which was a Lender (or, in accordance with paragraph (b) below, whose Affiliate was a Lender) under the Original Facility Agreement immediately before the Effective Date, 0.20 per cent. of the amount by which the Revolving Facility Commitments of that Lender under the Amended Facility Agreement on the Effective Date (as set out in Part III of Schedule 1 (The Parties) or, in the case of Bank of America Merrill Lynch International Limited, J.P Morgan Securities plc, Société Générale Succursale en Belgique de la Société Générale France, Société Générale, London Branch, UniCredit Bank AG and Cooperatieve Centrale Raiffeisen-Boerenleenbank B.A., “Rabobank Nederland”, New York Branch, Part IV of Schedule 1 (The Parties)) exceeds the amount of its (or, as applicable, its Affiliate’s or (in the case of The Toronto-Dominion Bank) the aggregate of its and its Affiliate’s) Revolving Facility Commitment under the Original Facility Agreement immediately before the Effective Date; and

(ii) in respect of each Lender under the Amended Facility Agreement other than Bank of America Merrill Lynch International Limited, J.P Morgan Securities plc, Société Générale Succursale en Belgique de la Société Générale France, Société Générale, London Branch, UniCredit Bank AG and Cooperatieve Centrale Raiffeisen-Boerenleenbank B.A., “Rabobank Nederland”, New York Branch which was not a Lender under the Original Facility Agreement immediately before the Effective Date, 0.20 per cent. of the amount of that Lender’s Revolving Facility Commitment under the Amended Facility Agreement on the Effective Date (as set out in Part IV of Schedule 1 (The Parties)).
(b) For the purposes of paragraph (a)(i) above, the Incremental Commitment Fee payable to:

(i) Bank of America Merrill Lynch International Limited shall be calculated as if its Revolving Facility Commitment under the Original Facility Agreement immediately before the Effective Date had been the same as that of Bank of America, N.A. at that time;

(ii) J.P Morgan Securities plc shall be calculated as if its Revolving Facility Commitment under the Original Facility Agreement immediately before the Effective Date had been the same as that of JPMorgan Chase Bank, N.A. at that time;

(iii) Société Générale Succursale en Belgique de la Société Générale France and Société Générale, London Branch (taken together) shall be calculated as if their aggregate Revolving Facility Commitment under the Original Facility Agreement immediately before the Effective Date had been the same as that of Société Générale at that time (and such aggregate fee shall thereafter be distributed by the Agent to Société Générale Succursale en Belgique de la Société Générale France and Société Générale, London Branch in proportion to their respective Revolving Facility Commitments under the Amended Facility Agreement);

(iv) UniCredit Bank AG shall be calculated as if its Revolving Facility Commitment under the Original Facility Agreement immediately before the Effective Date had been the same as that of UniCredit Bank Austria AG at that time;

(v) The Toronto-Dominion Bank shall be calculated as if its Revolving Facility Commitment under the Original Facility Agreement immediately before the Effective Date had been the same as the aggregate of its own Revolving Facility Commitment at that time and the Revolving Facility Commitment of TD Bank Europe Limited at that time; and

(vi) Cooperatieve Centrale Raiffeisen-Boerenleenbank B.A., “Rabobank Nederland”, New York Branch shall be calculated as if its Revolving Facility Commitment under the Original Facility Agreement immediately before the Effective Date had been the same as that of Rabobank International at that time.
6.3 **Transaction expenses**

The Company shall within ten Business Days of demand pay the Agent the amount of all costs and expenses (including but not limited to legal fees) reasonably incurred by it in connection with the negotiation, preparation, printing and execution of this Agreement and any other documents referred to in this Agreement.

7. **CONSENTS AND WAIVER**

The Company, each other Obligor, the Agent, the Issuing Bank and each of the other Finance Parties each:

(a) consent to the New Lenders becoming Lenders;

(b) consent to each of Export Development Canada, Société Générale, UniCredit Bank Austria AG, TD Bank Europe Limited and Rabobank International ceasing to be a Lender;

(c) consent to Deutsche Bank AG, New York Branch ceasing to be a Dollar Swingline Lender;

(d) waive the requirements of clause 33 (*Changes to the Lenders*) of the Original Facility Agreement for the purposes of this Agreement and for the transfers by novation effected pursuant to this Agreement;

(e) consent to Intesa Sanpaolo S.p.A ceasing to be a bookrunner under the Original Facility Agreement; and

(f) consent to the New Arrangers becoming Arrangers.

8. **CONDITION SUBSEQUENT**

The Company shall procure that evidence is delivered to the Agent within 10 Business Days after the date of this Agreement that an extract of a resolution of the shareholders meeting of Cobrew NV/SA approving (a) Clause 17 (*Mandatory Prepayment*) of the Amended Facility Agreement and (b) any other provision in the Amended Facility Agreement granting rights to third parties which could affect Cobrew NV/SA’s assets or could impose an obligation on Cobrew NV/SA where in each case the exercise of those rights is dependent on the occurrence of a public take-over bid or a change of control, has been filed with the clerk of the Commercial Court in accordance with article 556 of the Belgian Companies Code.
9. **MISCELLANEOUS**

9.1 **Incorporation of terms**

The provisions of clause 40 (**Notices**), clause 42 (**Partial invalidity**), clause 43 (**Remedies and waivers**) and clause 48 (**Enforcement**) of the Original Facility Agreement shall be incorporated into this Agreement as if set out in full in this Agreement and as if references in those clauses to “this Agreement” or “the Finance Documents” are references to this Agreement.

9.2 **Counterparts**

This Agreement may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

9.3 **No waiver**

Except to the extent expressly waived in this Agreement, no waiver is given by this Agreement and the Lenders expressly reserve all their rights and remedies in respect of any breach of, or other Default under, the Finance Documents.

10. **GOVERNING LAW**

This Agreement and any non-contractual obligations arising out of or in connection with it are governed by English law.

This Agreement has been entered into on the date stated at the beginning of this Agreement.

[Documentary duty of EUR 0.15 per original paid by bank transfer from Clifford Chance on 30 August 2011. Droit d'écriture de 0,15 euro par original payé par transfert bancaire de Clifford Chance le 30 août 2011. Recht op geschriften van 0,15 euro per origineel betaald per overschrijving door Clifford Chance op 30 augustus 2011.]
### SCHEDULE 1
### THE PARTIES

#### PART I
#### THE BORROWERS

<table>
<thead>
<tr>
<th>Name of Borrower</th>
<th>Registration number (or equivalent, if any) and Jurisdiction of Incorporation</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Company</td>
<td>0417-497-.106, Belgium</td>
</tr>
<tr>
<td>Anheuser-Busch InBev Worldwide Inc.</td>
<td>90-0421412, Delaware, U.S.</td>
</tr>
<tr>
<td>Cobrew NV/SA</td>
<td>0428.975.372, Belgium</td>
</tr>
</tbody>
</table>

#### PART II
#### THE GUARANTORS

<table>
<thead>
<tr>
<th>Name of Guarantor</th>
<th>Registration number (or equivalent, if any) and Jurisdiction of Incorporation</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Company</td>
<td>0417-497-.106, Belgium</td>
</tr>
<tr>
<td>Anheuser-Busch InBev Worldwide Inc.</td>
<td>Tax identification number 90-0421412, Delaware, U.S.</td>
</tr>
<tr>
<td>Anheuser-Busch Companies, LLC</td>
<td>Tax identification number 90-0427472, Delaware, U.S.</td>
</tr>
<tr>
<td>Anheuser-Busch InBev Finance Inc.</td>
<td>File number 5253080, Delaware, U.S.</td>
</tr>
<tr>
<td>BRANDBREW S.A.</td>
<td>B75.696, Luxembourg</td>
</tr>
<tr>
<td>Brandbev S.à r.l</td>
<td>B80.984, Luxembourg</td>
</tr>
<tr>
<td>Cobrew NV/SA</td>
<td>0428.975.372, Belgium</td>
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</table>
### The Existing Lenders

<table>
<thead>
<tr>
<th>Name of Existing Lender</th>
<th>2015 Effective Date Revolving Facility Commitment (USD)</th>
<th>2015 Effective Date Dollar Swingline Commitment</th>
<th>2015 Effective Date Euro Swingline Commitment</th>
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</thead>
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<tr>
<td>Australia and New Zealand Banking Group Limited</td>
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<tr>
<td>Commerzbank AG, New York Branch</td>
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<tr>
<td>Deutsche Bank Luxembourg S.A.</td>
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</tr>
<tr>
<td>Intesa Sanpaoio S.p.A.</td>
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<tr>
<td>ING Belgium S.A./N.V.</td>
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</tr>
<tr>
<td>Mizhuo Bank Nederland N.V.</td>
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<tr>
<td>Morgan Chase Bank N.A.</td>
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<tr>
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<tr>
<td>Barclays Bank PLC</td>
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<tr>
<td>Name of Existing Lender</td>
<td>2015 Effective Date Revolving Facility Commitment (USD)</td>
<td>2015 Effective Date Dollar Swingline Commitment</td>
<td>2015 Effective Date Euro Swingline Commitment</td>
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<tr>
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<tr>
<td>Mizuho Bank Ltd, New York Branch</td>
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<td>Morgan Stanley Bank N.A.</td>
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<tr>
<td>The Royal Bank of Scotland plc</td>
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</tr>
<tr>
<td>Sumitomo Mitsui Banking Corporation</td>
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<tr>
<td>The Bank of New York Mellon</td>
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<tr>
<td>The Bank of Tokyo-Mitsubishi UFJ, Ltd.</td>
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<tr>
<td>The Toronto-Dominion Bank</td>
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<tr>
<td>U.S. Bank N.A.</td>
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<tr>
<td>Name of New Lender</td>
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<td>Revolving Facility Commitment</td>
<td>Dollar Swingline Commitment</td>
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<tr>
<td>--------------------</td>
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<td>Bank of America Merrill Lynch International</td>
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<tr>
<td>Qualifying Lender (other than a Treaty Lender)</td>
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<tr>
<td>Treaty Lender</td>
<td>300,000,000</td>
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<tr>
<td>HSBC Bank USA, N.A.</td>
<td>6/6/6666.67</td>
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<tr>
<td>Treaty Lender in respect of US Obligors</td>
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<td>Qualifying Lender (other than a Treaty Lender) in respect of US Obligors</td>
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<td>Treaty Lender</td>
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<tr>
<td>Treaty Lender</td>
<td>200,000,000</td>
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<td>44,444,444</td>
</tr>
<tr>
<td>Wells Fargo Bank, National Association</td>
<td>6/6/6666.67</td>
<td>200,000,000</td>
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</tr>
<tr>
<td>CitiBank N.A.</td>
<td>6/6/6666.67</td>
<td>200,000,000</td>
<td>000,000,000</td>
</tr>
</tbody>
</table>
SCHEDULE 2
CONDITIONS PRECEDENT TO THE EFFECTIVE DATE

Obligors

1. A copy of the constitutional documents of each Obligor being, in respect of a Luxembourg Obligor, its up-to-date articles of association and an up-to-date excerpt from the Luxembourg Register of Commerce and Companies ("RCS") pertaining to that Luxembourg Obligor.

2. A copy of a resolution of the board of directors or, as applicable, the managers of each Obligor:
   (a) approving the terms of, and the transactions contemplated by, this Agreement and resolving that it execute this Agreement;
   (b) authorising a specified person or persons to execute this Agreement on its behalf; and
   (c) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices (including, if relevant, any Utilisation Request and Selection Notice) to be signed and/or despatched by it under or in connection with this Agreement.

3. A copy of a resolution by the shareholders’ meeting of Cobrew NV/SA approving (a) Clause 17 (Mandatory Prepayment) of the Amended Facility Agreement and (b) any other provision in the Amended Facility Agreement granting rights to third parties which could affect Cobrew NV/SA’s assets or could impose an obligation on Cobrew NV/SA where in each case the exercise of those rights is dependent on the occurrence of a public take-over bid or a change of control, in accordance with article 556 of the Belgian Companies Code.

4. A specimen of the signature of each person authorised by the resolution referred to in paragraph 2 above.

5. A certificate of the Company (signed by a director) confirming that borrowing or guaranteeing, as appropriate, the Total Commitments would not cause any borrowing, guaranteeing or similar limit binding on any Obligor to be exceeded.

6. In respect of each Luxembourg Obligor, an up-to-date negative certificate from the RCS stating that no judicial decision has been registered with the RCS by application of article 13, items 2 to 11 and 13 and article 14 of the Luxembourg law dated 19 December 2002 relating to the register of commerce and companies as well as the accounting and the annual accounts of companies, as amended (the “RCS Law”), according to which the relevant Luxembourg Obligor would be subject to one of the judicial proceedings referred to in these provisions of the RCS Law including in particular, bankruptcy (faillite), controlled management (gestion contrôlée), suspension of payments (sursis de paiement), arrangement with creditors (concordat préventif de la faillite) and judicial liquidation (liquidation judiciaire) proceedings.

7. A certificate of an authorised signatory of each Obligor certifying that each copy document relating to it specified in paragraphs 1 to 5 above is correct, complete and in full force and effect as at a date no earlier than the date of this Agreement.
**Finance Documents**

8. This Agreement, duly executed by the parties to it.

**Legal opinions**


10. A legal opinion of Allen & Overy S.C.S., legal advisers to the Agent in Luxembourg.

11. A legal opinion of Clifford Chance Brussels, legal advisers to the Company and the Belgian Obligors in Belgium.

12. A legal opinion of Allen & Overy Brussels, legal advisers to the Agent in Belgium.


**Other documents and evidence**

14. Evidence satisfactory to the Agent that each Lender has carried out and is satisfied with the results of all “know your customer” or other similar checks required in respect of the Obligors.
SCHEDULE 3
RESTATED AGREEMENT
26 FEBRUARY 2010, AS AMENDED ON 25 JULY 2011, AS EXTENDED ON 20 AUGUST 2013 AND AS AMENDED AND
RESTATATED BY AN AMENDMENT AND RESTATEMENT AGREEMENT DATED 28 AUGUST 2015

FOR

ANHEUSER-BUSCH INBEV SA/NV

AND

ANHEUSER-BUSCH INBEV WORLDWIDE INC.

ARRANGED BY

BANC OF AMERICA SECURITIES LIMITED
BANCO SANTANDER, S.A.
BARCLAYS CAPITAL
DEUTSCHE BANK AG, LONDON BRANCH
BNP PARIBAS FORTIS SA/NV
ING BANK NV
INTESA SANPAOLO S.P.A
J.P. MORGAN PLC
MIZUHO CORPORATE BANK, LTD
THE ROYAL BANK OF SCOTLAND PLC
SOCIÉTÉ GÉNÉRALE CORPORATE & INVESTMENT BANKING, THE CORPORATE
AND INVESTMENT BANKING DIVISION OF SOCIÉTÉ GÉNÉRALE
THE BANK OF TOKYO-MITSUBISHI UFJ, LTD.

AND

BNP PARIBAS FORTIS SA/NV

ACTING AS AGENT

AND

BNP PARIBAS FORTIS SA/NV

AS ISSUING BANK

US$9,000,000,000
REVOLVING CREDIT AND SWINGLINE FACILITIES
AGREEMENT

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- iv-
THIS AGREEMENT is dated 26 February 2010 (as amended on 25 July 2011, as extended on 20 August 2013 and as amended and restated by an amendment and restatement agreement dated August 2015) and made

BETWEEN:

(1) ANHEUSER-BUSCH INBEV SA/NV, a naamloze vennootschap/société anonyme, with its registered office at Grand Place 1, 1000 Brussels, registered with the Crossroads Bank of Enterprises (Kruispuntbank voor Ondernemingen/Banque Carrefour des Entreprises) under number 0 417 497 106 (the “Company”);

(2) ANHEUSER-BUSCH INBEV WORLDWIDE INC., a company incorporated under the laws of Delaware, having its registered office at 1209 Orange Street, Wilmington, Delaware 19801 with company registration no 90-0421412 (“ABIWW”);


(4) THE COMPANIES listed in the signature pages as original guarantors (the “Original Guarantors”);


(6) BNP PARIBAS FORTIS SA/NV as agent of the other Finance Parties (the “Agent”); and

(7) BNP PARIBAS FORTIS SA/NV as the issuing bank (the “Issuing Bank”).
IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATIONS

1.1 Definitions

In this Agreement:

“Acceptable Bank” means:

(a) a bank or financial institution which has a rating for its long-term unsecured and non credit enhanced debt obligations of A or higher by S&P or Fitch Ratings Ltd or A2 or higher by Moody’s or a comparable rating from an internationally recognised credit rating agency; or
(b) any other bank or financial institution approved by the Agent.

“Accession Letter” means a document substantially in the form set out in Schedule 4 (Form of Accession Letter).

“Accounting Principles” means:

(a) in the case of the audited consolidated financial statements of the Group, IFRS; or
(b) in any other case, the generally accepted accounting principles in the jurisdiction of incorporation of the relevant person, consistently applied.

“Additional Borrower” means Cobrew NV/SA and any other company which becomes a Borrower in accordance with Clause 34 (Changes to the Obligors).

“Additional Guarantor” means Brandbrew, Cobrew NV/SA, Brandbev and Anheuser-Busch InBev Finance Inc. and any other company which becomes a Guarantor in accordance with Clause 34 (Changes to the Obligors).

“Additional Obligor” means an Additional Borrower or an Additional Guarantor.

“Affiliate” means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company. Notwithstanding the foregoing, in relation to The Royal Bank of Scotland plc, the term “Affiliate” shall not include the U.K. government or any member or instrumentality thereof, including Her Majesty’s Treasury and UK Financial Investments Limited (or any directors, officers, employees or entities thereof) or (ii) any persons or entities controlled by or under common control with the U.K. government or any member or instrumentality thereof (including Her Majesty’s Treasury and UK Financial Investments Limited) and which are not part of The Royal Bank of Scotland Group plc and its subsidiaries or subsidiary undertakings.

“AFM” means The Netherlands Authority for the Financial Markets (Stichting Autoriteit Financiële Markten).
“Agent’s Spot Rate of Exchange” means the Agent’s spot rate of exchange for the purchase of the relevant currency with the Base Currency in the London foreign exchange market at or about 11.00 a.m. on a particular day.

“Amended Termination Date” means the date falling 60 months after the Amendment and Restatement Date.

“Amendment and Restatement Agreement” means the amendment and restatement agreement dated August 2015 between, among others, the Company, BNP Paribas Fortis SA/NV as agent and the Lenders.

“Amendment and Restatement Date” means the “Effective Date” as defined in the Amendment and Restatement Agreement.

“Anheuser-Busch” means Anheuser-Busch Companies, LLC, a company incorporated under the law of the State of Delaware, United States with registered address One Busch Place, St. Louis, Missouri 63118 with issuer number 035229.

“Anheuser-Busch Group” means Anheuser-Busch and its Subsidiaries from time to time.

“Anti-Corruption Law” means the United Kingdom Bribery Act 2010, the United States Foreign Corrupt Practices Act 1977 or other similar legislation in other jurisdictions which is directly applicable to the relevant member of the Group.

“Arrangers” mean the financial institutions listed in Part 4 of Schedule 1 (The Amendment and Restatement Date Parties) (whether acting individually or together).

“Authorisation” means an authorisation, consent, approval, resolution, licence, exemption, filing, notarisation or registration.

“Availability Period” means the period from (and including) the date of this Agreement to and including the date falling one Month prior to the Final Termination Date.

“Available Commitment” means, in relation to a Facility, a Lender’s Commitment under that Facility minus:

(a) the Base Currency Amount of its participation in any outstanding Utilisations under that Facility; and

(b) in relation to any proposed Utilisation, the Base Currency Amount of its participation in any other Utilisations that are due to be made under that Facility on or before the proposed Utilisation Date,

other than, in relation to any proposed Utilisation under the Revolving Facility only, that Lender’s participation in any Revolving Facility Utilisations that are due to be repaid or prepaid on or before the proposed Utilisation Date.
“Available Dollar Swingline Commitment” of a Dollar Swingline Lender means (but without limiting Clause 9.4 (Relationship with the Revolving Facility)) that Lender’s Dollar Swingline Commitment minus:

(a) the Base Currency Amount of its participation in any outstanding Dollar Swingline Loans; and

(b) in relation to any proposed Utilisation under the Dollar Swingline Facility, the Base Currency Amount of its participation in any Dollar Swingline Loans that are due to be made under the Dollar Swingline Facility on or before the proposed Utilisation Date.

For the purposes of calculating a Dollar Swingline Lender’s Available Dollar Swingline Commitment in relation to any proposed Utilisation of the Dollar Swingline Facility, that Lender’s participation in any Dollar Swingline Loans that are due to be repaid or prepaid on or before the proposed Utilisation Date shall not be deducted from a Dollar Swingline Lender’s Dollar Swingline Commitment.

“Available Dollar Swingline Facility” means the aggregate for the time being of each Dollar Swingline Lender’s Available Dollar Swingline Commitment.

“Available Euro Swingline Commitment” of a Euro Swingline Lender means (but without limiting Clause 12.4 (Relationship with the Revolving Facility)) that Lender’s Euro Swingline Commitment minus:

(a) the Base Currency Amount of its participation in any outstanding Euro Swingline Loans; and

(b) in relation to any proposed Utilisation under the Euro Swingline Facility, the Base Currency Amount of its participation in any Euro Swingline Loans that are due to be made under the Euro Swingline Facility on or before the proposed Utilisation Date.

For the purposes of calculating a Euro Swingline Lender’s Available Euro Swingline Commitment in relation to any proposed Utilisation of the Euro Swingline Facility, that Lender’s participation in any Euro Swingline Loans that are due to be repaid or prepaid on or before the proposed Utilisation Date shall not be deducted from a Euro Swingline Lender’s Euro Swingline Commitment.

“Available Euro Swingline Facility” means the aggregate for the time being of each Euro Swingline Lender’s Available Euro Swingline Commitment.

“Available Facility” means, in relation to a Facility, the aggregate for the time being of each Lender’s Available Commitment in respect of that Facility.

“Barcelona” means Companhia de Bebidas das Américas, a company incorporated under the laws of the Federative Republic of Brazil with registered address at AmBev, Rua Dr Renato Paes de Barros, 1017, 4º andar, 04530-001 Sao Paulo, SP, Brazil, listed on the Bovespa (Sao Paulo Stock Exchange) under the symbols AMBV3 (common shares) and AMBV4 (preferred shares).

“Base Currency” means US Dollars.

“Base Currency Amount” means, in relation to a Utilisation, the amount specified in the Utilisation Request delivered by a Borrower for that Utilisation (or, if the amount requested is not denominated in the Base Currency, that amount converted into the
Base Currency at the Agent’s Spot Rate of Exchange on the date which is three Business Days before the Utilisation Date or, if later, on the date the Agent receives the Utilisation Request in accordance with the terms of this Agreement) and, in the case of a Letter of Credit, as adjusted under Clause 6.8 (Revaluation of Letters of Credit) at six-monthly intervals, as adjusted to reflect any repayment, prepayment, consolidation or division of a Utilisation.


“Belgian Obligor” means an Obligor that is resident in Belgium for Belgian tax purposes or that has a permanent establishment in Belgium to which the advances under the Finance Documents are effectively connected.

“Borrower” means an Original Borrower or an Additional Borrower unless it has ceased to be a Borrower in accordance with Clause 34 (Changes to the Obligors).

“Brandbev” means Brandbev S.à r.l, a private limited liability company (société à responsabilité limitée) incorporated under the laws of Luxembourg, with its registered office at 5, rue Gabriel Lippmann L-5365 Munsbach having a share capital of USD 43,150,720 and registered with the Luxembourg register of commerce and companies under number B 80.984.

“Brandbrew” means Brandbrew S.A., a public limited liability company (société anonyme) incorporated under the laws of Luxembourg, with its registered office at 5, rue Gabriel Lippmann L-5365 Munsbach and registered with the Luxembourg register of commerce and companies under number B75.696.

“Break Costs” means the amount (if any) by which:

(a) the interest (excluding the Margin) which a Lender should have received for the period from the date of receipt of all or any part of its participation in a Loan or Unpaid Sum to the last day of the current Interest Period in respect of that Loan or Unpaid Sum, had the principal amount or Unpaid Sum received been paid on the last day of that Interest Period;

exceeds:

(b) the amount which that Lender would be able to obtain by placing an amount equal to the principal amount or Unpaid Sum received by it on deposit with a leading bank in the Relevant Interbank Market for a period starting on the Business Day following receipt or recovery and ending on the last day of the current Interest Period.

“Business Day” means a day (other than a Saturday or Sunday) on which banks are open for general business in London, Brussels and New York and:

(a) (in relation to any date for payment or purchase of a currency other than euro) the principal financial centre of the country of that currency; or

(b) (in relation to any date for payment or purchase of euro) any TARGET Day.
“Change of Control” means any person or group of persons acting in concert (in each case other than Stichting InBev or any existing direct or indirect certificate holder or certificate holders of Stichting InBev or any person or group of persons acting in concert with any such persons) gaining Control of the Company.

For the purposes of this definition:

(a) acting in concert means, a group of persons who, pursuant to an agreement or understanding (whether formal or informal), actively co-operate, through the acquisition directly or indirectly of shares in the Company by any of them, either directly or indirectly, to obtain Control of the Company; and

(b) Stichting InBev means a company incorporated under the laws of The Netherlands under registered number 34144185 with registered address at Hofplein 20, 3032AC, Rotterdam, The Netherlands.

“Closing Date” means the date on which the acquisition of Anheuser-Busch by InBev Worldwide SARL was completed, being 18 November 2008.

“Code” means, at any date, the U.S. Internal Revenue Code of 1986 and the regulations promulgated and the judicial and administrative decisions rendered under it, all as the same may be in effect at such date.

“Commitment” means a Revolving Facility Commitment, a Dollar Swingline Commitment or a Euro Swingline Commitment.

“Confidentiality Undertaking” means a confidentiality undertaking substantially in a recommended form of the LMA or in any other form agreed between the Company and the Agent and in each case capable of being relied upon by the Company.

“Control” in relation to any entity means either the direct or indirect ownership of more than 50 per cent. of the share capital or similar rights of ownership of the entity or the power to direct the management and the policies of the entity whether through the ownership of share capital, contract or otherwise.

“Core Business” means the business of beer brewing and soft drink manufacturing, drink bottling, trading and/or performing services and/or carrying out functions (including, without limitation, research and development, marketing, distribution and retail sales) in connection with the beer brewing and soft drink manufacturing businesses.

“Credit Rating” means the corporate long-term credit issue rating of the present and future senior, unsecured and unsubordinated debt obligations of the Company.

“Credit Rating Period” means a period commencing on the date of a completion of an acquisition or incorporation by the Company referred to in Clause 31.7 (Acquisitions) or, if earlier, the date of any announcement of such acquisition or incorporation and ending sixty (60) days after the completion of such acquisition or incorporation (which period shall be extended following consummation of an acquisition or incorporation for so long as S&P or Moody’s has publicly announced within the period ending sixty (60) days after such acquisition or incorporation that it is considering a possible negative change to the Credit Rating, provided that such Credit Rating Period shall not extend more than one hundred and twenty (120) days after the public announcement of such consideration.
“DCB” means The Dutch Central Bank (De Nederlandsche Bank N.V.).

“Default” means an Event of Default or any event or circumstance specified in Clause 32 (Events of Default) which would (with the expiry of a grace period, the giving of notice, the making of any determination under the Finance Documents or any combination of any of the foregoing) be an Event of Default.

“Defaulting Lender” means any Lender:

(a) which has failed to make its participation in a Loan available or has notified the Agent that it will not make its participation in a Loan available by the Utilisation Date of that Loan in accordance with Clause 5.4 (Lenders’ participation) or has failed to provide cash collateral (or has notified the Issuing Bank that it will not provide cash collateral) in accordance with Clause 7.4 (Cash collateral by Non-Acceptable L/C Lender);

(b) which has otherwise rescinded or repudiated a Finance Document; or

(c) with respect to which an Insolvency Event has occurred and is continuing,

unless, in the case of paragraph (a) above:

(i) its failure to pay is caused by:

(A) administrative or technical error; or

(B) a Disruption Event; and

payment is made within five Business Days of its due date; or

(ii) the Lender is disputing in good faith whether it is contractually obliged to make the payment in question.

“Derivative Contract” means any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account).

“DFSA” means The Dutch Financial Supervision Act (Wet op het financieel toezicht, “Wft”) and all rules promulgated thereunder and pursuant thereto as well as communications and published guidelines of the DCB and the AFM.

“Disruption Event” means either or both of:

(a) a material disruption to those payment or communications systems or to those financial markets which are, in each case, required to operate in order for payments to be made in connection with the Facilities (or otherwise in order for the transactions contemplated by the Finance Documents to be carried out) which disruption is not caused by, and is beyond the control of, any of the Parties; or
the occurrence of any other event which results in a disruption (of a technical or systems related nature) to the
treasury or payments operations of a Party preventing that, or any other Party:
(i) from performing its payment obligations under the Finance Documents; or
(ii) from communicating with other Parties in accordance with the terms of the Finance Documents,
and which (in either such case) is not caused by, and is beyond the control of, the Party whose operations are
disrupted.

“Dollar Swingline Commitment” means:

(a) in relation to a Dollar Swingline Lender on the Amendment and Restatement Date, the amount in dollars set opposite
its name under the heading “Dollar Swingline Commitment” in Part 3B of Schedule 1 (The Amendment and
Restatement Date Parties) and the amount of any other Dollar Swingline Commitment transferred to it under this
Agreement or assumed by it in accordance with Clause 2.2 (Increase); and

(b) in relation to any other Dollar Swingline Lender, the amount of any Dollar Swingline Commitment transferred to it
under this Agreement or assumed by it in accordance with Clause 2.2 (Increase),
to the extent not cancelled, reduced or transferred by it under this Agreement.

“Dollar Swingline Facility” means the dollar swingline loan facility made available under this Agreement as described in
Clause 10 (Dollar Swingline Loans).

“Dollar Swingline Lender” means:

(a) a Lender listed in Part 3B of Schedule 1 (The Amendment and Restatement Date Parties) as a dollar swingline lender;
or

(b) any other person that becomes a Dollar Swingline Lender after the Amendment and Restatement Date in accordance
with Clause 33 (Changes to the Lenders)

which in each case has not ceased to be a Party in accordance with the terms of this Agreement.

“Dollar Swingline Loan” means a loan made or to be made under the Dollar Swingline Facility or the principal amount
outstanding for the time being of that loan.

“Dutch Obligor” means an Obligor incorporated in the Netherlands.
“EBIT” means in respect of the Group on a consolidated basis and in relation to any period, profit from operations as reported for that period, measured by reference to the consolidated financial statements delivered by the Company pursuant to Clause 29.10 (Financial statements) in respect of such period or prior to the date on which any such financial statements are delivered to the Agent, the Original Financial Statements of the Company:

(a) plus (without double counting) dividends or other profit distributions (net of withholding tax) received in cash by any member of the Group during such period from any person in respect of which a member of the Group is a shareholder (or has an ownership interest) but which is not consolidated within the financial statements of the Group;

(b) minus extraordinary or non-recurring items and/or non-operational income and gains; and

(c) plus extraordinary or non-recurring items and/or non-operational expenses and losses.

“EBITDA” means in respect of the Group on a consolidated basis and in relation to any period, EBIT for that period:

(a) plus depreciation and impairment of tangible assets;

(b) plus amortisation and impairment of intangible assets;

(c) plus impairment of goodwill;

(d) minus (to the extent otherwise included) any gain over book value arising in favour of a member of the Group on the disposal of any non-financial asset (other than any disposal made in the ordinary course of business) during that period and any gain arising on any revaluation of any non-financial asset during that period; and

(e) plus (to the extent otherwise deducted) any loss against book value incurred by a member of the Group on the disposal of any non-financial asset (other than any disposal made in the ordinary course of business) during that period and any loss arising on any revaluation of any non-financial asset during that period.

“Employee Plan” means an employee pension benefit plan (other than a Multiemployer Plan) subject to the provisions of Title IV of ERISA or Section 412 of the Code or Section 302 of ERISA, and in respect of which a U.S. Obligor or any ERISA Affiliate is (or, if such plan were terminated, would under Section 4069 of ERISA be deemed to be) an “employer” as defined in Section 3(5) of ERISA.

“Environmental Law” means any applicable law or regulation which relates to:

(a) the pollution or protection of the environment;

(b) harm to or the protection of human health;
(c) the physical conditions of the workplace; or
(d) any emission or substance capable of causing harm to any living organism or the environment.

“Environmental Permit” means any permit, other Authorisation or filing of any notification, report or assessment required under any Environmental Law for the operation of the business of any member of the Group.

“ERISA” means, at any date, the United States Employee Retirement Income Security Act of 1974 and the regulations promulgated and rulings issued thereunder, all as the same may be in effect at such date.

“ERISA Affiliate” means, in relation to a member of the Group, each person (as defined in Section 3(9) of ERISA) which together with that member of the Group would be deemed to be a “single employer” (a) within the meaning of Section 414 (b), (c), (m) or (o) of the Code or (b) as a result of that member of the Group being or having been a general partner of such person.

“ERISA Event” means:

(a) (i) the occurrence of a reportable event, within the meaning of Section 4043 of ERISA, with respect to any Plan unless the 30 day notice requirement with respect to such event has been waived or (ii) the requirements of Section 4043(b) of ERISA apply with respect to a contributing sponsor, as defined in Section 4001(a)(13) of ERISA, of a Plan, and an event described in paragraph (9), (10), (11), (12) or (13) of Section 4043(c) of ERISA is reasonably expected to occur with respect to such Plan within the following 30 days;

(b) the application for a minimum funding waiver under Section 302 (c) of ERISA with respect to a Plan;

(c) the provision by the administrator of any Plan of a notice of intent to terminate such Plan, pursuant to Section 4041(a) (2) of ERISA (including any such notice with respect to a plan amendment referred to in Section 4041(e) of ERISA);

(d) the cessation of operations at a facility of any Obligor or any ERISA Affiliate in the circumstances described in Section 4062(e) of ERISA;

(e) the incurrence by any Obligor or ERISA Affiliate of any liability with respect to the withdrawal or partial withdrawal by any Obligor or any ERISA Affiliate from a Multiple Employer Plan;

(f) the institution by the PBGC of proceedings to terminate a Plan pursuant to Section 4042 of ERISA, or the occurrence of any event or condition described in Section 4042 of ERISA that constitutes grounds for the termination of, or the appointment of a trustee to administer, such Plan;

(g) the failure to make by its due date a required contribution with respect to any Plan or the failure to make any required contribution to a Multiemployer Plan;
the incurrence or expected incurrence by any Obligor or ERISA Affiliate of any liability under Title IV of ERISA with respect to any Plan or Multiemployer Plan;

(i) an action, suit, proceeding, hearing, audit or investigation with respect to the administration, operation or the investment of assets of any Plan (other than routine claims for benefits) is pending, expected or threatened;

(j) the incurrence of an Insufficiency by or with respect to any Plan.

“EURIBOR” means, in relation to any Loan in euro:

(a) the applicable Screen Rate as of the Specified Time for euro and for a period equal in length to the Interest Period of that Loan; or

(b) as otherwise determined pursuant to Clause 21.1 (Unavailability of Screen Rate),

and if, in either case, that rate is less than zero, EURIBOR shall be deemed to be zero.

“euro” and “€” means the single currency of the Participating Member States.

“Euro Swingline Commitment” means:

(a) in relation to a Euro Swingline Lender on the Amendment and Restatement Date, the amount in euro set opposite its name under the heading “Euro Swingline Commitment” in Part 3C of Schedule 1 (The Amendment and Restatement Date Parties) and the amount of any other Euro Swingline Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (Increase); and

(b) in relation to any other Euro Swingline Lender, the amount of any Euro Swingline Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (Increase),

to the extent not cancelled, reduced or transferred by it under this Agreement.

“Euro Swingline Facility” means the euro swingline loan facility made available under this Agreement as described in Clause 13 (Euro Swingline Loans).

“Euro Swingline Lender” means:

(a) an Lender listed in Part 3C of Schedule 1 (The Amendment and Restatement Date Parties) as a euro swingline lender; or

(b) any other person that becomes a Euro Swingline Lender after the Amendment and Restatement Date in accordance with Clause 33 (Changes to the Lenders),

which in each case has not ceased to be a Party in accordance with the terms of this Agreement.
“Euro Swingline Loan” means a loan made or to be made under the Euro Swingline Facility or the principal amount outstanding for the time being of that loan.

“Event of Default” means any event or circumstance specified as such in Clause 32 (Events of Default).

“Excluded Subsidiary” means Barcelona and each of its Subsidiaries from time to time provided that if Barcelona becomes a wholly-owned Subsidiary of the Company, it and its Subsidiaries shall cease to be Excluded Subsidiaries.

“Existing Credit Facilities” means the US$45,000,000,000 loan facilities made available to the Company and other members of the Group pursuant to a senior facilities agreement dated 12 July 2008.

“Expiry Date” means, for a Letter of Credit, the last day of its Term.

“Extension Request” means a notice substantially in the relevant form set out in Schedule 11 (Form of Extension Request).

“Facility” means the Revolving Facility, the Dollar Swingline Facility or the Euro Swingline Facility.

“Facility Office” means in respect of a Lender or the Issuing Bank, the office or offices notified by that Lender or Issuing Bank to the Agent in writing on or before the date it becomes a Lender or Issuing Bank (or, following that date, by not less than five Business Days written notice) as the office or offices through which it will perform its obligations under this Agreement.

“Fallback Interest Period” means 5 Business Days.

“FATCA” means:
(a) sections 1471 to 1474 of the Code or any associated regulations;
(b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or
(c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraph (a) or (b) above with the US Internal Revenue Service, the US government or any governmental or taxation authority in any other jurisdiction.

“FATCA Application Date” means:
(a) in relation to a “withholdable payment” described in section 1473(1)(A)(i) of the Code (which relates to payments of interest and certain other payments from sources within the US), 1 July 2014;
(b) in relation to a “withholdable payment” described in section 1473(1)(A)(ii) of the Code (which relates to “gross proceeds” from the disposition of property of a type that can produce interest from sources within the US), 1 January 2017; or
(c) in relation to a “passthru payment” described in section 1471(d)(7) of the Code not falling within paragraph (a) or (b) above, 1 January 2017,
or, in each case, such other date from which such payment may become subject to a deduction or withholding required by FATCA as a result of any change in FATCA after the date of this Agreement.

“FATCA Deduction” means a deduction or withholding from a payment under a Finance Document required by FATCA.

“FATCA Exempt Party” means a Party that is entitled to receive payments free from any FATCA Deduction.

“Federal Funds Rate” means, in relation to any day, the rate per annum equal to:

(a) the weighted average of the rates on overnight Federal funds transactions with members of the US Federal Reserve System arranged by Federal funds brokers, as published for that day (or, if that day is not a New York Business Day, for the immediately preceding New York Business Day) by the Federal Reserve Bank of New York; or

(b) if a rate is not so published for any day which is a New York Business Day, the average of the quotations for that day on such transactions received by the Agent from three Federal funds brokers of recognised standing selected by the Agent.

“Fee Letter” means any letters between the Arrangers and the Company or the Agent and the Company setting out any of the fees referred to in Clause 2.2 (Increase) and Clause 22 (Fees).

“Final Termination Date” means:

(a)

(i) the Amended Termination Date;

(ii) if any Lender has agreed to the exercise of an Extension Option exercised before the second anniversary of the Amendment and Restatement Date, the First Extended Final Termination Date; or

(iii) if any Lender has agreed to the exercise of an Extension Option exercised on or after the second anniversary of the Amendment and Restatement Date, either the First Extended Final Termination Date or the Second Extended Final Termination Date as specified in the relevant Extension Request; and

(b) where that term is used in respect of a Lender:

(i) the Amended Termination Date;
(ii) if that Lender has agreed to the exercise of an Extension Option exercised before the second anniversary of the Amendment and Restatement Date only, the First Extended Final Termination Date;

(iii) if that Lender has agreed to both the first and the second exercise of the Extension Option, the Second Extended Final Termination Date; or

(iv) if that Lender has agreed only to the second exercise of the Extension Option, either the First Extended Final Termination Date or the Second Extended Final Termination Date as notified by the Lender to the Agent in accordance with paragraph (f) of Clause 5.6 (Extension Option).

“Finance Document” means this Agreement, any Accession Letter, any Fee Letter, any Resignation Letter, any Utilisation Request and any other document designated as a Finance Document by the Agent and the Company.

“Finance Party” means the Agent, the Arrangers, a Lender or the Issuing Bank.

“Financial Indebtedness” means non-current interest bearing loans and borrowings, plus current interest bearing loans and borrowings; plus bank overdrafts (in each case calculated in accordance with the Accounting Principles); and to the extent not covered by the foregoing, any indebtedness for or in respect of:

(a) moneys borrowed;

(b) any amount raised by acceptance under any acceptance credit facility;

(c) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;

(d) any amount raised pursuant to any issue of shares which are expressed to be redeemable on or prior to the Final Termination Date;

(e) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with the Accounting Principles, be treated as a finance or capital lease;

(f) the amount of any liability in respect of any advance or deferred purchase agreement if one of the primary reasons for entering into such agreement is to raise finance;

(g) receivables sold or discounted (other than on a non-recourse basis);

(h) any agreement or option to re-acquire an asset if one of the primary reasons for entering into such agreement or option is to raise finance;

(i) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of, and accounted for as, a borrowing; and

(j) (without double counting) the amount of any liability in respect of any guarantee, indemnity, standby or documentary letter of credit or other similar instrument issued by a bank or financial institution (on behalf of any Obligor or Material Subsidiary), in each case for any of the items referred to in paragraphs (a) to (i) above,
and (other than for the purposes of Clause 31.12 (Loans or credit to Excluded Subsidiaries) and the definition of Permitted Excluded Subsidiary Credit Support) not including any Financial Indebtedness owed by one member of the Group to another member of the Group.

“Funding Date” means the date of the first Utilisation under the Facilities (or any of them).

“Funding Rate” means any individual rate notified by a Lender to the Agent pursuant to paragraph (a)(ii) of Clause 21.4 (Cost of funds) or paragraph (a)(ii) of Clause 13.6 (Cost of funds – Euro Swingline Facility).

“Group” means the Company and each of its Subsidiaries from time to time.

“Guarantee Principles” means the principles set out in Schedule 8 (Guarantee Principles).

“Guarantor” means an Original Guarantor or an Additional Guarantor, unless it has ceased to be a Guarantor in accordance with Clause 34 (Changes to the Obligors).

“Guarantor Release Document” has the meaning attributed thereto in paragraph 22 of Part 1 of Schedule 2 (Conditions Precedent).

“Historic Screen Rate” means, in relation to any Loan, the most recent applicable Screen Rate for the currency of that Loan and for a period equal in length to the Interest Period of that Loan and which is as of a day which is no more than 5 Business Days before the Quotation Day.

“Holding Company” means, in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary.

“IFRS” means international accounting standards within the meaning of IAS Regulation 1606/2002 to the extent applicable to the relevant financial statements.

“Impaired Agent” means the Agent at any time when:

(a) it has failed to make (or has notified a Party it will not make) a payment required to be made by it under the Finance Documents by the due date for payment;

(b) (if the Agent is also a Lender) it is a Defaulting Lender under paragraph (a) or (b) of the definition of “Defaulting Lender”;

(c) an Insolvency Event has occurred and is continuing with respect to the Agent;

(d) the Agent otherwise rescinds or repudiates a Finance Document; or

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unless, in the case of paragraph (a) above:

(i) its failure to pay is caused by:

   (A) administrative or technical error; or

   (B) a Disruption Event; and

   payment is made within five Business Days of its due date; or

(ii) the Agent is disputing in good faith whether it is contractually obliged to make the payment in question.

“Increase Confirmation” means a confirmation substantially in the form set out in Schedule 10 (Form of Increase Confirmation).

“Increase Lender” has the meaning given to that term in Clause 2.2 (Increase).

“Insolvency Event” in relation to a Finance Party means that the Finance Party:

(a) is dissolved (other than pursuant to a consolidation, amalgamation or merger);

(b) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due;

(c) makes a general assignment, arrangement or composition with or for the benefit of its creditors;

(d) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, all other than by way of an Undisclosed Administration, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official;

(e) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors’ rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition is instituted or presented by a person or entity not described in paragraph (d) above and:

   (i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation; or

   (ii) is not dismissed, discharged, stayed or restrained in each case within 30 days of the institution or presentation thereof;

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Insufficiency means, with respect to any Plan, the amount, determined on a plan termination basis, if any, of its unfunded benefit liabilities, as defined in, and in accordance with actuarial assumptions set forth in, Section 4001(a)(18) of ERISA (excluding any accrued but unpaid contributions).

Intellectual Property means:

(a) any patents, trade marks, service marks, designs, business names, copyrights, design rights, moral rights, inventions, domain names, trade names, confidential information, knowhow and other intellectual property rights and interests, whether registered or unregistered, and any goodwill therein; and

(b) the benefit of all applications and rights to use such assets of each member of the Group.

Interest Period means, in relation to a Loan, each period determined in accordance with Clause 20 (Interest Periods) and, in relation to an Unpaid Sum, each period determined in accordance with Clause 19.3 (Default interest).

Interpolated Historic Screen Rate means, in relation to any Loan, the rate (rounded to the same number of decimal places as the two relevant Screen Rates) which results from interpolating on a linear basis between:

(a) the most recent applicable Screen Rate for the longest period (for which that Screen Rate is available) which is less than the Interest Period of that Loan; and

(b) the most recent applicable Screen Rate for the shortest period (for which that Screen Rate is available) which exceeds the Interest Period of that Loan, each for the currency of that Loan and each of which is as of a day which is no more than 5 Business Days before the Quotation Day.
“Interpolated Screen Rate” means, in relation to any Loan, the rate (rounded to the same number of decimal places as the two relevant Screen Rates) which results from interpolating on a linear basis between:

(a) the applicable Screen Rate for the longest period (for which that Screen Rate is available) which is less than the Interest Period of that Loan; and

(b) the applicable Screen Rate for the shortest period (for which that Screen Rate is available) which exceeds the Interest Period of that Loan,

each as of the Specified Time for the currency of that Loan.

“IRS” means the United States Internal Revenue Service or any successor thereto.

“Issuing Bank” means each Lender identified above as an issuing bank and any other Lender which has notified the Agent that it has agreed to the Company’s request to be an Issuing Bank pursuant to the terms of this Agreement (and if more than one Lender has so agreed, such Lenders shall be referred to, whether acting individually or together, as the Issuing Bank) provided that, in respect of a Letter of Credit issued or to be issued pursuant to the terms of this Agreement, the Issuing Bank shall be the Issuing Bank which has issued or agreed to issue that Letter of Credit.

“Joint Venture” means any joint venture entity, whether a company, unincorporated firm, undertaking, association, joint venture or partnership or any other entity.

“Judicial Deposit” means any cash deposit made in connection with any judicial or administrative proceeding against a member of the Group.

“L/C Proportion” means in relation to a Lender in respect of any Letter of Credit, the proportion (expressed as a percentage) borne by that Lender’s relevant Available Commitment under the Revolving Facility to the Available Facility under the Revolving Facility immediately prior to the issue of that Letter of Credit, adjusted to reflect any assignment or transfer under this Agreement to or by that Lender.

“Legal Opinion” means any legal opinion delivered to the Agent under Clause 4.1 (Initial conditions precedent) or Clause 34 (Changes to the Obligors).

“Legal Reservations” means:

(a) the principle that certain remedies may be granted or refused at the discretion of a court and the limitation of enforcement by laws relating to bankruptcy, insolvency, liquidation, reorganisation, court schemes, moratoria, administration and other laws generally affecting the rights of creditors and secured creditors;

(b) the time barring of claims under applicable limitation laws (including the English Limitation Acts), defences of acquiescence, set-off or counterclaim and the possibility that an undertaking to assume liability for or indemnify a person against non-payment of UK stamp duty may be void;

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(c) the principle that additional interest imposed pursuant to any relevant agreement may be held to be unenforceable on
the grounds that it is a penalty and thus void;

(d) the principle that an English court may not give effect to an indemnity for legal costs incurred by an unsuccessful
litigant;

(e) similar principles, rights and defences under the laws of any Relevant Jurisdiction; and

(f) any other general principles which are set out as qualifications or reservations (however described) as to matters of
law in any Legal Opinion.

“Lender” means:

(a) any Lender listed in Part 3A of Schedule 1 (The Amendment and Restatement Date Parties); and

(b) any bank, financial institution, trust, fund or other entity which has become a Party in accordance with Clause 2.2
(Increase) or Clause 33 (Changes to the Lenders),

which in each case has not ceased to be a Party in accordance with the terms of this Agreement.

“Letter of Credit” means:

(a) a letter of credit, substantially in the form set out in Schedule 7 (Form of Letter of Credit) or in any other form
requested by the Company and agreed by the Issuing Bank; or

(b) any guarantee, indemnity or other instrument in a form requested by a Borrower (or the Company on its behalf) and
agreed by the Issuing Bank and the Agent.

“LIBOR” means, in relation to any Loan:

(a) the applicable Screen Rate as of the Specified Time for the currency of that Loan and for a period equal in length to
the Interest Period of that Loan; or,

(b) as otherwise determined pursuant to Clause 21.1 (Unavailability of Screen Rate),

and if, in either case, that rate is less than zero, LIBOR shall be deemed to be zero.

“LMA” means the Loan Market Association.

“Loan” means a Revolving Facility Loan, a Dollar Swingline Loan or a Euro Swingline Loan.

“Luxembourg” means the Grand Duchy of Luxembourg.

“Luxembourg Guarantor” means a Guarantor incorporated in Luxembourg.

“Luxembourg Obligor” means an Obligor incorporated in Luxembourg.

“Madrid” means Grupo Modelo, S.A.B. de C.V., a company incorporated under the laws of Mexico with registered address Javier Barros Sierra No. 555 Piso 3, Zedec Santa FE, 01210, Mexico, D.F. with issuer number P4833.

“Majority Lenders” means a Lender or Lenders whose Commitments aggregate more than 66 2/3 per cent of the Total Commitments (or, if the Total Commitments have been reduced to zero, aggregated more than 66 2/3 per cent. of the Total Commitments immediately prior to that reduction).

“Margin” means:

(a) in relation to any Revolving Facility Utilisation, the rate determined in accordance with the Margin Grid set out below, as calculated by reference to the Company’s Credit Rating, as assessed by S&P and by Moody’s. Accordingly, the rate applicable as of the Amendment and Restatement Date, based on the Company’s Credit Rating at such date, is 0.200 per cent. per annum;

(b) in relation to any Unpaid Sum relating or referable to a Facility, the rate per annum specified above for that Facility; and

(c) in relation to any other Unpaid Sum, the highest rate specified below:

<table>
<thead>
<tr>
<th>Credit Rating (S&amp;P/Moody’s)</th>
<th>Margin (p.a.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Higher than or equal to A+/A1</td>
<td>0.1750</td>
</tr>
<tr>
<td>A/A2</td>
<td>0.2000</td>
</tr>
<tr>
<td>A-/A3</td>
<td>0.2250</td>
</tr>
<tr>
<td>BBB+/Baa1</td>
<td>0.3000</td>
</tr>
<tr>
<td>BBB/Baa2</td>
<td>0.4000</td>
</tr>
<tr>
<td>BBB-/Baa3</td>
<td>0.5000</td>
</tr>
<tr>
<td>Lower than BBB-/Baa3</td>
<td>0.7000</td>
</tr>
</tbody>
</table>

and provided that:

(a) in the event of a split Credit Rating, the average of the two corresponding Margins shall apply; and

(b) any change in the Margin for a Utilisation shall take effect on the first day of the next Interest Period for that Utilisation which starts following the date on which the relevant Credit Rating changed.
“Material Adverse Effect” means any event or condition that (individually or in aggregate) has a material adverse effect on:

(a) the ability of the Obligors (taken as a whole) to perform any of their payment obligations under the Finance Documents; or

(b) the business, assets, financial condition or operations of the Group taken as a whole.

“Material Subsidiary” means, at any time, any member of the Group other than Sun-InBev OJSC (company number 1045003951156) which:

(a) has earnings before interest, tax, depreciation and amortisation calculated on a consolidated basis in the same manner as EBITDA representing ten per cent. or more of the consolidated EBITDA of the Group; or

(b) is the owner of the registered trademark of a brand listed in Schedule 9 (Material Brands).

Compliance with the condition set out in paragraph (a) above shall be determined by reference to the latest financial statements of that Subsidiary (audited, if available, and consolidated in the case of a Subsidiary that itself has Subsidiaries) and the latest audited consolidated financial statements of the Group.

“Month” means a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month, except that:

(a) (subject to paragraph (c) below) if the numerically corresponding day is not a Business Day, that period shall end on the next Business Day in that calendar month in which that period is to end if there is one, or if there is not, on the immediately preceding Business Day;

(b) if there is no numerically corresponding day in the calendar month in which that period is to end, that period shall end on the last Business Day in that calendar month; and

(c) if an Interest Period begins on the last Business Day of a calendar month, that Interest Period shall end on the last Business Day in the calendar month in which that Interest Period is to end.

The above rules will only apply to the last Month of any period, and Monthly shall be construed accordingly.

“Moody’s” means Moody’s Investor Services, Inc., or any successor thereto.

“Multiemployer Plan” means a multiemployer plan, as defined in Section (3)(37) of ERISA, subject to Title IV of ERISA, contributed to for any employees of a U.S. Obligor or any ERISA Affiliate.
“Multiple Employer Plan” means a single employer plan, as defined in Section 4001(a)(15) of ERISA, subject to Title IV of ERISA, that (a) is maintained for employees of any Obligor or any ERISA Affiliate and at least one person other than the Obligors and the ERISA Affiliates or (b) was so maintained and in respect of which any Obligor or any ERISA Affiliate could have liability under Section 4064 or 4069 of ERISA in the event such plan has been or were to be terminated.

“New York Business Day” means a day (other than a Saturday or a Sunday) on which banks are open for general business in New York.

“Non-Acceptable L/C Lender” means a Lender under the Revolving Facility which:
(a) has a rating for its long-term unsecured and non credit enhanced debt obligations below A- by S&P or Fitch Ratings Ltd or below A3 by Moody’s or a comparable rating from an internationally recognised credit rating agency (other than (i) a Lender as at the Amendment and Restatement Date (provided that such Lender’s rating for its long-term unsecured and non credit enhanced debt obligations at the relevant time is not lower than it was at the Amendment and Restatement Date) or (ii) a Lender which each Issuing Bank has agreed is acceptable to it notwithstanding that fact); or
(b) is a Defaulting Lender; or
(c) has failed to make (or has notified the Agent that it will not make) a payment to be made by it under Clause 7.3 (Indemnities) or Clause 35.10 (Lenders’ indemnity to the Agent) or any other payment to be made by it under the Finance Documents to or for the account of any other Finance Party in its capacity as Lender by the due date for payment unless the failure to pay falls within the description of any of those items set out at (i)-(ii) of the definition of Defaulting Lender.

“Non-Material Obligor” means an Obligor which is not a Material Subsidiary and is not a Borrower.

“Non-Obligor” means a member of the Group which is not an Obligor.

“Obligor” means a Borrower or a Guarantor.

“Obligors’ Agent” means the Company, appointed to act on behalf of each Obligor in relation to the Finance Documents pursuant to Clause 2.4 (Obligors’ Agent).

“Optional Currency” means a currency (other than the Base Currency) which complies with the conditions set out in Clause 4.3 (Conditions relating to Optional Currencies).

“Original Borrower” means the Company and ABIWW.

“Original Financial Statements” means the Company’s consolidated audited financial statements for its financial year ended 31 December 2009.

“Original Obligor” means an Original Borrower or an Original Guarantor.
“Other Guaranteed Facilities” means:

(a) any debt securities issued by Anheuser-Busch under any of the following indentures:
   (i) the Indenture, dated 1 August 1995, between Anheuser-Busch and The Bank of New York Mellon Trust Company, N.A. (as successor to Chemical Bank), as trustee;
   (ii) the Indenture, dated 1 July 2001, between Anheuser-Busch and The Bank of New York Mellon Trust Company, N.A. (as successor to The Chase Manhattan Bank), as trustee; and

(b) any debt securities issued or guaranteed by Brandbrew or Brandbev under the €20,000,000,000 (originally €15,000,000,000) Euro Medium Term Note Programme originally entered into on 16 January 2009;

(c) any debt securities guaranteed by Brandbrew or Brandbev under the Indenture dated 12 January 2009, among ABIWW, the Company, the subsidiary guarantors listed therein and the Bank of New York Mellon, New York Branch as trustee; and

(d) any bonds guaranteed by Brandbrew or Brandbev under the Indenture, dated 16 October 2009 among ABIWW, the Company, the subsidiary guarantors named therein and the Bank of New York Mellon Trust Company, N.A., as trustee;

(e) any debt securities guaranteed by Brandbrew or Brandbev under the U.S. commercial paper programme entered into on 6 June 2011;

(f) any bonds guaranteed by Brandbrew or Brandbev under the Indenture, dated 17 January 2013 among Anheuser-Busch InBev Finance Inc., the Company, the subsidiary guarantors named therein and the Bank of New York Mellon Trust Company, N.A., as trustee; and

(g) any refinancing (in whole or part) of any of the above items or this Agreement for the same or a lower amount.

“Overall Commitment” of a Lender means:

(a) its Revolving Facility Commitment; or

(b) in the case of a Dollar Swingline Lender or a Euro Swingline Lender that does not have a Revolving Facility Commitment, the Revolving Facility Commitment of a Lender that is an Affiliate of that Dollar Swingline Lender or Euro Swingline Lender.
“Overnight LIBOR” means, in relation to any day:

(a) the applicable Screen Rate as of 11:00 a.m. (Brussels time) on that day; or
(b) as otherwise determined in accordance with Clause 13.4 (Unavailability of Screen Rate – Euro Swingline Facility), and if, in each case, that rate is less than zero, Overnight LIBOR shall be deemed to be zero.

“Parent Contribution Agreement” means the parent contribution agreement to be entered into between the Company and ABIWW, in the agreed form or in form and substance equivalent in all material respects to the parent contribution agreement entered into in relation to the Existing Credit Facilities.

“Participating Member State” means any member state of the European Union that has the euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union.

“Party” means a party to this Agreement.

“PBGC” means the U.S. Pension Benefit Guaranty Corporation, or any entity succeeding to all or any of its functions under ERISA.

“Permitted Excluded Subsidiary Credit Support” means:

(a) Financial Indebtedness owed by any Excluded Subsidiary to any member of the Group (which is not an Excluded Subsidiary); and/or
(b) guarantees provided by a member of the Group (which is not an Excluded Subsidiary) in respect of the Financial Indebtedness of any Excluded Subsidiary,

where the aggregate (without double counting) of (i) Financial Indebtedness of all Excluded Subsidiaries owed to or guaranteed by other members of the Group which are not Excluded Subsidiaries; (ii) amounts secured by Security which is permitted pursuant to paragraph (p) of the definition of “Permitted Security”; and (iii) Subsidiary Financial Indebtedness, does not exceed US$4,500,000,000 (or its equivalent in any other currency) at any time.

“Permitted Security” means:

(a) the Security listed in the document referred to in paragraph 17 of Part 1 of Schedule 2 (Conditions Precedent) except to the extent the principal amount secured by that Security exceeds the amount stated in that document;
(b) any Security entered into pursuant to any Finance Document;
(c) any lien arising by operation of law and in the ordinary course of business;
(d) any Security over or affecting any asset acquired by a member of the Group after the date of this Agreement if:
   (i) the Security was not created in contemplation of the acquisition (or proposed acquisition) of that asset by a member of the Group; and
   (ii) the principal amount secured has not been increased in contemplation of or since the acquisition (or proposed acquisition) of that asset by a member of the Group;

(e) any Security over or affecting any asset of any company which becomes a member of the Group after the date of this Agreement, where the Security is created prior to the date on which that company becomes a member of the Group, if:
   (i) the Security was not created in contemplation of the acquisition (or proposed acquisition) of that company; and
   (ii) the principal amount secured has not increased in contemplation of or since the acquisition (or proposed acquisition) of that company;

(f) any Security created in the ordinary course of business to secure any excise or import taxes or duties owed to any state or state agency or authority (among others and without limitation, a mortgage over any real property required by the relevant state, state agency or authority to secure the type of taxes or duties mentioned above will be considered as within the ordinary course of business);

(g) any Security arising out of rights of consolidation, combination, netting or set–off over any current and/or deposit accounts with a bank or financial institution, where it is necessary to agree to those rights in connection with the opening or operation of any bank accounts or in connection with a treasury management arrangement operated by a member of the Group, in each case, in the ordinary course of its business or risk management;

(h) any Security resulting from retention of title or conditional sale arrangements which are contained in the normal terms of supply of a supplier of goods to a member of the Group, where the goods are acquired by such member of the Group in the ordinary course of business and the arrangements do not constitute Financial Indebtedness;

(i) any Security arising out of rights of netting or set–off arrangements which are contained in the normal terms of supply of a supplier of goods and/or services to a member of the Group, where the goods are acquired or services utilised by such member of the Group in the ordinary course of business and the arrangements do not constitute Financial Indebtedness;

(j) any Security arising in the ordinary course of business of a member of the Group in relation to that Group member’s participation in or trading on or through a clearing system or investment, commodity or stock exchange, where, in each case, the Security arises under the rules or normal procedures or legislation governing the clearing system or exchange and neither with the intention of creating security nor in connection with the borrowing or raising of money;
(k) any Security created by a member of the Group in favour of an Obligor;

(l) any Security created pursuant to or in respect of any Judicial Deposit;

(m) any Security created or outstanding with the prior written consent of the Majority Lenders;

(n) pledges over and assignments of documents of title, insurance policies and sale contracts in relation to goods or services created or made in the ordinary course of business of a member of the Group to secure the purchase price of such goods or services;

(o) any Security created by an Excluded Subsidiary; or

(p) any Security over or affecting any assets of the Group which does not fall within any of paragraphs (a) to (o) above provided that the total of (i) the aggregate amount secured by all Security referred to in this paragraph (p) and (ii) the total amount of Subsidiary Financial Indebtedness (without double counting Subsidiary Financial Indebtedness incurred under sub-paragraph (i) of this paragraph (p)) and Financial Indebtedness of all Excluded Subsidiaries owed to or guaranteed by other members of the Group which are not Excluded Subsidiaries, does not, at any time, exceed US$4,500,000,000 (or its equivalent in any other currency).

“Plan” means a Single Employer Plan or a Multiple Employer Plan.

“Qualifying Lender” has the meaning given to that term in Clause 23 (Tax Gross-up and Indemnities).

“Quotation Day” means, in relation to any period for which an interest rate is to be determined:

(a) (if the currency is sterling) the first day of that period;

(b) (if the currency is euro) two TARGET Days before the first day of that period; or

(c) (for any other currency) two Business Days before the first day of that period,

unless market practice differs in the Relevant Interbank Market for a currency, in which case the Quotation Day for that currency will be determined by the Agent in accordance with market practice in the Relevant Interbank Market (and if quotations would normally be given by leading banks in the Relevant Interbank Market on more than one day, the Quotation Day will be the last of those days).
“Reference Bank Quotation” means any quotation supplied to the Agent by a Reference Bank.

“Reference Bank Rate” means the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Agent at its request by the Reference Banks:

(a) in relation to LIBOR:

(i) (other than where paragraph (ii) below applies) as the rate at which the relevant Reference Bank could borrow funds in the London interbank market in the relevant currency and for the relevant period were it to do so by asking for and then accepting interbank offers for deposits in reasonable market size in that currency and for that period; or

(ii) if different, as the rate (if any and applied to the relevant Reference Bank and the relevant currency and period) which contributors to the applicable Screen Rate are asked to submit to the relevant administrator;

(b) in relation to EURIBOR:

(i) (other than where paragraph (ii) below applies) as the rate at which the relevant Reference Bank believes one prime bank is quoting to another prime bank for interbank term deposits in euro within the Participating Member States for the relevant period; or

(ii) if different, as the rate (if any and applied to the relevant Reference Bank and the relevant period) which contributors to the applicable Screen Rate are asked to submit to the relevant administrator;

(c) in relation to Overnight LIBOR:

(i) (other than where paragraph (ii) below applies) as the rate, as of 11:00 a.m. (Brussels time) on the relevant day, at which the relevant Reference Bank could borrow funds in the London interbank market in euro for an overnight period on that day were it to do so by asking for and then accepting interbank offers for deposits in reasonable market size in euro for an overnight period on that day; or

(ii) if different, as the rate (if any and applied to the relevant Reference Bank and the relevant currency and day) which contributors to the applicable Screen Rate are asked to submit to the relevant administrator.

“Reference Banks” means such banks as may be appointed by the Agent from time to time in consultation with the Company (provided that such entity has consented to its appointment).

“Regulations T, U and X” means, respectively, Regulations T, U and X of the Board of Governors of the Federal Reserve System of the United States (or any successor) as now and from time to time in effect from the date of this Agreement.
“Related Fund” in relation to a fund (the first fund), means a fund which is managed or advised by the same investment manager or adviser as the first fund or, if it is managed by a different investment manager or adviser, a fund whose investment manager or adviser is an Affiliate of the investment manager or adviser of the first fund.

“Relevant Borrower” means, in relation to a Loan, the Borrower which borrowed such Loan.

“Relevant Interbank Market” means, in relation to euro, the European interbank market and, in relation to any other currency, the London interbank market.

“Relevant Jurisdiction” means, in relation to an Obligor, its jurisdiction of incorporation.

“Renewal Request” means a written notice delivered to the Agent in accordance with Clause 6.6 (Renewal of a Letter of Credit).

“Repeating Representations” means each of the representations set out in Clause 29.2 (Status) to Clause 29.6 (Validity and admissibility in evidence), paragraph (a) of Clause 29.8 (No default) and Clause 29.11 (Pari passu ranking).

“Resignation Letter” means a letter substantially in the form set out in Schedule 5 (Form of Resignation Letter).

“Restricted Person” means any person:
(a) included on the “consolidated list of financial sanctions targets” maintained by HM Treasury;
(b) in a country which is subject to United Nations sanctions;
(c) included on the list of “Specially Designated Nationals and Blocked Persons” maintained by the Office of Foreign Assets Control (OFAC) of the United States Department of the Treasury, as updated or amended from time to time, or any similar list issued by OFAC;
(d) whose property has been blocked, or is subject to seizure, forfeiture or confiscation, by any order relating to terrorism or money laundering issued by the President, Attorney General, Secretary of State, Secretary of Defense, Secretary of the Treasury or any other U.S. State or Federal governmental official or entity; or
(e) included on the “List of Persons and Entities Subject to Financial Sanctions” or any similar list maintained by the European Union.

“Revolving Facility” means the revolving credit facility made available under this Agreement as described in paragraph (b) of Clause 2.1 (The Facilities).
“Revolving Facility Commitment” means:

(a) in relation to a Lender as at the Amendment and Restatement Date, the amount in the Base Currency set opposite its name under the heading “Revolving Facility Commitment” in Part 3A of Schedule 1 (The Amendment and Restatement Date Parties) and the amount of any other Revolving Facility Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (Increase); and

(b) in relation to any other Lender, the amount in the Base Currency of any Revolving Facility Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (Increase),
to the extent not cancelled, reduced or transferred by it under this Agreement.

“Revolving Facility Loan” means a loan made or to be made under the Revolving Facility or the principal amount outstanding for the time being of that loan.

“Revolving Facility Utilisation” means a Revolving Facility Loan or a Letter of Credit.

“Rollover Loan” means one or more Revolving Facility Loans:

(a) made or to be made on the same day that:

(i) a maturing Revolving Facility Loan is due to be repaid; or

(ii) a demand by the Agent pursuant to a drawing in respect of a Letter of Credit is due to be met;

(b) the aggregate amount of which is equal to or less than the maturing Revolving Facility Loan or the relevant claim in respect of that Letter of Credit;

(c) in the same currency as the maturing Revolving Facility Loan (unless it arose as a result of the operation of Clause 14.2 (Unavailability of a currency)) or the relevant claim in respect of that Letter of Credit; and

(d) made or to be made to the same Borrower for the purpose of:

(i) refinancing that maturing Revolving Facility Loan; or

(ii) satisfying the relevant claim in respect of that Letter of Credit.

“Sale” means the sale of all or substantially all of the assets of the Company (whether in a single transaction or a series of related transactions).

“Sanctioned Country” means a country or territory that is the subject of comprehensive Sanctions (being, as at the Amendment and Restatement Date, the Crimea, Cuba, Iran, Myanmar, North Korea, Sudan and Syria).
“Sanctions” means:
(a) United Nations sanctions imposed pursuant to any United Nations Security Council Resolution;
(b) US sanctions administered or enforced by the Office of Foreign Assets Control of the US Department of the Treasury or the US Department of State;
(c) EU restrictive measures implemented pursuant to any EU Council or Commission Regulation or Decision adopted pursuant to a Common Position in furtherance of the EU’s Common Foreign and Security Policy; and
(d) UK sanctions (i) enacted by statutory instrument pursuant to the United Nations Act 1946 or the European Communities Act 1972; and/or (ii) administered or enforced by Her Majesty’s Treasury of the UK.

“S&P” means Standard & Poor’s Rating Group, a division of The McGraw-Hill Companies, or any successor thereto.

“Screen Rate” means:
(a) in relation to LIBOR, the London interbank offered rate administered by ICE Benchmark Administration Limited (or any other person which takes over the administration of that rate) for the relevant currency and period displayed (before any correction, recalculation or republication by the administrator) on pages LIBOR01 or LIBOR02 of the Thomson Reuters screen (or any replacement Thomson Reuters page which displays that rate);
(b) in relation to EURIBOR, the euro interbank offered rate administered by the European Money Markets Institute (or any other person which takes over the administration of that rate) for the relevant period displayed (before any correction, recalculation or republication by the administrator) on page EURIBOR01 of the Thomson Reuters screen (or any replacement Thomson Reuters page which displays that rate);
(c) in relation to Overnight LIBOR, the London interbank offered rate administered by ICE Benchmark Administration Limited (or any other person which takes over the administration of that rate) for euro and an overnight period displayed (before any correction, recalculation or republication by the administrator) on page LIBOR01 of the Thomson Reuters screen (or any replacement Thomson Reuters page which displays that rate),

or, in each case, on the appropriate page of such other information service which publishes that rate from time to time in place of Thomson Reuters. If such page or service ceases to be available, the Agent may specify another page or service displaying the relevant rate after consultation with the Company.

“Security” means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

“Separate Loan” has the meaning given to that term in Clause 15 (Repayment).
“Shareholders’ Approval” means the valid adoption of a resolution by the shareholders’ meeting of the Company validly approving (a) Clause 17 (Mandatory Prepayment) and (b) any other provision in this Agreement granting rights to third parties which could affect the Company’s assets or could impose an obligation on the Company where in each case the exercise of those rights is dependent on the occurrence of a public take-over bid or a Change of Control, in accordance with article 556 of the Belgian Companies Code.

“Single Employer Plan” means a single employer plan, as defined in Section 4001(a)(15) of ERISA, subject to Title IV of ERISA, that (a) is maintained or contributed to by any Obligor or any ERISA Affiliate for employees of any Obligor or any ERISA Affiliate and no person other than the Obligors and the ERISA Affiliates or (b) was so maintained or contributed to and in respect of which any Obligor or any ERISA Affiliate could have liability under Section 4069 of ERISA in the event such plan has been or were to be terminated.

“Specified Time” means a day or time determined in accordance with Schedule 6 (Timetables).

“Subsidiary” means an entity of which a person has direct or indirect control or owns directly or indirectly more than 50 per cent. of the voting share capital or similar right of ownership and control for this purpose means the power to direct the management and the policies of the entity whether through the ownership of voting capital, by contract or otherwise.

“Subsidiary Financial Indebtedness” means the aggregate outstanding principal or capital amount of all Financial Indebtedness of all members of the Group minus:

(a) an amount equal to the aggregate principal or capital amount of all existing subsidiary financial indebtedness listed in the document referred to in paragraph 18 of Part 1 of Schedule 2 (Conditions Precedent);

(b) any Financial Indebtedness of any person who becomes a member of the Group after the date of this Agreement which is incurred under arrangements in existence at the date that person becomes a member of the Group (and not entered into in contemplation of that person becoming (or proposed to be becoming) a member of the Group), but only for a period of one year from the date that person becomes a member of the Group and only to the extent the principal amount of the Financial Indebtedness has not been incurred since the date that person became a member of the Group;

(c) any Financial Indebtedness of a Non-Obligor where (i) such Non-Obligor has on-lent substantially the entire proceeds of such Financial Indebtedness to one or more Obligors; and (ii) such Non-Obligor holds no material assets other than its claims against such Obligors or Obligor in relation to such loans;

(d) any Financial Indebtedness of an Obligor; and

(e) any Financial Indebtedness of Barcelona (or any Subsidiary of Barcelona) until such time as Barcelona becomes a wholly-owned Subsidiary of the Company.
“Super Majority Lenders” means a Lender or Lenders whose Commitments aggregate more than 85 per cent. of the Total Commitments (or, if the Total Commitments have been reduced to zero, aggregated more than 85 per cent. of the Total Commitments immediately prior to that reduction).

“Syndication Date” means the day on which the Agent confirms (for and on behalf of the Arrangers) that syndication of the Facilities has been completed.

“TARGET Day” means any day on which TARGET2 is open for the settlement of payments in euro.

“TARGET2” means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007.

“Tax” means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any penalty or interest payable in connection with any failure to pay or any delay in paying any of the same).

“Term” means each period determined under this Agreement for which the Issuing Bank is under a liability under a Letter of Credit.

“Total Commitments” means US$9,000,000,000 at the Amendment and Restatement Date.

“Total Dollar Swingline Commitments” means the aggregate of the Dollar Swingline Commitments, being $3,000,000,000 at the Amendment and Restatement Date.

“Total Euro Swingline Commitments” means the aggregate of the Euro Swingline Commitments, being €2,000,000,000 at the Amendment and Restatement Date.

“Total Revolving Facility Commitments” means the aggregate of the Revolving Facility Commitments, being US$9,000,000,000 at the Amendment and Restatement Date.

“Transfer Certificate” means a certificate substantially in the form set out in Part 5 of Schedule 3 (Requests) or any other form agreed between the Agent and the Company.

“Transfer Date” means, in relation to a transfer, the later of:

(a) the proposed Transfer Date specified in the Transfer Certificate; and

(b) the date on which the Agent executes the Transfer Certificate.

“Undisclosed Administration” means an undisclosed administration (stille curatele) applicable to a Lender, imposed by the DCB under or based on section 1:76 of the DFSA, as to Lenders which are the subject of home jurisdiction supervision by the DCB under the DFSA and in relation to which the DCB has not publicly disclosed the appointment of a custodian (curator) with regard to the relevant Lender.
“Unpaid Sum” means any sum due and payable but unpaid by an Obligor under the Finance Documents.

“US Dollar”, “US Dollars”, “US$$”, “dollar” and “$” means the lawful currency of the United States of America from time to time.

“U.S.” and “United States” means the United States of America, its territories, possessions and other areas subject to the jurisdiction of the United States of America.

“U.S. Borrower” means a Borrower whose jurisdiction of organisation is a state of the United States of America or the District of Columbia.

“U.S. Guarantor” means a Guarantor whose jurisdiction of organisation is a state of the United States of America or the District of Columbia.

“U.S. Obligor” means any U.S. Borrower or U.S. Guarantor.

“U.S. Tax” means any federal, state, local income, gross receipts, license, premium, windfall profits, customs duties, capital stock, franchise, profits, withholding, social security (or similar), real property, personal property, sales, use, registration, value added, alternative or add-on minimum, estimated or other tax of any kind whatsoever, imposed by the United States or any political subdivision thereof or taxing authority therein, including any interest, penalty or addition thereto, whether disputed or not.

“U.S. Tax Obligor” means:

(a) a Borrower which is resident for tax purposes in the US; or

(b) an Obligor some or all of whose payments under the Finance Documents are from sources within the US for US federal income tax purposes.

“Utilisation” means a Loan or a Letter of Credit.

“Utilisation Date” means the date on which a Utilisation is made.

“Utilisation Request” means a notice substantially in the relevant form set out in Part 1 of Schedule 3 (Requests).

“VAT” means value added tax calculated in accordance with (but subject to the derogations according to the VAT regulations of the member states) European Directive 2006/112/EC (replacing European Directive 77/388/EC) whether charged in a member state of the European Union or elsewhere and any other tax of a similar nature.

“Withdrawal Liability” has the meaning specified in Part I of Subtitle E of Title IV of ERISA.
1.2 Construction

(a) Unless a contrary indication appears, a reference in this Agreement to:

(i) the “Agent”, an “Arranger”, any “Finance Party”, any “Issuing Bank”, any “Lender”, any “Obligor”, any “Party” or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees;

(ii) a document in “agreed form” is a document which is in a form agreed in writing by or on behalf of the Company and the Agent;

(iii) “assets” includes present and future properties, revenues and rights of every description;

(iv) a “Finance Document” or any other agreement or instrument is a reference to that Finance Document or other agreement or instrument as amended, novated, supplemented, extended or restated;

(v) “guarantee” means (other than in Clause 28 (Guarantee and Indemnity)) any guarantee, letter of credit, bond, indemnity or similar assurance against loss, or any obligation, direct or indirect, actual or contingent, to purchase or assume any indebtedness of any person or to make an investment in or loan to any person or to purchase assets of any person where, in each case, such obligation is assumed in order to provide assurance to the beneficiary of such guarantee that another person will or can meet any of its liabilities;

(vi) “indebtedness” includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;

(vii) a Lender’s “participation” in relation to a Letter of Credit, shall be construed as a reference to the relevant amount that is or may become payable by a Lender in relation to that Letter of Credit;

(viii) a “person” includes any individual, firm, company, corporation, government, state or agency of a state or any association, trust, joint venture, consortium or partnership (whether or not having separate legal personality);

(ix) a “regulation” includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;

(x) a provision of law is a reference to that provision as amended or re-enacted; and

(xi) a time of day is a reference to London time.
(b) Section, Clause and Schedule headings are for ease of reference only.

(c) Unless a contrary indication appears, a term used in any other Finance Document or in any notice given under or in connection with any Finance Document has the same meaning in that Finance Document or notice as in this Agreement.

(d) A Borrower providing “cash cover” for a Letter of Credit means a Borrower paying an amount in the currency of the Letter of Credit to an interest-bearing account in the name of the Borrower and the following conditions being met:

(i) the account is with the Agent (if the cash cover is to be provided for all the Lenders) or with a Lender (if the cash cover is to be provided for that Lender);

(ii) subject to paragraph (b) of Clause 7.5 (Cash cover by Borrower), until no amount is or may be outstanding under that Letter of Credit, withdrawals from the account may only be made to pay a Finance Party amounts due and payable to it under this Agreement in respect of that Letter of Credit; and

(iii) the Borrower has executed a security document over that account, in form and substance satisfactory to the Agent or the Lender with which that account is held, creating a first ranking Security over that account.

(e) A Default or an Event of Default is “continuing” if it has not been remedied or waived in writing.

(f) A Borrower “repaying” or “prepaying” a Letter of Credit means:

(i) that Borrower providing cash cover for that Letter of Credit;

(ii) the maximum amount payable under the Letter of Credit being reduced or cancelled in accordance with its terms; or

(iii) the Issuing Bank being satisfied that it has no further liability under that Letter of Credit, and the amount by which a Letter of Credit is repaid or prepaid under paragraphs (f)(i) and (f)(ii) above is the amount of the relevant cash cover or reduction.

(g) An amount “borrowed” includes any amount utilised by way of Letter of Credit.

(h) A Lender “funding its participation” in a Utilisation includes a Lender participating in a Letter of Credit.

(i) An “outstanding amount” of a Letter of Credit at any time is the maximum amount that is or may be payable by the Relevant Borrower in respect of that Letter of Credit at that time.

(j) A reference to Barclays Capital is a reference to the investment banking division of Barclays Bank PLC.
1.3 Dutch terms

In this Agreement, where it relates to a Dutch entity, a reference to:

(a) a “necessary action to authorise” where applicable, includes without limitation:

(i) any action required to comply with the Works Councils Act of the Netherlands (Wet op de ondernemingsraden); and
(ii) obtaining an unconditional positive advice (advies) from the competent works council(s);

(b) “financial assistance” means any act contemplated by:

(i) (for a besloten vennootschap met beperkte aansprakelijkheid) Article 2:207(c) of the Dutch Civil Code; or
(ii) (for a naamloze vennootschap) Article 2:98(c) of the Dutch Civil Code;

(c) a “Security” includes any mortgage (hypotheek), pledge (pandrecht), retention of title arrangement (eigendomsvoorbehoud), privilege (voorrecht), right of retention (recht van retentie), right to reclaim goods (recht van reclame), and, in general, any right in rem (beperkt recht), created for the purpose of granting security (goederenrechtelijk zekerheidsrecht);

(d)

(i) a “winding-up”, “administration” or “dissolution” includes a Dutch entity being declared bankrupt (failliet verklaard) or dissolved (ontbonden);
(ii) a “moratorium” includes surseance van betaling and “a moratorium is declared” or occurs includes surseance verleend;
(iii) any “step” or “procedure” taken in connection with insolvency proceedings includes a Dutch entity having filed a notice under Section 36 of the Tax Collection Act of the Netherlands (Invorderingswet 1990);
(iv) a “trustee in bankruptcy” includes a curator;
(v) an “administrator” includes a bewindvoerder; and
(vi) an “attachment” includes a beslag.
1.4 **Luxembourg terms**

In this Agreement, a reference to:

(a) a liquidator, trustee in bankruptcy, judicial custodian, compulsory manager, receiver, administrator receiver, administrator or similar officer includes any:

   (i) *juge-commissaire* and/or insolvency receiver (*curateur*) appointed under the Luxembourg Commercial Code;

   (ii) *liquidateur* appointed under Articles 141 to 151 of the Luxembourg act of 10 August 1915 on commercial companies, as amended;

   (iii) *juge-commissaire* and/or *liquidateur* appointed under Article 203 of the Luxembourg act dated 10 August 1915 on commercial companies, as amended;

   (iv) commissaire appointed under the Grand-Ducal decree of 24 May 1935 on the controlled management regime or under Articles 593 to 614 of the Luxembourg Commercial Code; and

   (v) *juge délégué* appointed under the Luxembourg act of 14 April 1886 on the composition to avoid bankruptcy, as amended;

(b) a “winding-up”, “administration” or “dissolution” includes, without limitation, bankruptcy (*faillite*), liquidation, composition with creditors (*concordat préventif de faillite*), moratorium or reprieve from payment (*sursis de paiement*) and controlled management (*gestion contrôlée*); and

(c) a person being “unable to pay its debts” includes that person being in a state of cessation of payments (*cessation de paiements*).

1.5 **Belgian terms**

In this Agreement, a reference (in the context of Belgian law or a Belgian Obligor) to:

(a) a “liquidator”, “trustee in bankruptcy”, “receiver”, “administrator” (in relation to a bankruptcy) or “similar officer” includes any *curator* / *curateur*, *vereffenaar* / *liquidateur*, *gedelegeerd rechter* / *juge délégué*, *gerechtsmandataris* / *mandataire de justice*, *voorlopig bewindvoerder* / *adminstrateur judiciaire*, *gerechtelijk deskundige* / *expert judiciare* and *sekwester* / *séquestre*;

(b) a person being “unable to pay” its debts is that person being in a state of cessation of payments (*staking van betaling* / *cessation de paiements*);

(c) an “insolvency” includes *gerechtelijke reorganisatie* / *réorganisation judiciaire*, *faillissement* / *faillite* and any other concurrence between creditors (*samenloop van schuldeisers* / *concours des créanciers*);

(d) a “composition” includes any *gerechtelijke reorganisatie* / *réorganisation judiciaire*; “winding up”, “administration”, “liquidation” or “dissolution” includes any *vereffening* / *liquidation*, *ontbinding* / *dissolution*, *faillissement* / *faillite* and *sluiting van een onderneming* / *fermeture d'entreprise*;
an “assignment” or “similar arrangement with any creditor” includes a minnelijk akkoord met alle schuldeisers/accord amiable avec tous les créanciers;

(f) an “attachment”, “sequestration”, “distress”, “execution” or “analogous events” includes any uitvoerend beslag/saisie exécutoire and bewarend beslag/saisie conservatoire;

(g) a “Security” includes any mortgage (hypotheek/hypothèque), pledge (pand/nantissement), privilege (voorrecht/privilège), retention right (eigendomsvoorbehoud/réservation de propriété), any real surety (zakelijke zekerheid/sûreté réelle) and any transfer by way of security (overdracht ten titel van zekerheid/transfert à titre de garantie) and a promise or mandate to create any of the security interest mentioned above;

(h) “constitutional documents” means de oprichtingsakte/acte constitutif, statuten/statuts and uittreksel van de Kruispuntbank voor Ondernemingen/Banque Carrefour des Entreprises; and

(i) “guarantee” means, only for the purpose of the guarantee granted by a Belgian Obligor pursuant to Clause 28 (Guarantee and Indemnity), an independent guarantee and not a surety (borg/cautionnement).

1.6 Third party rights

(a) Unless expressly provided to the contrary in a Finance Document a person who is not a Party has no right under the Contracts (Rights of Third Parties) Act 1999 (the “Third Parties Act”) to enforce or enjoy the benefit of any term of this Agreement.

(b) Notwithstanding any term of any Finance Document, the consent of any person who is not a Party is not required to rescind or vary this Agreement at any time.

2. THE FACILITIES

2.1 The Facilities

(a) Subject to the terms of this Agreement, the Lenders make available to the Borrowers, a multicurrency revolving credit facility in an aggregate amount the Base Currency Amount of which is equal to the Total Revolving Facility Commitments.

(b) Any Borrower will be permitted to borrow (on a several basis) under the Revolving Facility.
2.2 Increase

(a) The Company may by giving prior written notice to the Agent by no later than the date falling five Business Days after the effective date of a cancellation of:

(i) the Available Commitments of a Defaulting Lender in accordance with Clause 16.6 (Right of cancellation in relation to a Defaulting Lender); or

(ii) the Commitments of a Lender in accordance with Clause 16.1 (Illegality),

request that the Total Revolving Facility Commitments (as applicable) be increased (and the Total Revolving Facility Commitments shall be so increased) in an aggregate amount in the Base Currency of up to the amount of the Available Commitment or Commitments so cancelled as follows:

(A) the increased Revolving Facility Commitment will be assumed by one or more Lenders or other banks, financial institutions, trusts, funds or other entities (the “Increase Lender”) selected by the Company, each of which shall not be a member of the Group and which is further acceptable to the Agent (acting reasonably) and each of which confirms its willingness to assume and does assume all the obligations of a Lender corresponding to that part of the increased Revolving Facility Commitment which it is to assume as if it had been an Original Lender;

(B) each of the Obligors and the Increase Lender shall assume obligations towards one another and/or acquire rights against one another as the Obligors and the Increase Lender would have assumed and/or acquired had the Increase Lender been an Original Lender;

(C) the Increase Lender shall become a Party as a “Lender” and any Increase Lender and each of the other Finance Parties shall assume obligations towards one another and acquire rights against one another as that Increase Lender and those Finance Parties would have assumed and/or acquired had the Increase Lender been an Original Lender;

(D) the Revolving Facility Commitments of the other Lenders shall continue in full force and effect; and

(E) the increase in the Revolving Facility Commitments shall take effect on the date specified by the Company in the notice referred to in paragraph (i) above or any later date on which the conditions set out in paragraph (b) below are satisfied.

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(b) An increase in the Total Revolving Facility Commitments will only be effective on:

(i) receipt by the Agent of written confirmation (the “Increase Confirmation”) from the Increase Lender substantially in the form set out in Schedule 10 (Form of Increase Confirmation) that the Increase Lender will assume the same obligations to the other Finance Parties as it would have assumed if it had been an Original Lender; and

(ii) in relation to an Increase Lender which is not a Lender immediately prior to the relevant increase:

(A) the performance by the Agent of all necessary “know your customer” or other similar checks under all applicable laws and regulations in relation to the assumption of the increased Commitments by that Increase Lender, the completion of which the Agent shall promptly notify to the Company, the Increase Lender and the Issuing Bank; and

(B) in the case of an increase in the Total Revolving Facility Commitments, the Issuing Bank consenting to that increase.

(c) Each Increase Lender, by executing the Increase Confirmation, confirms (for the avoidance of doubt) that the Agent has authority to execute on its behalf any amendment or waiver that has been approved by or on behalf of the requisite Lender or Lenders in accordance with this Agreement on or prior to the date on which the increase becomes effective in accordance with this Agreement.

(d) The Company may pay to the Increase Lender a fee in the amount and at the times agreed between the Company and the Increase Lender in a Fee Letter. A reference in this Agreement to a Fee Letter shall include any letter referred to in this paragraph.

(e) Clause 33.4 (Limitation of responsibility of Existing Lenders) shall apply mutatis mutandis in this Clause 2.2 in relation to an Increase Lender as if references in that Clause to:

(i) an “Existing Lender” were references to all the Lenders immediately prior to the relevant increase;

(ii) the “New Lender” were references to that “Increase Lender”; and

(iii) a “re-transfer” and “re-assignment” were references to respectively a “transfer” and “assignment”.

(f) Nothing in this Clause 2.2 obliges any Existing Lender to become or offer to become an Increase Lender.
2.3 Finance Parties’ rights and obligations

(a) The obligations of each Finance Party under the Finance Documents are several. Failure by a Finance Party to perform its obligations under the Finance Documents does not affect the obligations of any other Party under the Finance Documents. No Finance Party is responsible for the obligations of any other Finance Party under the Finance Documents.

(b) The rights of each Finance Party under or in connection with the Finance Documents are separate and independent rights and any debt arising under the Finance Documents to a Finance Party from an Obligor shall be a separate and independent debt.

(c) A Finance Party may, except as otherwise stated in the Finance Documents, separately enforce its rights under the Finance Documents.

2.4 Obligors’ Agent

(a) Each Obligor (other than the Company) by its execution of this Agreement or an Accession Letter irrevocably appoints the Company to act on its behalf as its agent in relation to the Finance Documents and irrevocably authorises:

(i) the Company on its behalf to supply all information concerning itself contemplated by this Agreement to the Finance Parties and to give all notices and instructions (including, in the case of a Borrower, Utilisation Requests), to execute on its behalf any Accession Letter, to make such agreements and to effect the relevant amendments, supplements and variations capable of being given, made or effected by any Obligor notwithstanding that they may affect the Obligor, without further reference to or the consent of that Obligor; and

(ii) each Finance Party to give any notice, demand or other communication to that Obligor pursuant to the Finance Documents to the Company,

and in each case the Obligor shall be bound as though the Obligor itself had given the notices and instructions (including, without limitation, any Utilisation Requests) or executed or made the agreements or effected the amendments, supplements or variations, or received the relevant notice, demand or other communication.

(b) Every act, omission, agreement, undertaking, settlement, waiver, amendment, supplement, variation, notice or other communication given or made by the Obligors’ Agent or given to the Obligors’ Agent under any Finance Document on behalf of another Obligor or in connection with any Finance Document (whether or not known to any other Obligor and whether occurring before or after such other Obligor became an Obligor under any Finance Document) shall be binding for all purposes on that Obligor as if that Obligor had expressly made, given or concurred with it. In the event of any conflict between any notices or other communications of the Obligors’ Agent and any other Obligor, those of the Obligors’ Agent shall prevail.
3. PURPOSE

3.1 Purpose

The Relevant Borrower shall apply all amounts borrowed by it under the Revolving Facility towards the general corporate and/or working capital purposes of the Group.

3.2 Monitoring

No Finance Party is bound to monitor or verify the application of any amount borrowed pursuant to this Agreement.

4. CONDITIONS OF UTILISATION

4.1 Initial conditions precedent

No Borrower may deliver a Utilisation Request unless the Agent has received all of the documents and other evidence listed in Part 1 of Schedule 2 (Conditions Precedent) which must be delivered on or before the first Utilisation Date), in form and substance satisfactory to the Agent. The Agent shall notify the Company and the Lenders promptly upon being so satisfied.

4.2 Further conditions precedent

The Lenders will only be obliged to comply with Clause 5.4 (Lenders’ participation) in relation to a Utilisation if, on the date of the Utilisation Request and on the proposed Utilisation Date:

(a) in the case of a Rollover Loan, the Lenders have not taken any steps under Clause 32.14 (Acceleration) and, in the case of any other Utilisation, no Default is continuing or would result from the proposed Utilisation; and

(b) the Repeating Representations to be made by each Obligor are true in all material respects.

4.3 Conditions relating to Optional Currencies

(a) A currency will constitute an Optional Currency in relation to a Revolving Facility Utilisation if it is euro or:

(i) it is readily available in the amount required and freely convertible into the Base Currency in the Relevant Interbank Market at the Specified Time or, if later, on the date the Agent receives the relevant Utilisation Request and the Utilisation Date for that Utilisation; and

(ii) it has been approved by the Agent (acting on the instructions of all the Lenders under the Revolving Facility) on or prior to receipt by the Agent of the relevant Utilisation Request for that Utilisation.
(b) If the Agent has received a written request from the Company for a currency to be approved under paragraph (a)(ii) above, the Agent will confirm to the Company by the Specified Time:

(i) whether or not the relevant Lenders have granted their approval; and

(ii) if approval has been granted, the minimum amount (and, if required, integral multiples) for any subsequent Utilisation in that currency.

4.4 Maximum number of Utilisations

(a) A Borrower (or the Company) may not deliver a Utilisation Request if as a result of the proposed Utilisation 32 or more Revolving Facility Loans would be outstanding.

(b) If the Agent has received a written request from the Company for a currency to be approved under paragraph (a)(ii) above, the Agent will confirm to the Company by the Specified Time:

(i) whether or not the relevant Lenders have granted their approval; and

(ii) if approval has been granted, the minimum amount (and, if required, integral multiples) for any subsequent Utilisation in that currency.

4.4 Maximum number of Utilisations

(b) If the Agent has received a written request from the Company for a currency to be approved under paragraph (a)(ii) above, the Agent will confirm to the Company by the Specified Time:

(i) whether or not the relevant Lenders have granted their approval; and

(ii) if approval has been granted, the minimum amount (and, if required, integral multiples) for any subsequent Utilisation in that currency.

4.4 Maximum number of Utilisations

(a) A Borrower (or the Company) may not deliver a Utilisation Request if as a result of the proposed Utilisation 32 or more Revolving Facility Loans would be outstanding.

(b) Any Loan made by a single Lender under Clause 14.2 (Unavailability of a currency) shall not be taken into account in this Clause 4.4.

(c) Any Separate Loan shall not be taken into account in this Clause 4.4.

5. UTILISATION – LOANS

5.1 Delivery of a Utilisation Request

A Borrower (or the Company on its behalf) may utilise a Facility by delivery to the Agent of a duly completed Utilisation Request not later than the Specified Time.

5.2 Completion of a Utilisation Request for Loans

(a) Each Utilisation Request for a Loan is irrevocable and will not be regarded as having been duly completed unless:

(i) it identifies the Borrower and the Facility to be utilised;

(ii) the proposed Utilisation Date is a Business Day within the Availability Period applicable to that Facility;

(iii) the currency and amount of the Utilisation comply with Clause 5.3 (Currency and amount); and

(iv) the proposed Interest Period complies with Clause 20 (Interest Periods).

(b) Only one Utilisation may be requested in any Utilisation Request.
5.3 **Currency and amount**

(a) The currency specified in a Utilisation Request must be the Base Currency or an Optional Currency.

(b) The amount of the proposed Utilisation must be:

(i) if the currency selected is the Base Currency, a minimum of US$25,000,000 or, if less, the Available Facility;

(ii) if the currency selected is euro, a minimum of US$25,000,000 or, if less, the Available Facility;

(iii) if the currency selected is an Optional Currency, other than euro, the minimum amount specified by the Agent pursuant to paragraph (b)(ii) of Clause 4.3 (Conditions relating to Optional Currencies) or, if less, the Available Facility.

5.4 **Lenders’ participation**

(a) If the conditions set out in this Agreement have been met, each Lender shall make its participation in each Loan available by the Utilisation Date through its Facility Office.

(b) The amount of each Lender’s participation in each Loan will be equal to the proportion borne by its Available Commitment to the Available Facility immediately prior to making the Loan.

(c) The Agent shall determine the Base Currency Amount of each Revolving Facility Loan which is to be made in an Optional Currency and shall notify each Lender of the amount, currency and the Base Currency Amount of each Loan and the amount of its participation in that Loan, in each case by the Specified Time.

5.5 **Cancellation of Commitment**

Any Commitment which is unutilised on the last day of the Availability Period shall be immediately cancelled.

5.6 **Extension Option**

(a) In this Clause 5.6:

- **Applicable Final Termination Date** means, in relation to each Lender, the Final Termination Date in effect in respect of such Lender as at the date of an Extension Request;

- **Extended Final Termination Date** means:

  (i) in respect of an exercise of the Extension Option before the second anniversary of the Amendment and Restatement Date, the First Extended Final Termination Date; and
(ii) in respect of an exercise of the Extension Option on or after the second anniversary of the Amendment and Restatement Date:

(A) for any Lender that agreed to extend its Applicable Final Termination Date in accordance a previous exercise of the Extension Option, the Second Extended Final Termination Date; and

(B) (i) to the extent that no previous Extension Option has been exercised by such time, for any Lender or (ii) to the extent that a previous Extension Option has been exercised by such time, for any Lender that did not agree to extend its Applicable Final Termination Date in accordance with that previous exercise of the Extension Option, either the First Extended Final Termination Date or the Second Extended Final Termination Date (as the relevant Lender may in its discretion select in accordance with paragraph (f) below);

“Extending Lender” means, in respect of an Extension Request, a Lender which notifies the Agent, within the timeframe set out in paragraph (f) below, that it accepts the Extension Request; and

“First Extended Final Termination Date” means the date which is twelve months after the Amended Termination Date.

“Second Extended Final Termination Date” means the date which is twenty four months after the Amended Termination Date.

(b) The Company may request an extension of the Applicable Final Termination Date (an “Extension Option”) by submitting an Extension Request to the Agent. Any Extension Request is irrevocable.

(c) An Extension Request shall not be valid unless:

(i) in respect of the first Extension Request delivered, it is delivered to the Agent at any time on or after the first anniversary of the Amendment and Restatement Date;

(ii) in respect of the second Extension Request delivered, it is delivered to the Agent at any time on or after the second anniversary of the Amendment and Restatement Date;

(iii) it specifies the date on which the extension of the Applicable Final Termination Date is to take effect, which shall be a date not less than 20 days after the date of the Extension Request (the “Extension Effective Date”); and

(iv) it does not (and would not) cause paragraph (d) below to be contravened.

(d) The Extension Option may be exercised no more than twice in total.
Upon receipt of a valid Extension Request, the Agent shall promptly notify each Lender. Each such Lender shall have the right, in its absolute discretion:

(i) to accept or decline such Extension Request; and

(ii) if such Extension Request is delivered on or after the second anniversary of the Amendment and Restatement Date or it is the second Extension Request delivered under this Agreement and the relevant Lender did not agree to extend its participation and Commitment in connection with the first such Extension Request, to decide whether to extend its Applicable Final Termination Date to the First Extended Final Termination Date or the Second Extended Final Termination Date in connection with such Extension Request.

Any such Lender that wishes to accept the Extension Request shall so notify the Agent in writing no later than 10 days prior to the Extension Effective Date specified in that Extension Request, and if applicable in accordance with paragraph (e)(ii) above, shall confirm whether it wishes to extend its participation and Commitment to the First Extended Final Termination Date or the Second Extended Final Termination Date. If there are any Extending Lenders, then on each Extension Effective Date, the Applicable Final Termination Date in respect of the participation and Commitment of each such Extending Lender shall be extended to the Extended Final Termination Date applicable to that Extending Lender.

The Agent will notify the Company in writing of each Lender’s decision in relation to an Extension Request as soon as practicable after it has been informed.

The unutilised Commitment of each Lender which did not agree (or did not respond) to an Extension Request pursuant to paragraph (b) above, will be automatically cancelled on the date falling one Month prior to the Final Termination Date applicable to that Lender (and any utilised Commitments which become Available Commitments as a result of repayments to that Lender in the Month prior to the applicable Final Termination Date shall be cancelled on the date of the relevant repayment). The Company shall repay the participation in each Loan of each Lender on the Final Termination Date applicable to that Lender, together with all other amounts due and owing to that Lender under the Finance Documents.

6. **UTILISATION – LETTERS OF CREDIT**

6.1 **The Revolving Facility**

(a) The Revolving Facility may be utilised by way of Letters of Credit.

(b) Clause 5 (Utilisation – Loans) does not apply to utilisations by way of Letters of Credit.
6.2 **Delivery of a Utilisation Request for Letters of Credit**
A Borrower (or the Company on its behalf) may request a Letter of Credit to be issued by delivery to the Agent of a duly completed Utilisation Request not later than the Specified Time.

6.3 **Completion of a Utilisation Request for Letters of Credit**
Each Utilisation Request for a Letter of Credit is irrevocable (unless otherwise agreed by the Issuing Bank) and will not be regarded as having been duly completed unless:

(a) it specifies that it is for a Letter of Credit;
(b) it identifies the Borrower of the Letter of Credit;
(c) it identifies the Issuing Bank which has agreed to issue the Letter of Credit;
(d) the proposed Utilisation Date is a Business Day within the Availability Period applicable to the Revolving Facility;
(e) the amount of the Letter of Credit requested will not result in the aggregate Base Currency Amount of all outstanding Letters of Credit exceeding US$500,000,000 (or its equivalent in any other currency);
(f) the currency and amount of the Letter of Credit comply with Clause 6.4 (*Currency and amount*);
(g) the proposed beneficiary is not a Restricted Person and is not objected to by the Issuing Bank (acting reasonably);
(h) the form of Letter of Credit is attached;
(i) the Expiry Date of the Letter of Credit falls on or before the Final Termination Date; and
(j) the delivery instructions for the Letter of Credit are specified.

6.4 **Currency and amount**

(a) The currency specified in a Utilisation Request must be the Base Currency or an Optional Currency.

(b) The amount of the proposed Letter of Credit must be an amount whose Base Currency Amount is not more than the Available Facility and which is:

(i) if the currency selected is the Base Currency, a minimum of US$25,000,000 or, if less, the Available Facility;

(ii) if the currency selected is euro, a minimum of US$25,000,000 or, if less, the Available Facility; or

(iii) if the currency selected is an Optional Currency other than euro, the minimum amount specified by the Agent pursuant to paragraph (b)(ii) of Clause 4.3 (*Conditions relating to Optional Currencies*) or, if less, the Available Facility.
6.5 Issue of Letters of Credit

(a) If the conditions set out in this Agreement have been met, the Issuing Bank shall issue the Letter of Credit on the Utilisation Date.

(b) Subject to Clause 4.1 (Initial conditions precedent), the Issuing Bank will only be obliged to comply with paragraph (a) above in relation to a Letter of Credit other than one to which paragraph (c) below applies, if on the date of the Utilisation Request or Renewal Request and on the proposed Utilisation Date:

(i) no Default (or, in the case of a Letter of Credit to be renewed in accordance with Clause 6.6 (Renewal of a Letter of Credit), no Event of Default) is continuing or would result from the proposed Utilisation; and

(ii) in relation to any Utilisation on the Funding Date, all the representations and warranties in Clause 29 (Representations) or, in relation to any other Utilisations, the Repeating Representations to be made by each Obligor are true in all material respects.

(c) The amount of each Lender’s participation in each Letter of Credit will be equal to the proportion borne by its Available Commitment to the Available Facility (in each case in relation to the Revolving Facility) immediately prior to the issue of the Letter of Credit.

(d) The Agent shall determine the Base Currency Amount of each Letter of Credit which is to be issued in an Optional Currency and shall notify the Issuing Bank and each Lender of the details of the requested Letter of Credit and its participation in that Letter of Credit by the Specified Time.

6.6 Renewal of a Letter of Credit

(a) A Borrower (or the Company on its behalf) may request that any Letter of Credit issued on behalf of that Borrower be renewed by delivery to the Agent of a Renewal Request in substantially similar form to a Utilisation Request for a Letter of Credit by the Specified Time.

(b) The Finance Parties shall treat any Renewal Request in the same way as a Utilisation Request for a Letter of Credit except that the conditions set out in paragraph (h) of Clause 6.3 (Completion of a Utilisation Request for Letters of Credit) shall not apply.

(c) The terms of each renewed Letter of Credit shall be the same as those of the relevant Letter of Credit immediately prior to its renewal, except that:

(i) its amount may be less than the amount of the Letter of Credit immediately prior to its renewal; and

(ii) its Term shall start on the date which was the Expiry Date of the Letter of Credit immediately prior to its renewal, and shall end on the proposed Expiry Date specified in the Renewal Request.

(d) If the conditions set out in this Agreement have been met, the Issuing Bank shall amend and re-issue any Letter of Credit pursuant to a Renewal Request.

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6.7 Refusal of a Letter of Credit

(a) If, on the proposed Utilisation Date of a Letter of Credit, any of the Lenders under the Revolving Facility is a Non-Acceptable L/C Lender and:

(i) that Lender has failed to provide cash collateral to the Issuing Bank in accordance with Clause 7.4 (Cash collateral by Non-Acceptable L/C Lender); and

(ii) the Issuing Bank has required the relevant Borrower to provide cash cover pursuant to Clause 7.5 (Cash cover by Borrower) but the relevant Borrower has failed to provide cash cover to the Issuing Bank in accordance with Clause 7.5 (Cash cover by Borrower),

the Issuing Bank may refuse to issue that Letter of Credit.

6.8 Revaluation of Letters of Credit

(a) If any Letters of Credit are denominated in an Optional Currency, the Agent shall at six monthly intervals after the date of the Letter of Credit recalculate the Base Currency Amount of each Letter of Credit by notionally converting into the Base Currency the outstanding amount of that Letter of Credit on the basis of the Agent’s Spot Rate of Exchange on the date of calculation.

(b) The Company shall, if requested by the Agent within five days of any calculation under paragraph (a) above, ensure that within three Business Days sufficient Revolving Facility Utilisations are prepaid to prevent the Base Currency Amount of the Revolving Facility Utilisations exceeding the Total Revolving Facility Commitments following any adjustment to a Base Currency Amount under paragraph (a) above.

7. LETTERS OF CREDIT

7.1 Immediately payable

Subject to the terms of this Agreement, if a Letter of Credit or any amount outstanding under a Letter of Credit becomes immediately payable under this Agreement, the Borrower that requested the issue of that Letter of Credit shall repay or prepay that amount immediately.

7.2 Claims under a Letter of Credit

(a) Each Borrower irrevocably and unconditionally authorises the Issuing Bank to pay any claim made or purported to be made under a Letter of Credit requested by it (or requested by the Company on its behalf) and which appears on its face to be in order (in this Clause 7, a claim).
(b) The Relevant Borrower shall within five Business Days of demand pay to the Agent for the Issuing Bank an amount equal to the amount of any claim.

(c) Each Borrower acknowledges that the Issuing Bank:
   
   (i) is not obliged to carry out any investigation or seek any confirmation from any other person before paying a claim; and
   
   (ii) deals in documents only and will not be concerned with the legality of a claim or any underlying transaction or any available set-off, counterclaim or other defence of any person.

(d) The obligations of a Borrower under this Clause will not be affected by:

   (i) the sufficiency, accuracy or genuineness of any claim or any other document; or
   
   (ii) any incapacity of, or limitation on the powers of, any person signing a claim or other document.

7.3 Indemnities

(a) The Relevant Borrower shall immediately on demand indemnify the Issuing Bank against any cost, loss or liability incurred by the Issuing Bank (otherwise than by reason of the Issuing Bank’s gross negligence or wilful misconduct) in acting as the Issuing Bank under any Letter of Credit requested by (or on behalf of) that Borrower.

(b) Each Lender shall (according to its L/C Proportion) immediately on demand indemnify the Issuing Bank against any cost, loss or liability incurred by the Issuing Bank (otherwise than by reason of the Issuing Bank’s gross negligence or wilful misconduct) in acting as the Issuing Bank under any Letter of Credit (unless the Issuing Bank has been reimbursed by an Obligor pursuant to a Finance Document).

(c) If any Lender is not permitted (by its constitutional documents or any applicable law) to comply with paragraph (b) above, then that Lender will not be obliged to comply with paragraph (b) above and shall instead be deemed to have taken, on the date the Letter of Credit is issued (or if later, on the date the Lender’s participation in the Letter of Credit is transferred or assigned to the Lender in accordance with the terms of this Agreement), an undivided interest and participation in the Letter of Credit in an amount equal to its L/C Proportion of that Letter of Credit. On receipt of demand from the Agent, that Lender shall pay to the Agent (for the account of the Issuing Bank) an amount equal to its L/C Proportion of the amount demanded.

(d) The Borrower which requested (or on behalf of which the Company requested) a Letter of Credit shall immediately on demand reimburse any Lender for any payment it makes to the Issuing Bank under this Clause 7.3 in respect of that Letter of Credit.
(e) The obligations of each Lender under this Clause are continuing obligations and will extend to the ultimate balance of sums payable by that Lender in respect of any Letter of Credit, regardless of any intermediate payment or discharge in whole or in part.

(f) The obligations of any Lender or Borrower under this Clause will not be affected by any act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under this Clause (without limitation and whether or not known to it or any other person) including:

(i) any time, waiver or consent granted to, or composition with, any Obligor, any beneficiary under a Letter of Credit or any other person;

(ii) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor or any member of the Group;

(iii) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor, any beneficiary under a Letter of Credit or other person or any non-presentation or non observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;

(iv) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor, any beneficiary under a Letter of Credit or any other person;

(v) any amendment (however fundamental) or replacement of a Finance Document, any Letter of Credit (provided that, in the case of any amendment to a Letter of Credit, the Company has agreed to such amendment) or any other document or security;

(vi) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document, any Letter of Credit or any other document or security; or

(vii) any insolvency or similar proceedings.

7.4 Cash collateral by Non-Acceptable L/C Lender

(a) If, at any time, a Lender under the Revolving Facility is a Non-Acceptable L/C Lender, the Issuing Bank may, by notice to that Lender, request that Lender to pay and that Lender shall pay, on or prior to the date falling five Business Days after the request by the Issuing Bank, an amount equal to that Lender’s L/C Proportion of the outstanding amount of a Letter of Credit and in the currency of that Letter of Credit to an interest-bearing account held in the name of that Lender with the Issuing Bank.

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(b) The Non-Acceptable L/C Lender to whom a request has been made in accordance with paragraph (a) above shall enter into a security document or other form of collateral arrangement over the account, in form and substance satisfactory to the Issuing Bank, as collateral for any amounts due and payable under the Finance Documents by that Lender to the Issuing Bank in respect of that Letter of Credit.

(c) Until no amount is or may be outstanding under that Letter of Credit, withdrawals from the account may only be made to pay to the Issuing Bank amounts due and payable to the Issuing Bank by the Non-Acceptable L/C Lender under the Finance Documents in respect of that Letter of Credit.

(d) Each Lender under the Revolving Facility shall notify the Agent and the Parent:

(i) on the Amendment and Restatement Date or on any later date on which it becomes such a Lender in accordance with Clause 2.2 \((\text{Increase})\) or Clause 33 \((\text{Changes to the Lenders})\) whether it is a Non-Acceptable L/C Lender; and

(ii) as soon as practicable upon becoming aware of the same, that it has become a Non-Acceptable L/C Lender, and an indication in Schedule 1 \((\text{The Amendment and Restatement Date Parties})\), in a Transfer Certificate or in an Increase Confirmation to that effect will constitute a notice under paragraph \(d(i)\) above to the Agent and, upon delivery in accordance with Clause 33.6 \((\text{Copy of Transfer Certificate or Increase Confirmation to Company})\), to the Company.

(e) Any notice received by the Agent pursuant to paragraph \(d\) above shall constitute notice to the Issuing Bank of that Lender’s status and the Agent shall, upon receiving each such notice, promptly notify the Issuing Bank of that Lender’s status as specified in that notice.

(f) If a Lender who has provided cash collateral in accordance with this Clause 7.4:

(i) ceases to be a Non-Acceptable L/C Lender; and

(ii) no amount is due and payable by that Lender in respect of a Letter of Credit, that Lender may, at any time it is not a Non-Acceptable L/C Lender, by notice to the Issuing Bank request that an amount equal to the amount of the cash provided by it as collateral in respect of that Letter of Credit (together with any accrued interest) standing to the credit of the relevant account held with the Issuing Bank be returned to it and the Issuing Bank shall pay that amount to the Lender within five Business Days after the request from the Lender (and shall cooperate with the Lender in order to procure that the relevant security or collateral arrangement is released and discharged).
7.5 **Cash cover by Borrower**

(a) If a Lender which is a Non-Acceptable L/C Lender fails to provide cash collateral (or notifies the Issuing Bank that it will not provide cash collateral) in accordance with Clause 7.4 (**Cash collateral by Non-Acceptable L/C Lender**) and the Issuing Bank notifies the Obligors’ Agent (with a copy to the Agent) that it requires the Borrower of the relevant Letter of Credit or proposed Letter of Credit to provide cash cover to an account with the Issuing Bank in an amount equal to that Lender’s L/C Proportion of the outstanding amount of that Letter of Credit and in the currency of that Letter of Credit then that Borrower shall do so within five Business Days after the notice is given.

(b) Notwithstanding paragraph (d) of Clause 1.2 (**Construction**), the Issuing Bank may agree to the withdrawal of amounts up to the level of that cash cover from the account if:

(i) it is satisfied that the relevant Lender is no longer a Non-Acceptable L/C Lender; or

(ii) the relevant Lender’s obligations in respect of the relevant Letter of Credit are transferred to a New Lender in accordance with the terms of this Agreement; or

(iii) an Increase Lender has agreed to undertake the obligations in respect of the relevant Lender’s L/C Proportion of the Letter of Credit.

(c) To the extent that a Borrower has complied with its obligations to provide cash cover in accordance with this Clause 7.5, the relevant Lender’s L/C Proportion in respect of that Letter of Credit will remain (but that Lender’s obligations in relation to that Letter of Credit may be satisfied in accordance with paragraph (d)(ii) of Clause 1.2 (**Construction**)). However, the relevant Borrower’s obligation to pay any Letter of Credit fee in relation to the relevant Letter of Credit to the Agent (for the account of that Lender) in accordance with paragraph (b) of Clause 22.5 (**Fees payable in respect of Letters of Credit**) will be reduced proportionately as from the date on which it complies with that obligation to provide cash cover (and for so long as the relevant amount of cash cover continues to stand as collateral).

(d) The relevant Issuing Bank shall promptly notify the Agent of the extent to which a Borrower provides cash cover pursuant to this Clause 7.5 and of any change in the amount of cash cover so provided.

8. **DOLLAR SWINGLINE FACILITY**

8.1 **General**

(a) Clause 4.2 (**Further conditions precedent**) and 4.3 (**Conditions relating to Optional Currencies**);

(b) Clause 5 (**Utilisation - Loans**);

(c) Clause 14 (**Optional Currencies**);
do not apply to Dollar Swingline Loans.

8.2 Definitions

Any references in this Agreement to:

(a) an “Interest Period” includes each period determined under this Agreement by reference to which interest on a Dollar Swingline Loan is calculated; and

(b) a “Lender” includes a Dollar Swingline Lender unless the context otherwise requires.

8.3 Dollar Swingline Facility

Subject to the terms of this Agreement, the Dollar Swingline Lenders make available to the Borrowers a dollar swingline loan facility in an aggregate amount equal to the Total Dollar Swingline Commitments.

8.4 Purpose

Each Borrower shall apply all amounts borrowed by it under the Dollar Swingline Facility towards refinancing any note or other instrument maturing under a dollar commercial paper programme of a member of the Group. A Dollar Swingline Loan may not be borrowed to refinance (in whole or in part) a maturing Euro Swingline Loan and/or Dollar Swingline Loan.

9. UTILISATION - DOLLAR SWINGLINE LOANS

9.1 Delivery of a Utilisation Request for Dollar Swingline Loans

(a) A Borrower may utilise the Dollar Swingline Facility by delivery to the Agent of a duly completed Utilisation Request not later than the Specified Time.

(b) Each Utilisation Request for a Dollar Swingline Loan must be sent to the Agent to the address in New York notified by the Agent for this purpose, with a copy to its address referred to in Clause 40 (Notices).

9.2 Completion of a Utilisation Request for Dollar Swingline Loans

(a) Each Utilisation Request for a Dollar Swingline Loan is irrevocable and will not be regarded as having been duly completed unless:

(i) it identifies the Borrower;

(ii) it specifies that it is for a Dollar Swingline Loan;

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(iii) the proposed Utilisation Date is a New York Business Day within the Availability Period applicable to the Revolving Facility;

(iv) the Dollar Swingline Loan is denominated in dollars;

(v) the amount of the proposed Dollar Swingline Loan is an amount whose Base Currency Amount is not more than the Available Dollar Swingline Facility and is a minimum of US$25,000,000 or, if less, the Available Dollar Swingline Facility; and

(vi) the proposed Interest Period:
   (A) does not overrun the Final Termination Date;
   (B) is a period of not more than five New York Business Days; and
   (C) ends on a New York Business Day.

(b) Only one Dollar Swingline Loan may be requested in each Utilisation Request.

9.3 Dollar Swingline Lenders’ participation

(a) If the conditions set out in this Agreement have been met, each Dollar Swingline Lender shall make its participation in each Dollar Swingline Loan available through its Facility Office.

(b) The Dollar Swingline Lenders will only be obliged to comply with paragraph (a) above if on the date of the Utilisation Request and on the proposed Utilisation Date:
   (i) no Default is continuing or would result from the proposed Utilisation; and
   (ii) the Repeating Representations to be made by each Obligor are true in all material respects.

(c) The amount of each Dollar Swingline Lender’s participation in each Dollar Swingline Loan will be equal to the proportion borne by its Available Dollar Swingline Commitment to the Available Dollar Swingline Facility immediately prior to making the Dollar Swingline Loan, adjusted to take account of any limit applying under Clause 9.4 (Relationship with the Revolving Facility).

(d) The Agent shall determine the Base Currency Amount of each Dollar Swingline Loan and notify each Dollar Swingline Lender of the amount of each Dollar Swingline Loan and its participation in that Dollar Swingline Loan in each case by the Specified Time.

9.4 Relationship with the Revolving Facility

(a) This paragraph applies when a Dollar Swingline Loan is outstanding or is to be borrowed.
(b) The Revolving Facility may be used by way of Dollar Swingline Loans. The Dollar Swingline Facility is not independent of the Revolving Facility.

(c) Notwithstanding any other term of this Agreement a Lender is only obliged to participate in a Revolving Facility Loan or a Dollar Swingline Loan to the extent that it would not result in the Base Currency Amount of its participation (and that of a Lender which is its Affiliate) in the Revolving Facility Loans, Dollar Swingline Loans and Euro Swingline Loans exceeding its Overall Commitment.

(d) Where, but for the operation of paragraph (c) above, the Base Currency Amount of a Lender’s participation (and that of a Lender which is its Affiliate) in the Revolving Facility Loans, Dollar Swingline Loans and Euro Swingline Loans would have exceeded its Overall Commitment, the excess will be (to the extent possible without causing a similar excess for other Lenders) apportioned among the other Lenders participating in the relevant Loan pro rata according to their relevant Commitments. This calculation will be applied as often as necessary until the Loan is apportioned among the relevant Lenders in a manner consistent with paragraph (c) above.

9.5 Conditions of Assignment or transfer

Notwithstanding any other term of this Agreement, each Lender which has (or has an Affiliate which has) a Dollar Swingline Commitment shall ensure that at all times its Overall Commitment is not less than:

(a) its Dollar Swingline Commitment or,

(b) if it does not have a Dollar Swingline Commitment, the Dollar Swingline Commitment of a Lender which is its Affiliate.

10. DOLLAR SWINGLINE LOANS

10.1 Repayment of Dollar Swingline Loans

(a) Each Borrower that has drawn a Dollar Swingline Loan shall repay that Dollar Swingline Loan on the last day of its Interest Period.

(b) If a Dollar Swingline Loan is not repaid in full on its due date, the Agent shall (if requested to do so in writing by any affected Dollar Swingline Lender) set a date (the “Dollar Swingline Loss Sharing Date”) on which payments shall be made between the Lenders to re-distribute the unpaid amount between them. The Agent shall give at least three Business Days notice to each affected Lender of the Dollar Swingline Loss Sharing Date and notify it of the amounts to be paid or received by it.

(c) On the Dollar Swingline Loss Sharing Date each Lender must pay to the Agent its Dollar Swingline Proportion of the Dollar Swingline Unpaid Amount minus its (or its Affiliate’s) Unpaid Dollar Swingline Participation (if any). If this produces a negative figure for a Lender no amount need be paid by that Lender.
The “Dollar Swingline Proportion” of a Lender means the proportion borne by:

(i) its Revolving Facility Commitment (or, if the Total Revolving Facility Commitments are then zero, its Revolving Facility Commitment immediately prior to their reduction to zero) minus the Base Currency Amount of its participation (or that of a Lender which is its Affiliate) in any outstanding Revolving Facility Loans, Dollar Swingline Loans and Euro Swingline Loans (but ignoring its (or its Affiliate’s) participation in the unpaid Dollar Swingline Loan): to

(ii) the Total Revolving Facility Commitments (or, if the Total Revolving Facility Commitments are then zero, the Total Revolving Facility Commitments immediately prior to their reduction to zero) minus any outstanding Revolving Facility Loans, Dollar Swingline Loans and Euro Swingline Loans (but ignoring the unpaid Dollar Swingline Loan).

The “Dollar Swingline Unpaid Amount” means, in relation to a Dollar Swingline Loan, any principal not repaid and/or any interest accrued but unpaid on that Dollar Swingline Loan calculated from the Utilisation Date to the Dollar Swingline Loss Sharing Date.

The “Unpaid Dollar Swingline Participation” of a Lender means that part of the Dollar Swingline Unpaid Amount (if any) owed to that Lender (or its Affiliate) (before any re-distribution under this Clause 10.1 (Repayment of Dollar Swingline Loans)).

(d) Out of the funds received by the Agent pursuant to paragraph (c) above the Agent shall pay to each Dollar Swingline Lender an amount equal to the Dollar Swingline Shortfall (if any) of that Dollar Swingline Lender where:

The “Dollar Swingline Shortfall” of a Dollar Swingline Lender is an amount equal to its Unpaid Dollar Swingline Participation minus its (or its Affiliate’s) Dollar Swingline Proportion of the Dollar Swingline Unpaid Amount.

(e) If the amount actually received by the Agent from the Lenders is insufficient to pay the full amount of the Dollar Swingline Shortfall of all Dollar Swingline Lenders then the amount actually received will be distributed amongst the Dollar Swingline Lenders pro rata to the Dollar Swingline Shortfall of each Dollar Swingline Lender.

(f)

(i) Upon a payment under this paragraph, the paying Lender will be subrogated to the rights of the Dollar Swingline Lenders which have shared in the payment received.

(ii) If and to the extent the paying Lender is not able to rely on its rights under sub-paragraph (i) above, the relevant Borrower shall be liable to the paying Lender for a debt equal to the amount the paying Lender has paid under this paragraph.

(iii) Any payment under this paragraph does not reduce the obligations in aggregate of any Obligor.
10.2 **Voluntary Prepayment of Dollar Swingline Loans**

(a) The Borrower to which a Dollar Swingline Loan has been made may prepay at any time the whole of that Dollar Swingline Loan.

(b) Unless a contrary indication appears in this Agreement, any part of the Dollar Swingline Facility which is prepaid may be reborrowed in accordance with the terms of this Agreement.

10.3 **Interest**

(a) The rate of interest on each Dollar Swingline Loan for any day during its Interest Period is the higher of:

(i) the prime commercial lending rate in dollars announced by the Agent at the Specified Time and in force on that day; and

(ii) 0.50 per cent. per annum over the rate per annum determined by the Agent to be the Federal Funds Rate (as published by the Federal Reserve Bank of New York) for that day.

(b) The Agent shall promptly notify the Dollar Swingline Lenders and the relevant Borrower of the determination of the rate of interest under paragraph (a) above.

(c) If any day during an Interest Period is not a New York Business Day, the rate of interest on a Dollar Swingline Loan on that day will be the rate applicable to the immediately preceding New York Business Day.

(d) Each Borrower shall pay accrued interest on each Dollar Swingline Loan made to it on the last day of its Interest Period.

10.4 **Interest Period**

(a) Each Dollar Swingline Loan has one Interest Period only.

(b) The Interest Period for a Dollar Swingline Loan must be selected in the relevant Utilisation Request.

10.5 **Dollar Swingline Agent**

(a) The Agent may perform its duties in respect of the Dollar Swingline Facility through an Affiliate acting as its agent.

(b) Notwithstanding any other term of this Agreement and without limiting the liability of any Obligor under the Finance Documents, each Lender shall (in
proportion to its share of the Total Revolving Facility Commitments or, if the Total Revolving Facility Commitments are then zero, to its share of the Total Revolving Facility Commitments immediately prior to their reduction to zero) pay to or indemnify the Agent, within three Business Days of demand, for or against any cost, loss or liability incurred by the Agent or its Affiliate (other than by reason of the Agent’s or the Affiliate’s gross negligence or wilful misconduct) in acting as Agent for the Dollar Swingline Facility under the Finance Documents (unless the Agent or its Affiliate has been reimbursed by an Obligor pursuant to a Finance Document).

11. EURO SWINGLINE FACILITY

11.1 General
(a) Clause 4.2 (Further conditions precedent) and 4.3 (Conditions relating to Optional Currencies);
(b) Clause 5 (Utilisation - Loans);
(c) Clause 14 (Optional Currencies);
(d) Clause 19 (Interest) as it applies to the calculation of interest on a Loan but not default interest on an overdue amount;
(e) Clause 20 (Interest Periods)
(f) Clause 21 (Changes to the Calculation of Interest),
do not apply to Euro Swingline Loans.

11.2 Definitions
Any references in this Agreement to:
(a) an “Interest Period” includes each period determined under this Agreement by reference to which interest on a Euro Swingline Loan is calculated; and
(b) a “Lender” includes a Euro Swingline Lender unless the context otherwise requires.

11.3 Euro Swingline Facility
Subject to the terms of this Agreement, the Euro Swingline Lenders make available to the Borrowers a euro swingline loan facility in an aggregate amount equal to the Total Euro Swingline Commitments.

11.4 Purpose
Each Borrower shall apply all amounts borrowed by it under the Euro Swingline Facility towards refinancing any note or other instrument maturing under a euro commercial paper programme of a member of the Group. A Euro Swingline Loan may not be borrowed to refinance (in whole or in part) a maturing Euro Swingline Loan and/or Dollar Swingline Loan.
12. UTILISATION - EURO SWINGLINE LOANS

12.1 Delivery of a Utilisation Request for Euro Swingline Loans

(a) A Borrower may utilise the Euro Swingline Facility by delivery to the Agent of a duly completed Utilisation Request not later than the Specified Time.

(b) Each Utilisation Request for a Euro Swingline Loan must be sent to the Agent.

12.2 Completion of a Utilisation Request for Euro Swingline Loans

(a) Each Utilisation Request for a Euro Swingline Loan is irrevocable and will not be regarded as having been duly completed unless:

(i) it identifies the Borrower;

(ii) it specifies that it is for a Euro Swingline Loan;

(iii) the proposed Utilisation Date is a day (other than a Saturday or Sunday) on which banks are open for general business in London, Brussels and in Luxembourg and which is within the Availability Period applicable to the Revolving Facility;

(iv) the Euro Swingline Loan is denominated in euro;

(v) the amount of the proposed Euro Swingline Loan is an amount whose Base Currency Amount is not more than the Available Euro Swingline Facility and is a minimum of €25,000,000 or, if less, the Available Euro Swingline Facility; and

(vi) the proposed Interest Period:

(A) does not overrun the Final Termination Date;

(B) is a period of not more than five Business Days; and

(C) ends on a Business Day.

(b) Only one Euro Swingline Loan may be requested in each Utilisation Request.

12.3 Euro Swingline Lenders' participation

(a) If the conditions set out in this Agreement have been met, each Euro Swingline Lender shall make its participation in each Euro Swingline Loan available through its Facility Office.
(b) The Euro Swingline Lenders will only be obliged to comply with paragraph (a) above if on the date of the Utilisation Request and on the proposed Utilisation Date:

(i) no Default is continuing or would result from the proposed Utilisation; and

(ii) the Repeating Representations to be made by each Obligor are true in all material respects.

(c) The amount of each Euro Swingline Lender’s participation in each Euro Swingline Loan will be equal to the proportion borne by its Available Euro Swingline Commitment to the Available Euro Swingline Facility immediately prior to making the Euro Swingline Loan, adjusted to take account of any limit applying under Clause 12.4 (Relationship with the Revolving Facility).

(d) The Agent shall determine the Base Currency Amount of each Euro Swingline Loan and notify each Euro Swingline Lender of the amount of each Euro Swingline Loan and its participation in that Euro Swingline Loan in each case by the Specified Time.

12.4 Relationship with the Revolving Facility

(a) This paragraph applies when a Euro Swingline Loan is outstanding or is to be borrowed.

(b) The Revolving Facility may be used by way of Euro Swingline Loans. The Euro Swingline Facility is not independent of the Revolving Facility.

(c) Notwithstanding any other term of this Agreement a Lender is only obliged to participate in a Revolving Facility Loan or a Euro Swingline Loan to the extent that it would not result in the Base Currency Amount of its participation (and that of a Lender which is its Affiliate) in the Revolving Facility Loans, Dollar Swingline Loans and Euro Swingline Loans exceeding its Overall Commitment.

(d) Where, but for the operation of paragraph (c) above, the Base Currency Amount of a Lender’s participation (and that of a Lender which is its Affiliate) in the Revolving Facility Loans, Dollar Swingline Loans and Euro Swingline Loans would have exceeded its Overall Commitment, the excess will be (to the extent possible without causing a similar excess for other Lenders) apportioned among the other Lenders participating in the relevant Loan pro rata according to their relevant Commitments. This calculation will be applied as often as necessary until the Loan is apportioned among the relevant Lenders in a manner consistent with paragraph (c) above.

12.5 Conditions of Assignment or transfer

Notwithstanding any other term of this Agreement, each Lender which has (or an Affiliate which has) a Euro Swingline Commitment shall ensure that at all times its Overall Commitment is not less than:

(a) its Euro Swingline Commitment or,

(b) if it does not have a Euro Swingline Commitment, the Euro Swingline Commitment of a Lender which is its Affiliate.

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EURO SWINGLINE LOANS

13. Repayment of Euro Swingline Loans

(a) Each Borrower that has drawn a Euro Swingline Loan shall repay that Euro Swingline Loan on the last day of its Interest Period.

(b) If a Euro Swingline Loan is not repaid in full on its due date, the Agent shall (if requested to do so in writing by any affected Euro Swingline Lender) set a date (the “Euro Swingline Loss Sharing Date”) on which payments shall be made between the Lenders to re-distribute the unpaid amount between them. The Agent shall give at least three Business Days notice to each affected Lender of the Euro Swingline Loss Sharing Date and notify it of the amounts to be paid or received by it.

(c) On the Euro Swingline Loss Sharing Date each Lender must pay to the Agent its Euro Swingline Proportion of the Euro Swingline Unpaid Amount minus its (or its Affiliate’s) Unpaid Euro Swingline Participation (if any). If this produces a negative figure for a Lender no amount need be paid by that Lender.

The “Euro Swingline Proportion” of a Lender means the proportion borne by:

(i) its Revolving Facility Commitment (or, if the Total Revolving Facility Commitments are then zero, its Revolving Facility Commitment immediately prior to their reduction to zero) minus the Base Currency Amount of its participation (or that of a Lender which is its Affiliate) in any outstanding Revolving Facility Loans, Dollar Swingline Loans and Euro Swingline Loans (but ignoring its (or its Affiliate’s) participation in the unpaid Euro Swingline Loan): to

(ii) the Total Revolving Facility Commitments (or, if the Total Revolving Facility Commitments are then zero, the Total Revolving Facility Commitments immediately prior to their reduction to zero) minus any outstanding Revolving Facility Loans, Dollar Swingline Loans and Euro Swingline Loans (but ignoring the unpaid Euro Swingline Loan).

The “Euro Swingline Unpaid Amount” means, in relation to a Euro Swingline Loan, any principal not repaid and/or any interest accrued but unpaid on that Euro Swingline Loan calculated from the Utilisation Date to the Euro Swingline Loss Sharing Date.

The “Unpaid Euro Swingline Participation” of a Lender means that part of the Euro Swingline Unpaid Amount (if any) owed to that Lender (or its Affiliate) (before any re-distribution under this Clause 13.1 (Repayment of Euro Swingline Loans)).
Out of the funds received by the Agent pursuant to paragraph (c) above the Agent shall pay to each Euro Swingline Lender an amount equal to the Euro Swingline Shortfall (if any) of that Euro Swingline Lender where:

The “Euro Swingline Shortfall” of a Euro Swingline Lender is an amount equal to its Unpaid Euro Swingline Participation minus its (or its Affiliate’s) Euro Swingline Proportion of the Euro Swingline Unpaid Amount.

If the amount actually received by the Agent from the Lenders is insufficient to pay the full amount of the Euro Swingline Shortfall of all Euro Swingline Lenders then the amount actually received will be distributed amongst the Euro Swingline Lenders pro rata to the Euro Swingline Shortfall of each Euro Swingline Lender.

Upon a payment under this paragraph, the paying Lender will be subrogated to the rights of the Euro Swingline Lenders which have shared in the payment received.

If and to the extent the paying Lender is not able to rely on its rights under sub-paragraph (i) above, the relevant Borrower shall be liable to the paying Lender for a debt equal to the amount the paying Lender has paid under this paragraph.

Any payment under this paragraph does not reduce the obligations in aggregate of any Obligor.

13.2 Voluntary Prepayment of Euro Swingline Loans

(a) The Borrower to which a Euro Swingline Loan has been made may prepay at any time the whole of that Euro Swingline Loan.

(b) Unless a contrary indication appears in this Agreement, any part of the Euro Swingline Facility which is prepaid may be reborrowed in accordance with the terms of this Agreement.

13.3 Interest on Euro Swingline Loans

(a) The rate of interest on each Euro Swingline Loan for any day during its Interest Period is the percentage rate per annum which is the aggregate of:

(i) the Margin (as applicable to a Revolving Facility Utilisation); and

(ii) Overnight LIBOR.

(b) The Agent shall promptly notify the Euro Swingline Lenders and the relevant Borrower of the determination of the rate of interest under paragraph (a) above.

(c) The Agent shall promptly notify the relevant Borrower of each Funding Rate relating to a Euro Swingline Loan.
(d) If any day during an Interest Period is not a Business Day, the rate of interest on a Euro Swingline Loan on that day will be the rate applicable to the immediately preceding Business Day.

(e) Each Borrower shall pay accrued interest on each Euro Swingline Loan made to it on the last day of its Interest Period.

13.4 Unavailability of Screen Rate – Euro Swingline Facility

(a) If no Screen Rate is available for Overnight LIBOR for any day the applicable Overnight LIBOR for that day shall be the most recent applicable Screen Rate which is as of a day which is no more than 1 day before that day.

(b) If paragraph (a) above applies and there is no applicable Screen Rate which is as of a day which is no more than 1 day before that day the applicable Overnight LIBOR for that day shall be the Reference Bank Rate for that day.

(c) If paragraph (b) above applies but no Reference Bank Rate is available for that day there shall be no Overnight LIBOR for that day and Clause 13.6 (Cost of funds - Euro Swingline Facility) shall apply.

13.5 Calculation of Reference Bank Rate – Euro Swingline Facility

(a) Subject to paragraph (b) below, if Overnight LIBOR is to be determined on the basis of a Reference Bank Rate for a day but a Reference Bank does not supply a quotation by midday (Brussels time) on that day, the Reference Bank Rate shall be calculated on the basis of the quotations of the remaining Reference Banks.

(b) If at or about noon on the Business Day which immediately follows that day none or only one of the Reference Banks supplies a quotation, there shall be no Reference Bank Rate for that day.

13.6 Cost of funds – Euro Swingline Facility

(a) If this Clause 13.6 applies, the rate of interest on the relevant Euro Swingline Loan for the relevant day shall be the percentage rate per annum which is the sum of:

(i) the Margin (as applicable to a Revolving Facility Utilisation); and

(ii) the weighted average of the rates notified to the Agent by each Euro Swingline Lender as soon as practicable, and in any event before interest is due to be paid in respect of that Euro Swingline Loan, to be that which expresses as a percentage rate per annum the cost to the relevant Euro Swingline Lender of funding its participation in that Euro Swingline Loan for that day from whatever source it may reasonably select.

(b) If this Clause 13.6 applies but any Euro Swingline Lender does not supply a quotation by the time specified in paragraph (a)(ii) above the rate of interest shall be calculated on the basis of the quotations of the remaining Euro
Swingline Lenders. For the avoidance of doubt (but without prejudice to the rest of this Clause 13.6), no Lender will be under an obligation to supply a quotation.

(c) The rate of interest payable on any relevant Euro Swingline Loan pursuant to paragraph (a) above shall be allocated by the Agent between the Euro Swingline Lenders as follows:

(i) in respect of the share in that Euro Swingline Loan of any Euro Swingline Lender which has supplied a rate to the Agent under paragraph (a)(ii) above, in an amount equal to the Margin (as applicable to a Revolving Facility Utilisation) plus the rate notified to the Agent by that Swingline Lender; and

(ii) in respect of the share in that Euro Swingline Loan of any Euro Swingline Lender which has not supplied a rate to the Agent under paragraph (a)(ii) above, in an amount equal to the Margin (as applicable to a Revolving Facility Utilisation) plus the weighted average of the rates notified to the Agent by the Euro Swingline Lenders which have supplied a rate in respect of that Euro Swingline Loan.

13.7 Interest Period

(a) Each Euro Swingline Loan has one Interest Period only.
(b) The Interest Period for a Euro Swingline Loan must be selected in the relevant Utilisation Request.

13.8 Euro Swingline Agent

(a) The Agent may perform its duties in respect of the Euro Swingline Facility through an Affiliate acting as its agent.
(b) Notwithstanding any other term of this Agreement and without limiting the liability of any Obligor under the Finance Documents, each Lender shall (in proportion to its share of the Total Revolving Facility Commitments or, if the Total Revolving Facility Commitments are then zero, to its share of the Total Revolving Facility Commitments immediately prior to their reduction to zero) pay to or indemnify the Agent, within three Business Days of demand, for or against any cost, loss or liability incurred by the Agent or its Affiliate (other than by reason of the Agent’s or the Affiliate’s gross negligence or wilful misconduct) in acting as Agent for the Euro Swingline Facility under the Finance Documents (unless the Agent or its Affiliate has been reimbursed by an Obligor pursuant to a Finance Document).

13.9 Rights of contribution

No Obligor will be entitled to any right of contribution or indemnity from any Finance Party in respect of any payment it may make under this Clause 13.
14. **OPTIONAL CURRENCIES**

14.1 **Selection of currency**

The Relevant Borrower (or the Company on its behalf) shall select the currency of a Revolving Facility Utilisation in a Utilisation Request.

14.2 **Unavailability of a currency**

If before the Specified Time on any Quotation Day:

(a) a Lender notifies the Agent that the Optional Currency requested is not readily available to it in the amount required; or

(b) a Lender notifies the Agent that compliance with its obligation to participate in a Loan in the proposed Optional Currency would contravene a law or regulation applicable to it,

the Agent will give notice to the Relevant Borrower to that effect by the Specified Time on that day. In this event, any Lender that gives notice pursuant to this Clause 14.2 will be required to participate in the Loan in the Base Currency (in an amount equal to that Lender’s proportion of the Base Currency Amount, or in respect of a Rollover Loan, an amount equal to that Lender’s proportion of the Base Currency Amount of the Rollover Loan that is due to be made) and its participation will be treated as a separate Loan denominated in the Base Currency during that Interest Period.

14.3 **Agent’s calculations**

Each Lender’s participation in a Loan will be determined in accordance with paragraph (b) of Clause 5.4 (*Lenders’ participation*).

15. **REPAYMENT**

(a) Subject to paragraph (c) below, the Relevant Borrower which has drawn a Revolving Facility Loan shall repay that Loan on the last day of its Interest Period.

(b) Without prejudice to the Relevant Borrower’s obligation under paragraph (a) above, if one or more Revolving Facility Loans are to be made available to a Borrower:

(i) on the same day that a maturing Revolving Facility Loan is due to be repaid by that Borrower;

(ii) in the same currency as the maturing Revolving Facility Loan (unless it arose as a result of the operation of Clause 14.2 (*Unavailability of a currency*)); and
(iii) for the purpose of refinancing the maturing Revolving Facility Loan, the Agent will apply the new Revolving Facility Loans in or towards repayment of the maturing Revolving Facility Loan so that:

(A) if the amount of the maturing Revolving Facility Loan exceeds the aggregate amount of the new Revolving Facility Loans:
   (1) the Relevant Borrower will only be required to pay an amount in cash in the relevant currency equal to that excess; and
   (2) each Lender’s participation (if any) in the new Revolving Facility Loans shall be treated as having been made available and applied by the Borrower in or towards repayment of that Lender’s participation (if any) in the maturing Revolving Facility Loan and that Lender will not be required to make its participation in the new Revolving Facility Loans available in cash; and

(B) if the amount of the maturing Revolving Facility Loan is equal to or less than the aggregate amount of the new Revolving Facility Loans:
   (1) the Relevant Borrower will not be required to make any payment in cash; and
   (2) each Lender will be required to make its participation in the new Revolving Facility Loans available in cash only to the extent that its participation (if any) in the new Revolving Facility Loans exceeds that Lender’s participation (if any) in the maturing Revolving Facility Loan and the remainder of that Lender’s participation in the new Revolving Facility Loans shall be treated as having been made available and applied by the Borrower in or towards repayment of that Lender’s participation in the maturing Revolving Facility Loan.

(c) At any time a Lender becomes a Defaulting Lender, the maturity date of each of the participations of that Lender in the Revolving Facility Loans then outstanding will be automatically extended to the Final Termination Date and will be treated as separate Loans (the “Separate Loans”), denominated in the currency in which the relevant participations are outstanding.

(d) A Borrower to whom a Separate Loan is outstanding may prepay that Loan by giving three Business Days’ prior written notice to the Agent. The Agent will forward a copy of a prepayment notice received in accordance with this paragraph (d) to the Defaulting Lender concerned as soon as practicable on receipt.

(e) Interest in respect of a Separate Loan will accrue for successive Interest Periods selected by the Borrower by the time and date specified by the Agent (acting reasonably) and will be payable by that Borrower to the Defaulting Lender on the last day of each Interest Period of that Loan.

(f) The terms of this Agreement relating to Revolving Facility Loans generally shall continue to apply to Separate Loans other than to the extent inconsistent with paragraphs (c) to (e) above, in which case those paragraphs shall prevail in respect of any Separate Loan.

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16. ILLEGALITY, VOLUNTARY PREPAYMENT AND CANCELLATION

16.1 Illegality

If it becomes unlawful in any applicable jurisdiction for a Lender to perform any of its obligations as contemplated by this Agreement or to fund, issue or maintain its participation in any Utilisation:

(a) that Lender shall promptly notify the Agent upon becoming aware of that event;

(b) upon the Agent notifying the Company of such notice, that Lender shall be immediately released from its obligations to participate in any Utilisations; and

(c) by written notice to the Agent, that Lender may:

(i) cancel its Commitment, and such Commitment shall be immediately cancelled upon the Agent notifying the Company of such notice; and/or

(ii) require prepayment of its participation in the Utilisations, and

the Relevant Borrower shall repay that Lender’s participation in the Utilisations made to that Borrower on the last day of the Interest Period for each Utilisation occurring after the Agent has notified the Company or, if earlier, the date specified by the Lender in the notice delivered to the Agent (being no earlier than the last day of any applicable grace period permitted by law).

16.2 Illegality in relation to Issuing Bank

If it becomes unlawful for an Issuing Bank to issue or leave outstanding any Letter of Credit, then:

(a) that Issuing Bank shall promptly notify the Agent upon becoming aware of that event;

(b) upon the Agent notifying the Company, the Issuing Bank shall not be obliged to issue any Letter of Credit;

(c) the Company shall procure that the Relevant Borrower shall use all reasonable endeavours to procure the release of each Letter of Credit issued by that Issuing Bank and outstanding at such time.

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16.3 Voluntary cancellation

(a) The Relevant Borrower may, if it gives the Agent not less than three Business Days (or such shorter period as the Majority Lenders may agree) prior notice, cancel the whole or any part (being a minimum amount of US$10,000,000) of an Available Facility. Any cancellation under this Clause 16.3 shall reduce the Commitments of the Lenders rateably under that Facility.

(b) Without prejudice to Clauses 9.5 (Conditions of Assignment or transfer) and 12.5 (Conditions of Assignment or transfer) but otherwise notwithstanding any other provision of this Agreement, if the Revolving Facility Commitment of a Lender which has (or has an Affiliate which has) a Dollar Swingline Commitment or Euro Swingline Commitment (such Lender, a “Swingline Lender”) would otherwise be reduced to an amount which is exceeded by the aggregate of that Swingline Lender’s Dollar Swingline Commitment and Euro Swingline Commitment, there will be an automatic cancellation of that Swingline Lender’s Dollar Swingline Commitment and/or Euro Swingline Commitment to the extent required to reduce that excess to zero. For these purposes (i) the Euro Swingline Commitment of a Swingline Lender shall be notionally converted into the Base Currency on the date of the relevant reduction of Revolving Facility Commitments at the Agent’s Spot Rate of Exchange on that date and (ii) if a reduction of a Swingline Lender’s Dollar Swingline Commitments and Euro Swingline Commitments is required as a result of the operation of this paragraph (b), such reduction shall be applied pro rata to the respective amounts of the Dollar Swingline Commitments and Euro Swingline Commitments of the relevant Swingline Lender (notionally converting into the Base Currency any Euro Swingline Commitments in accordance with sub-paragraph (i) above).

16.4 Voluntary prepayment of Revolving Facility Utilisations

A Borrower to which a Revolving Facility Utilisation has been made may, if it or the Company gives the Agent not less than three Business Days (or such shorter period as the Majority Lenders may agree) prior notice, prepay the whole or any part of a Revolving Facility Utilisation (but if in part, being an amount that reduces the Base Currency Amount of the Revolving Facility Utilisation by a minimum amount of US$25,000,000).

16.5 Right of cancellation and repayment in relation to a single Lender or Issuing Bank

(a) If:

(i) any sum payable to any Lender by an Obligor is required to be increased under paragraph (c) of Clause 23.2 (Tax gross-up); or

(ii) any Lender or Issuing Bank claims indemnification from the Company or an Obligor under Clause 23.3 (Tax indemnity) or Clause 24.1 (Increased costs),
the Relevant Borrower may, whilst the circumstance giving rise to the requirement for indemnification continues, give the Agent notice:

(A) (if such circumstances relate to a Lender) of cancellation of the Commitment of that Lender and its intention to procure the repayment of that Lender’s participation in the Utilisations; or

(B) (if such circumstances relate to the Issuing Bank) of repayment of any outstanding Letter of Credit issued by it and cancellation of its appointment as an Issuing Bank under this Agreement in relation to any Letters of Credit to be issued in the future.

(b) On receipt of a notice referred to in paragraph (a) above in relation to a Lender, the Commitment of that Lender shall immediately be reduced to zero.

(c) On the last day of each Interest Period which ends after the Company has given notice under paragraph (a) above in relation to a Lender (or, if earlier, the date specified by the Company in that notice), the Relevant Borrower to which a Utilisation is outstanding shall repay that Lender’s participation in that Utilisation together with all interest and other amounts accrued under the Finance Documents.

16.6 **Right of cancellation in relation to a Defaulting Lender**

(a) If any Lender becomes a Defaulting Lender, the Company may, at any time whilst the Lender continues to be a Defaulting Lender, give the Agent notice of cancellation of each Available Commitment of that Lender.

(b) On receipt of a notice referred to in paragraph (a) above, each Available Commitment of the Defaulting Lender shall immediately be reduced to zero.

(c) The Agent shall as soon as practicable after receipt of a notice referred to in paragraph (a) above, notify all the Lenders.

17. **MANDATORY PREPAYMENT**

Upon:

(a) the occurrence of a Change of Control; or

(b) a Sale:

(i) the Company shall notify the Agent upon becoming aware of such Change of Control or Sale;

(ii) after such notice, a Lender shall not be obliged to fund any Utilisation (other than a Rollover Loan);

(iii) any Lender may, by not less than thirty (30) days’ written notice to the Agent, cancel its undrawn Commitment and require repayment of its participation in the Utilisations, together with accrued interest thereon and all other amounts owed to it under the Finance Documents; and

(iv) the Company shall procure that the Relevant Borrower repay any Lender which delivers a notice to the Agent pursuant to paragraph (iii) above on the date falling thirty (30) days after receipt by the Agent of such notice.
provided that paragraphs (ii), (iii) and (iv) above shall only become effective with respect to a Change of Control, if the Shareholders’ Approval has been obtained and an extract of the resolution containing the Shareholders’ Approval has been duly filed with the clerk of the relevant commercial court in accordance with article 556 of the Belgian Companies Code.

18. **RESTRICTIONS**

18.1 **Notices of Cancellation or Prepayment**

Any notice of cancellation or prepayment given by any Party under Clause 16 (*Illegality, Voluntary Prepayment and Cancellation*) shall (subject to the terms thereof) be irrevocable and, unless a contrary indication appears in this Agreement, any such notice shall specify the date or dates upon which the relevant cancellation or prepayment is to be made and the amount of that cancellation or prepayment.

18.2 **Interest and other amounts**

Any prepayment under this Agreement shall be made together with accrued interest on the amount prepaid and, subject to any Break Costs, without premium or penalty.

18.3 **Reborrowing of Revolving Facility**

Unless a contrary indication appears in this Agreement, any part of the Revolving Facility which is prepaid or repaid may be reborrowed in accordance with the terms of this Agreement.

18.4 **Prepayment in accordance with Agreement**

No Borrower shall repay or prepay all or any part of the Utilisations or cancel all or any part of the Commitments except at the times and in the manner expressly provided for in this Agreement.

18.5 **No reinstatement of Commitments**

Subject to Clause 2.2 (*Increase*), no amount of the Total Commitments cancelled under this Agreement may be subsequently reinstated.

18.6 **Agent’s receipt of Notices**

If the Agent receives a notice under Clause 16 (*Illegality, Voluntary Prepayment and Cancellation*), it shall promptly forward a copy of that notice or election to either the Company or the affected Lender, as appropriate.
19. **INTEREST**

19.1 **Calculation of interest**

The rate of interest on each Loan for each Interest Period is the percentage rate per annum which is the aggregate of the applicable:

(a) Margin; and  
(b) LIBOR or, in relation to any Loan in euro, EURIBOR.

19.2 **Payment of interest**

The Relevant Borrower shall pay accrued interest on that Loan on the last day of each Interest Period (and, if the Interest Period is longer than six Months, on the dates falling at six monthly intervals after the first day of the Interest Period).

19.3 **Default interest**

(a) If an Obligor fails to pay any amount payable by it under a Finance Document on its due date, interest shall accrue on the overdue amount from the due date up to the date of actual payment (both before and after judgment) at a rate which, subject to paragraph (b) below, is two per cent. higher than the rate which would have been payable if the overdue amount had, during the period of non-payment, constituted a Loan in the currency of the overdue amount for successive Interest Periods, each of a duration selected by the Agent (acting reasonably). Any interest accruing under this Clause 19.3 shall be immediately payable by the Obligor on demand by the Agent.  
(b) If any overdue amount consists of all or part of a Loan which became due on a day which was not the last day of an Interest Period relating to that Loan:  
(i) the first Interest Period for that overdue amount shall have a duration equal to the unexpired portion of the current Interest Period relating to that Loan; and  
(ii) the rate of interest applying to the overdue amount during that first Interest Period shall be two per cent. higher than the rate which would have applied if the overdue amount had not become due.  
(c) Default interest (if unpaid) arising on an overdue amount will be compounded with the overdue amount at the end of each Interest Period applicable to that overdue amount but will remain immediately due and payable.

19.4 **Notification of rates of interest**

(a) The Agent shall promptly notify the Lenders and the Relevant Borrower of the determination of a rate of interest under this Agreement.  
(b) The Agent shall promptly notify the Relevant Borrower of each Funding Rate relating to a Loan.
20. INTEREST PERIODS

20.1 Selection of Interest Periods and Terms

(a) The Relevant Borrower (or the Company on behalf of a Borrower) may select an Interest Period for a Loan in the Utilisation Request for that Loan.

(b) Subject to this Clause 20, a Borrower (or the Company) may select an Interest Period of one week, one Month, two, three or six Months or any other period agreed between the Company and the Agent (acting on the instructions of all the Lenders).

(c) An Interest Period for a Loan shall not extend beyond the Final Termination Date.

(d) A Revolving Facility Loan has one Interest Period only.

20.2 Non-Business Days

If an Interest Period would otherwise end on a day which is not a Business Day, that Interest Period will instead end on the next Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not).

21. CHANGES TO THE CALCULATION OF INTEREST

21.1 Unavailability of Screen Rate

(a) Interpolated Screen Rate: If no Screen Rate is available for LIBOR or, if applicable, EURIBOR for the Interest Period of a Loan, the applicable LIBOR or EURIBOR shall be the Interpolated Screen Rate for a period equal in length to the Interest Period of that Loan.

(b) Shortened Interest Period: If no Screen Rate is available for LIBOR or, if applicable, EURIBOR, for:

(i) the currency of a Loan; or

(ii) the Interest Period of a Loan and it is not possible to calculate the Interpolated Screen Rate,

the Interest Period of that Loan shall (if it is longer than the applicable Fallback Interest Period) be shortened to the applicable Fallback Interest Period and the applicable LIBOR or EURIBOR for that shortened Interest Period shall be determined pursuant to the relevant definition.

(c) Shortened Interest Period and Historic Screen Rate: If the Interest Period of a Loan is, after giving effect to paragraph (b) above, either the applicable Fallback Interest Period or shorter than the applicable Fallback Interest Period and, in either case, no Screen Rate is available for LIBOR or, if applicable EURIBOR, for:

(i) the currency of that Loan; or

(ii) the Interest Period of that Loan and it is not possible to calculate the Interpolated Screen Rate,

the applicable LIBOR or EURIBOR shall be the Historic Screen Rate for that Loan.
(d) **Shortened Interest Period and Interpolated Historic Screen Rate**: If paragraph (c) above applies but no Historic Screen Rate is available for the Interest Period of the Loan, the applicable LIBOR or EURIBOR shall be the Interpolated Historic Screen Rate for a period equal in length to the Interest Period of that Loan.

(e) **Reference Bank Rate**: If paragraph (d) above applies but it is not possible to calculate the Interpolated Historic Screen Rate, the Interest Period of that Loan shall, if it has been shortened pursuant to paragraph (b) above, revert to its previous length and the applicable LIBOR or EURIBOR shall be the Reference Bank Rate as of the Specified Time for the currency of that Loan and for a period equal in length to the Interest Period of that Loan.

(f) **Cost of funds**: If paragraph (e) above applies but no Reference Bank Rate is available for the relevant currency or Interest Period there shall be no LIBOR or EURIBOR for that Loan and Clause 21.4 (**Cost of funds**) shall apply to that Loan for that Interest Period.

21.2 **Calculation of Reference Bank Rate**

(a) Subject to paragraph (b) below, if LIBOR or EURIBOR is to be determined on the basis of a Reference Bank Rate but a Reference Bank does not supply a quotation by the Specified Time, the Reference Bank Rate shall be calculated on the basis of the quotations of the remaining Reference Banks.

(b) If at or about noon on the Quotation Day none or only one of the Reference Banks supplies a quotation, there shall be no Reference Bank Rate for the relevant Interest Period.

21.3 **Market disruption**

If before close of business in London on the Quotation Day for the relevant Interest Period the Agent receives notifications from a Lender or Lenders (whose participations in a Loan exceed 30 per cent. of that Loan) that the cost to it of funding its participation in that Loan from whatever source it may reasonably select for the relevant currency would be in excess of LIBOR or, if applicable, EURIBOR then Clause 21.4 (**Cost of funds**) shall apply to that Loan for the relevant Interest Period.

21.4 **Cost of funds**

(a) If this Clause 21.4 applies, the rate of interest on the relevant Loan for the relevant Interest Period shall be the percentage rate per annum which is the sum of:

(i) the Margin; and

(ii) the weighted average of the rates notified to the Agent by each Lender as soon as practicable and in any event within 3 Business Days of the first day of that Interest Period (or, if earlier, on the date falling 10 Business Days before the date on which interest is due to be paid in respect of that Interest Period), to be that which expresses as a percentage rate per annum the cost to the relevant Lender of funding its participation in that Loan from whatever source it may reasonably select.
(b) If this Clause 21.4 applies and the Agent or the Company so requires, the Agent and the Company shall enter into negotiations (for a period of not more than thirty days) with a view to agreeing a substitute basis for determining the rate of interest.

(c) Any alternative basis agreed pursuant to paragraph (b) above shall, with the prior consent of all the Lenders and the Company, be binding on all Parties.

(d) If this Clause 21.4 applies but any Lender does not supply a quotation by the time specified in paragraph (a)(ii) above the rate of interest shall be calculated on the basis of the quotations of the remaining Lenders. For the avoidance of doubt (but without prejudice to the rest of this Clause 21.4), no Lender will be under an obligation to supply a quotation.

(e) The rate of interest payable on any relevant Loan pursuant to paragraph (a) above shall be allocated by the Agent between the Lenders as follows:

(i) in respect of the share in that Loan of any Lender which has supplied a rate to the Agent under paragraph (a) (ii) above, in an amount equal to the Margin plus the rate notified to the Agent by that Lender; and

(ii) in respect of the share in that Loan of any Lender which has not supplied a rate to the Agent under paragraph (a)(ii) above, in an amount equal to the Margin plus the weighted average of the rates notified to the Agent by the Lenders which have supplied a rate in respect of that Loan.

21.5 **Break Costs**

(a) The Relevant Borrower shall, within three Business Days of demand by a Finance Party, pay to that Finance Party its Break Costs attributable to all or any part of a Loan or Unpaid Sum being paid by that Borrower on a day other than the last day of an Interest Period for that Loan or Unpaid Sum.

(b) Each Lender shall, as soon as reasonably practicable after a demand by the Agent, provide a certificate confirming the amount of its Break Costs for any Interest Period in which they accrue.
22. **FEES**

22.1 **Commitment fee**

The Company or ABIWW shall pay to the Agent (for the account of each Lender) a fee in the Base Currency in respect of each Lender’s Available Commitment under the Revolving Facility from (and excluding) the Amendment and Restatement Date until the end of the relevant Availability Period, computed at the rate of 35 per cent. of the applicable Margin from time to time on the Revolving Facility, payable quarterly in arrear during the relevant Availability Period, on the last day of the relevant Availability Period and on the cancelled amount of the Revolving Facility at the time a full cancellation is effective.

22.2 **Utilisation fee**

(a) In respect of each day for which, at any time, the amount of outstanding Revolving Facility Utilisations is equal to or less than 33 1/3 per cent. of the Total Revolving Facility Commitments, the Borrower shall pay to the Agent for the account of each Lender a utilisation fee on such Lender’s portion of the Revolving Facility Utilisations calculated at the rate of 0.075 per cent. per annum and payable in arrear on the last day of each Interest Period under the Revolving Facility;

(b) In respect of each day for which, at any time, the amount of outstanding Revolving Facility Utilisations exceeds 33 1/3 per cent. of and is equal to or less than 66 2/3 per cent. of the Total Revolving Facility Commitments, the Borrower shall pay to the Agent for the account of each Lender a utilisation fee on such Lender’s portion of the Revolving Facility Utilisations calculated at the rate of 0.15 per cent. per annum and payable in arrear on the last day of each Interest Period under the Revolving Facility; and

(c) In respect of each day for which, at any time, the amount of outstanding Revolving Facility Utilisations exceeds 66 2/3 per cent. of the Total Revolving Facility Commitments, the Borrower shall pay to the Agent for the account of each Lender an additional utilisation fee on such Lender’s portion of the Revolving Facility Utilisations calculated at the rate of 0.30 per cent. per annum and payable in arrear on the last day of each Interest Period under the Revolving Facility.

22.3 **Arrangement fee**

The Company or ABIWW shall pay to the Arrangers an arrangement fee in the amount and at the times agreed in a Fee Letter.

22.4 **Agency fee**

The Company or ABIWW shall pay to the Agent (for its own account) an agency fee in the amount and at the times agreed in a Fee Letter.

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22.5 Fees payable in respect of Letters of Credit

(a) The Company or the Relevant Borrower shall pay to the Agent (for the account of each Lender with a L/C Proportion in the relevant Letter of Credit) a Letter of Credit fee in the Base Currency (computed at the rate equal to the Margin applicable to a Revolving Facility Loan) on the outstanding amount of each Letter of Credit requested by it for the period from the issue of that Letter of Credit until its Expiry Date. This fee shall be distributed according to each Lender’s L/C Proportion of that Letter of Credit.

(b) Each Relevant Borrower shall pay to the Issuing Bank a fronting fee at the rate of 0.125% per annum on the outstanding amount which is counter-indemnified by the other Lenders of each Letter of Credit requested by it for the period from the issue of that Letter of Credit until its Expiry Date.

(c) The accrued fronting fee and Letter of Credit fee on a Letter of Credit shall be payable on the last day of each successive period of three Months (or such shorter period as shall end on the Expiry Date for that Letter of Credit) starting on the date of issue of that Letter of Credit. The accrued fronting fee and Letter of Credit fee is also payable on the cancelled amount of any Lender’s Revolving Facility Commitment at the time the cancellation is effective if that Commitment is cancelled in full and the Letter of Credit is prepaid or repaid in full.

23. TAX GROSS-UP AND INDEMNITIES

23.1 Definitions

(a) In this Agreement:

“Belgian Qualifying Lender” means a Lender which is beneficially entitled to receive any interest payment made in respect of a Loan by a Belgian Obligor without a Tax Deduction due to being:

(i) a company resident in Belgium for tax purposes or acting through a Facility Office established in Belgium to which the relevant Loan under a Finance Document is effectively connected

(ii) a credit institution within the meaning of article 105, 1°, a) of the Royal Decree implementing the Belgian Income Tax Code, which is a company resident for tax purposes in Belgium or which is acting through a Facility Office established in Belgium;

(iii) a credit institution within the meaning of article 107, §2, 5, a), second dash of the Royal Decree implementing the Belgian Income Tax Code which is acting through its head office and which is resident for tax purposes in a member state of the European Economic Area or in a country with which Belgium has entered into a double taxation agreement that is in force (irrespective of whether such agreement provides an exemption from tax imposed by Belgium);
(iv) a credit institution within the meaning of article 107, §2, 5, a), second dash of the Royal Decree implementing the Belgian Income Tax Code, that is acting through a Facility Office which is located in a member state of the European Economic Area or in a country with which Belgium has entered into a double taxation agreement that is in force (irrespective of whether or not the double taxation agreement makes provision for exemption from tax imposed by Belgium); or

(v) a Treaty Lender.

“Protected Party” means a Finance Party which is or will be subject to any liability or required to make any payment for or on account of Tax in relation to a sum received or receivable (or any sum deemed for the purposes of Tax to be received or receivable) under a Finance Document.

“Qualifying Lender” means a Lender beneficially entitled to interest payable to that Lender in respect of a Loan made under the Finance Documents and which is:

(i) in respect of a Belgian Obligor, a Belgian Qualifying Lender;

(ii) in respect of a Borrower tax resident in U.S., a US Qualifying Lender; or

(iii) a Treaty Lender.

“Tax Credit” means a credit against, relief or remission for, or repayment of, any Tax.

“Tax Deduction” means a deduction or withholding for or on account of Tax from a payment under a Finance Document, other than a FATCA Deduction.

“Tax Payment” means either the increase in a payment made by an Obligor to a Finance Party under Clause 23.2 (Tax gross-up) or a payment under Clause 23.3 (Tax indemnity).

“Treaty Lender” means in respect of a jurisdiction, a Lender entitled under the provisions of a double taxation treaty to receive payments of interest from an Obligor that is tax resident in such jurisdiction or that has a permanent establishment in such jurisdiction to which the advances under the Finance Documents are effectively connected without a Tax Deduction (subject to the completion of any necessary procedural formalities).

“US Qualifying Lender” means a Lender which is:

(i) a “United States person” within the meaning of Section 7701(a)(30) of the Code, provided such Lender timely has delivered to the Agent for transmission to the Obligor making such payment two original copies of IRS Form W-9 (or any successor form) either directly or under cover of IRS Form W-8IMY (or any successor form) certifying its status as a “United States person”; or
For purposes of paragraphs (i), (ii) and (iii) above, in the case of a Lender that is not treated as the beneficial owner of the payment (or a portion thereof) under Chapter 3 and related provisions (including Sections 871, 881, 3406, 6041, 6045 and 6049) of the Code, the term “Lender” shall mean the person who is so treated as the beneficial owner of the payment (or portion thereof).

(ii) a Treaty Lender with respect to the United States of America, provided such Lender timely has delivered to the Agent for transmission to the Obligor making such payment two original copies of IRS Form W-8BEN (or any successor form) or IRS Form W-8BEN-E (or any successor form) either directly or under cover of IRS Form W-8IMY (or any successor form) certifying its entitlement to receive such payments without any such deduction or withholding under the applicable double taxation treaty; or

(iii) entitled to receive payments under the Finance Documents without deduction or withholding of any United States federal income Taxes either as a result of such payments being effectively connected with the conduct by such Lender of a trade or business within the United States or under the portfolio interest exemption, provided such Lender timely has delivered to the Agent for transmission to the Obligor making such payment two original copies of either (A) IRS Form W-8ECI (or any successor form) either directly or under cover of IRS Form W-8IMY (or any successor form) certifying that the payments made pursuant to the Finance Documents are effectively connected with the conduct by that Lender of a trade or business within the United States or (B) IRS Form W-8BEN (or any successor form) or IRS Form W-8BEN-E (or any successor form) either directly or under cover of IRS Form W-8IMY (or any successor form) claiming exemption from withholding in respect of payments made pursuant to the Finance Documents under the portfolio interest exemption and a statement certifying that such Lender is not a person described in Section 871(h)(3)(B) or Section 881(c)(3) of the Code or (C) such other applicable form prescribed by the IRS certifying as to such Lender’s entitlement to exemption from United States withholding tax with respect to all payments to be made to such Lender under the Finance Documents.

For purposes of paragraphs (i), (ii) and (iii) above, in the case of a Lender that is not treated as the beneficial owner of the payment (or a portion thereof) under Chapter 3 and related provisions (including Sections 871, 881, 3406, 6041, 6045 and 6049) of the Code, the term “Lender” shall mean the person who is so treated as the beneficial owner of the payment (or portion thereof).

(b) Unless a contrary indication appears, in this Clause 23 a reference to “determines” or “determined” means a determination made in the absolute discretion of the person making the determination.

23.2 Tax gross-up

(a) Each Obligor shall make all payments to be made by it without any Tax Deduction, unless a Tax Deduction is required by law.

(b) The Company shall promptly upon becoming aware that an Obligor must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Agent accordingly. Similarly, a Lender or Issuing Bank shall notify the Agent on becoming so aware in respect of a payment payable to that Lender or Issuing Bank. If the Agent receives such notification from a Lender or Issuing Bank it shall notify the Company and that Obligor.
(c) If a Tax Deduction is required by law to be made by an Obligor or the Agent, the amount of the payment due from that Obligor shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.

(d) A Borrower is not required to make an increased payment to a Lender under paragraph (c) above for a Tax Deduction in respect of tax imposed by Belgium, Luxembourg or the United States from a payment of interest on a Loan, if on the date on which the payment falls due:

(i) the payment could have been made to the relevant Lender without a Tax Deduction if it was a Qualifying Lender, but on that date that Lender is not or has ceased to be a Qualifying Lender other than as a result of any change after the date it became a Lender under this Agreement in (or in the interpretation, administration, or application of) any law or Treaty, or any published practice or concession of any relevant taxing authority;

(ii) the relevant Lender is a Qualifying Lender and the Obligor making the payment is able to demonstrate that the payment could have been made to the Lender without the Tax Deduction had that Lender complied with its obligations under paragraph (g) below; or

(iii) such Tax Deduction is required in respect of the Luxembourg law(s) implementing the EU Savings Directive (Council Directive 2003/48/EC) and several agreements entered into between Luxembourg and some EU dependent and associated territories or the Luxembourg law of 23 December 2005.

(e) If an Obligor is required to make a Tax Deduction, that Obligor shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount required by law.

(f) Within thirty days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, the Obligor making that Tax Deduction shall deliver to the Agent for the Finance Party entitled to the payment evidence reasonably satisfactory to that Finance Party that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.

(g) A Qualifying Lender and each Obligor which makes a payment to which that Qualifying Lender is entitled shall cooperate in completing any procedural formalities necessary for that Obligor to obtain authorisation or to be allowed under the applicable law to make that payment without a Tax Deduction to make that payment without a Tax Deduction.
23.3 **Tax indemnity**

(a) The Company or ABIWW shall (within ten Business Days of demand by the Agent) pay to a Protected Party an amount equal to the loss, liability or cost which that Protected Party determines will be or has been (directly or indirectly) suffered for or on account of Tax by that Protected Party in respect of a Finance Document or the transactions occurring under such Finance Document.

(b) Paragraph (a) above shall not apply:

(i) with respect to any Tax assessed on a Finance Party:

   (A) under the law of the jurisdiction in which that Finance Party is incorporated or, if different, the jurisdiction (or jurisdictions) in which that Finance Party is treated as resident for tax purposes; or

   (B) under the law of the jurisdiction in which that Finance Party’s Facility Office is located in respect of amounts received or receivable in that jurisdiction,

   if that Tax is imposed on or calculated by reference to the net income received or receivable (but not any sum deemed to be received or receivable) by that Finance Party; or

(ii) to the extent a loss, liability or cost:

   (A) is compensated for by an increased payment under Clause 23.2 (Tax gross-up);

   (B) would have been compensated for by an increased payment under Clause 23.2 (Tax gross-up) but was not so compensated solely because one of the exclusions in paragraph (d) of Clause 23.2 (Tax gross-up) applied; or

   (C) relates to a FATCA Deduction required to be made by a Party.

(c) A Protected Party making, or intending to make a claim under paragraph (a) above shall promptly notify the Agent of the event which will give, or has given, rise to the claim, following which the Agent shall notify the Company.

(d) A Protected Party shall, on receiving a payment from an Obligor under this Clause 23.3, notify the Agent.

23.4 **Tax Credit**

If an Obligor makes a Tax Payment and the relevant Finance Party determines that:

(a) a Tax Credit is attributable either to an increased payment of which that Tax Payment forms part or to that Tax Payment; and

(b) that Finance Party has obtained, utilised and retained that Tax Credit,

the Finance Party shall pay an amount to the Obligor which that Finance Party determines will leave it (after that payment) in the same after-Tax position as it would have been in had the Tax Payment not been required to be made by the Obligor.
23.5 **Stamp taxes**

The Company or ABIWW shall pay and, within ten Business Days of demand, indemnify each Finance Party against any cost, loss or liability that Finance Party incurs in relation to all stamp duty, registration, excise and other similar Taxes payable in respect of any Finance Document except for any such Tax payable in connection with the entry into a Transfer Certificate and, with respect to Luxembourg registration duties (*droits d’enregistrement*), any Luxembourg tax payable due to a registration of a Finance Document when such registration is not required to maintain or preserve the rights of any Finance Party.

23.6 **Value added tax**

(a) All amounts set out, or expressed to be payable under a Finance Document by any Party to a Finance Party which (in whole or in part) constitute the consideration for VAT purposes shall be deemed to be exclusive of any VAT which is chargeable on such supply, and accordingly, subject to paragraph (c) below, if VAT is chargeable on any supply made by any Finance Party to any Party under a Finance Document, that Party shall pay to the Finance Party (in addition to and at the same time as paying the consideration) an amount equal to the amount of the VAT (and such Finance Party shall promptly provide an appropriate VAT invoice to such Party), or where applicable, directly account for such VAT at the appropriate rate under the reverse charge procedure provided for by articles 44 and 196 of the European Directive 2006/112/EC (replacing European Directive 77/388/EC) and any relevant tax provisions of the jurisdiction in which such Party receives such supply (in which case no amount equal to the amount of VAT will be due to the Finance Party).

(b) If VAT is chargeable on any supply made by any Finance Party (the “Supplier”) to any other Finance Party (the “Recipient”) under a Finance Document, and any Party (the “Relevant Party”) is required by the terms of any Finance Document to pay an amount equal to the consideration for such supply to the Supplier (rather than being required to reimburse the Recipient in respect of that consideration), such Party shall also pay (as the case may be) to the Recipient or to the Supplier (in addition to and at the same time as paying such amount) an amount equal to the amount of such VAT. The Recipient will promptly pay to the Relevant Party an amount equal to any credit or repayment from the relevant tax authority which it reasonably determines relates to the VAT chargeable on that supply.

(c) Where a Finance Document requires any Party to reimburse a Finance Party for any costs or expenses, that Party shall also at the same time pay and indemnify the Finance Party against all VAT incurred by the Finance Party in respect of the costs or expenses to the extent that the Finance Party reasonably determines that neither it nor any other member of any group of which is a member for VAT purposes is entitled to credit or repayment from the relevant tax authority in respect of the VAT.
23.7 **FATCA Information**

(a) Subject to paragraph (c) below, each Party shall, within ten Business Days of a reasonable request by another Party:

(i) confirm to that other Party whether it is:

(A) a FATCA Exempt Party; or

(B) not a FATCA Exempt Party; and

(ii) supply to that other Party such forms, documentation and other information relating to its status under FATCA as that other Party reasonably requests for the purposes of that other Party’s compliance with FATCA; and

(iii) supply to that other Party such forms, documentation and other information relating to its status as that other Party reasonably requests for the purposes of that other Party’s compliance with any other law, regulation, or exchange of information regime.

(b) If a Party confirms to another Party pursuant to paragraph (a)(i) above that it is a FATCA Exempt Party and it subsequently becomes aware that it is not or has ceased to be a FATCA Exempt Party, that Party shall notify that other Party reasonably promptly.

(c) Paragraph (a) above shall not oblige any Finance Party to do anything, and paragraph (a)(iii) above shall not oblige any other Party to do anything, which would or might in its reasonable opinion constitute a breach of:

(i) any law or regulation;

(ii) any fiduciary duty; or

(iii) any duty of confidentiality.

(d) If a Party fails to confirm whether or not it is a FATCA Exempt Party or to supply forms, documentation or other information requested in accordance with paragraph (a)(i) or (ii) above (including, for the avoidance of doubt, where paragraph (c) above applies), then such Party shall be treated for the purposes of the Finance Documents (and payments under them) as if it is not a FATCA Exempt Party until such time as the Party in question provides the requested confirmation, forms, documentation or other information.

(e) If a Borrower is a U.S. Tax Obligor or the Agent reasonably believes that its obligations under FATCA or any other applicable law or regulation require it, each Lender shall, within ten Business Days of:

(i) where the Original Borrower is a U.S. Tax Obligor and the relevant Lender is an Original Lender, the date of this Agreement;
(ii) where a Borrower is a U.S Tax Obligor on a Transfer Date or date on which an increase in Commitments take effect pursuant to Clause 2.2 (Increase) and the relevant Lender is a New Lender or an Increase Lender or an Additional Commitment Lender, the relevant Transfer Date or date on which an increase in Commitments take effect pursuant to Clause 2.2 (Increase);

(iii) the date a new U.S. Tax Obligor accedes as a Borrower; or

(iv) where a Borrower is not a U.S. Tax Obligor, the date of a request from the Agent, supply to the Agent:

(A) a withholding certificate on Form W-8, Form W-9 or any other relevant form; or
(B) any withholding statement or other document, authorisation or waiver as the Agent may require to certify or establish the status of such Lender under FATCA or that other law or regulation.

(f) The Agent shall provide any withholding certificate, withholding statement, document, authorisation or waiver it receives from a Lender pursuant to paragraph (e) above to the relevant Borrower.

(g) If any withholding certificate, withholding statement, document, authorisation or waiver provided to the Agent by a Lender pursuant to paragraph (e) above is or becomes materially inaccurate or incomplete, that Lender shall promptly update it and provide such updated withholding certificate, withholding statement, document, authorisation or waiver to the Agent unless it is unlawful for the Lender to do so (in which case the Lender shall promptly notify the Agent). The Agent shall provide any such updated withholding certificate, withholding statement, document, authorisation or waiver to the relevant Borrower.

(h) The Agent may rely on any withholding certificate, withholding statement, document, authorisation or waiver it receives from a Lender pursuant to paragraph (e) or (g) above without further verification. The Agent shall not be liable for any action taken by it under or in connection with paragraph (e), (f) or (g) above.

23.8 FATCA Deduction

(a) Each Party may make any FATCA Deduction it is required to make by FATCA, and any payment required in connection with that FATCA Deduction, and no Party shall be required to increase any payment in respect of which it makes such a FATCA Deduction or otherwise compensate the recipient of the payment for that FATCA Deduction.

(b) Each Party shall promptly, upon becoming aware that it must make a FATCA Deduction (or that there is any change in the rate or the basis of such FATCA Deduction), notify the Party to whom it is making the payment and, in addition, shall notify the Company and the Agent and the Agent shall notify the other Finance Parties.
24. INCREASED COSTS

24.1 Increased costs

(a) Subject to Clause 24.3 (Exceptions) the Company or ABIWW shall, within ten Business Days of a demand by the Agent, pay for the account of a Finance Party the amount of any Increased Costs incurred by that Finance Party or any of its Affiliates as a result of (i) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation or (ii) compliance with any law or regulation made after the date of this Agreement.

(b) In this Agreement “Increased Costs” means:

(i) a reduction in the rate of return from a Facility or on a Finance Party’s (or its Affiliate’s) overall capital;
(ii) an additional or increased cost; or
(iii) a reduction of any amount due and payable under any Finance Document,

which is incurred or suffered by a Finance Party or any of its Affiliates to the extent that it is attributable to that Finance Party having entered into its Commitment or funding or performing its obligations under any Finance Document or Letter of Credit.

24.2 Increased cost claims

(a) A Finance Party intending to make a claim pursuant to Clause 24.1 (Increased costs) shall notify the Agent of the event giving rise to the claim, following which the Agent shall promptly notify the Company.

(b) Each Finance Party shall, as soon as practicable after a demand by the Agent, provide a certificate confirming the amount of its Increased Costs.

24.3 Exceptions

(a) Clause 24.1 (Increased costs) does not apply to the extent any Increased Cost is:

(i) attributable to a Tax Deduction required by law to be made by an Obligor;
(ii) attributable to a FATCA Deduction required to be made by a Party;

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(iii) compensated for by Clause 23.3 (Tax indemnity) (or would have been compensated for under Clause 23.3 (Tax indemnity) but was not so compensated solely because any of the exclusions in paragraph (b) of Clause 23.3 (Tax indemnity) applied);

(iv) attributable to the wilful breach by the relevant Finance Party or its Affiliates of any law or regulation; or

(v) attributable to the implementation or application of or compliance with the “International Convergence of Capital Measurement and Capital Standards, a Revised Framework” published by the Basel Committee on Banking Supervision in June 2004 in the form existing on the date of this Agreement (“Basel II”) or any other law or regulation which implements Basel II (whether such implementation, application or compliance is by a government, regulator, Finance Party or any of its Affiliates).

(b) In this Clause 24.3 reference to a “Tax Deduction” has the same meaning given to the term in Clause 23.1 (Definitions).

25. OTHER INDEMNITIES

25.1 Currency indemnity

(a) If any sum due from an Obligor under the Finance Documents (a “Sum”), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the “First Currency”) in which that Sum is payable into another currency (the “Second Currency”) for the purpose of:

(i) making or filing a claim or proof against that Obligor; or

(ii) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings, that Obligor shall as an independent obligation, within ten Business Days of demand, indemnify each Finance Party to whom that Sum is due against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (A) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (B) the rate or rates of exchange available to that person at the time of its receipt of that Sum.

(b) Each Obligor waives any right it may have in any jurisdiction to pay any amount under the Finance Documents in a currency or currency unit other than that in which it is expressed to be payable.

25.2 Other indemnities

The Company or ABIWW shall (or shall procure that an Obligor will), within ten Business Days of demand, indemnify each Finance Party against any cost, loss or liability incurred by that Finance Party as a result of:

(a) the occurrence of any Event of Default;
(b) a failure by an Obligor to pay any amount due under a Finance Document on its due date, including without limitation, any cost, loss or liability arising as a result of Clause 37 (Sharing among the Finance Parties);

(c) funding, or making arrangements to fund, its participation in a Utilisation requested by a Borrower in a Utilisation Request but not made by reason of the operation of any one or more of the provisions of this Agreement (other than by reason of default or negligence by that Finance Party alone);

(d) issuing or making arrangements to issue a Letter of Credit requested by the Company or a Borrower in a Utilisation Request but not issued by reason of the operation of any one or more of the provisions of this Agreement; or

(e) a Utilisation (or part of a Utilisation) not being prepaid in accordance with a notice of prepaid given by a Borrower or the Company.

25.3 **Indemnity to the Agent**

The Company or ABIWW shall within ten Business Days of demand indemnify the Agent against any cost, loss or liability incurred by the Agent (acting reasonably) as a result of:

(a) investigating any event which it reasonably believes is a Default;

(b) entering into or performing any foreign exchange contract for the purposes of paragraph (b) of Clause 38.10 (Change of currency); or

(c) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised.

26. **MITIGATION BY THE LENDERS**

26.1 **Mitigation**

(a) Each Finance Party shall, in consultation with the Company, take all reasonable steps to mitigate any circumstances which arise and which would result in any Facility ceasing to be available or any amount becoming payable under or pursuant to, or cancelled pursuant to, any of Clause 16.1 (Illegality) (or, in respect of the Issuing Bank, Clause 16.2 (Illegality in relation to Issuing Bank)), Clause 23 (Tax Gross-up and Indemnities) or Clause 24 (Increased Costs) including (but not limited to) transferring its rights and obligations under the Finance Documents to another Affiliate or Facility Office.

(b) Paragraph (a) above does not in any way limit the obligations of any Obligor under the Finance Documents.

26.2 **Limitation of liability**

(a) The Company shall indemnify each Finance Party for all costs and expenses reasonably incurred by that Finance Party as a result of steps taken by it under Clause 26.1 (Mitigation).

(b) A Finance Party is not obliged to take any steps under Clause 26.1 (Mitigation) if, in the opinion of that Finance Party (acting reasonably), to do so might be prejudicial to it.
27. **COSTS AND EXPENSES**

27.1 **Transaction expenses**

The Company or ABIWW shall within ten Business Days of demand pay the Agent, the Arrangers and the Issuing Bank the amount of all costs and expenses (including legal fees subject to any agreement on legal fees) reasonably incurred by any of them in connection with the negotiation, preparation, printing, execution and syndication of:

(a) this Agreement and any other documents referred to in this Agreement; and
(b) any other Finance Documents executed after the date of this Agreement.

27.2 **Amendment costs**

If (a) an Obligor requests an amendment, waiver or consent or (b) an amendment is required pursuant to Clause 38.10 *(Change of currency)*, the Company shall, within ten Business Days of demand, reimburse the Agent for the amount of all costs and expenses (including legal fees) reasonably incurred by the Agent in responding to, evaluating, negotiating or complying with that request or requirement.

27.3 **Enforcement and preservation costs**

The Company or ABIWW shall, within ten Business Days of demand, pay to each Finance Party the amount of all costs and expenses (including legal fees) incurred by that Finance Party in connection with the enforcement of or the preservation of any rights under any Finance Document.

28. **GUARANTEE AND INDEMNITY**

28.1 **Guarantee and indemnity**

Each Guarantor irrevocably and unconditionally jointly and severally:

(a) guarantees to each Finance Party punctual performance by each Borrower of all that Borrower’s obligations under the Finance Documents;

(b) undertakes with each Finance Party that whenever a Borrower does not pay any amount when due under or in connection with any Finance Document, that Guarantor shall immediately on demand pay that amount as if it was the principal obligor; and

(c) indemnifies each Finance Party immediately on demand against any cost, loss or liability suffered by that Finance Party if any obligation guaranteed by it is or becomes unenforceable, invalid or illegal. The amount of the cost, loss or liability shall be equal to the amount which that Finance Party would otherwise have been entitled to recover.
28.2 Continuing Guarantee
This guarantee is a continuing guarantee and will extend to the ultimate balance of sums payable by any Obligor under the Finance Documents, regardless of any intermediate payment or discharge in whole or in part.

28.3 Reinstatement
If any payment by an Obligor or any discharge given by a Finance Party (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is avoided or reduced as a result of insolvency or any similar event:

(a) the liability of each Obligor shall continue as if the payment, discharge, avoidance or reduction had not occurred; and
(b) each Finance Party shall be entitled to recover the value or amount of that security or payment from each Obligor, as if the payment, discharge, avoidance or reduction had not occurred.

28.4 Waiver of defences
The obligations of each Guarantor under this Clause 28 will not be affected by an act, omission, matter or thing which, but for this Clause 28, would reduce, release or prejudice any of its obligations under this Clause 28 (without limitation and whether or not known to it or any Finance Party) including:

(a) any time, waiver or consent granted to, or composition with, any Obligor or other person;
(b) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Group;
(c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
(d) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;
(e) any amendment, novation, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Finance Document or any other document or security including without limitation any change in the purpose of, any extension of or any increase in any facility or the addition of any new facility under any Finance Document or other document or security;
(f) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or
(g) any insolvency or similar proceedings.
28.5 **Guarantor Intent**
Without prejudice to the generality of Clause 28.4 (*Waiver of defences*), each Guarantor expressly confirms that it intends that this guarantee shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Finance Documents and/or any facility or amount made available under any of the Finance Documents for the purposes of or in connection with any of the following: acquisitions of any nature; increasing working capital; enabling investor distributions to be made; carrying out restructurings; refinancing existing facilities; refinancing any other indebtedness; making facilities available to new borrowers; any other variation or extension of the purposes for which any such facility or amount might be made available from time to time; and any fees, costs and/or expenses associated with any of the foregoing.

28.6 **Immediate recourse**
Each Guarantor waives any right it may have of first requiring any Finance Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Guarantor under this Clause 28. This waiver applies irrespective of any law or any provision of a Finance Document to the contrary.

28.7 **Appropriations**
Until all amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full, each Finance Party (or any trustee or agent on its behalf) may:

(a) refrain from applying or enforcing any other moneys, security or rights held or received by that Finance Party (or any trustee or agent on its behalf) in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and no Guarantor shall be entitled to the benefit of the same; and

(b) hold in an interest-bearing suspense account any moneys received from any Guarantor or on account of any Guarantor’s liability under this Clause 28.

28.8 **Deferral of Guarantors’ rights**
Without prejudice to the obligations of the Company under the Parent Contribution Agreement, until all amounts which may be or become payable by the Obligors under or in connection with the Finance Documents have been irrevocably paid in full and unless the Agent otherwise directs, no Guarantor will exercise any rights which it may have by reason of performance by it of its obligations under the Finance Documents (other than pursuant to the Parent Contribution Agreement):

(a) to be indemnified by an Obligor;

(b) to claim any contribution from any other guarantor of any Obligor’s obligations under the Finance Documents; and/or

(c) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under the Finance Documents or of any other guarantee or security taken pursuant to, or in connection with, the Finance Documents by any Finance Party.

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If a Guarantor receives any benefit, payment or distribution in relation to such rights (other than pursuant to the Parent Contribution Agreement) it shall hold that benefit, payment or distribution to the extent necessary to enable all amounts which may be or become payable to the Finance Parties by the Obligors under or in connection with the Finance Documents to be repaid in full on trust for the Finance Parties and shall promptly pay or transfer the same to the Agent or as the Agent may direct for application in accordance with Clause 38 (Payment Mechanics) of this Agreement.

28.9 Release of Guarantors’ right of contribution

If any Guarantor (a “Retiring Guarantor”) ceases to be a Guarantor in accordance with the terms of the Finance Documents for the purpose of any sale or other disposal of that Retiring Guarantor then on the date such Retiring Guarantor ceases to be a Guarantor:

(a) that Retiring Guarantor is released by each other Guarantor from any liability (whether past, present or future and whether actual or contingent) to make a contribution to any other Guarantor arising by reason of the performance by any other Guarantor of its obligations under the Finance Documents; and

(b) each other Guarantor waives any rights it may have by reason of the performance of its obligations under the Finance Documents to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Finance Parties under any Finance Document or of any other security taken pursuant to, or in connection with, any Finance Document where such rights or security are granted by or in relation to the assets of the Retiring Guarantor.

28.10 Additional security

This guarantee is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by any Finance Party.

28.11 Guarantee limitations

(a) Notwithstanding any other provisions of this Agreement, the maximum aggregate liability of Brandbrew and Brandbev respectively pursuant to this Clause 28 and as a guarantor under the Other Guaranteed Facilities shall not exceed an amount equal to the aggregate of (without double counting):

(i) the aggregate amount of all moneys received by Brandbrew and Brandbev respectively and their respective Subsidiaries as a borrower or issuer under this Agreement and the Other Guaranteed Facilities;

(ii) the aggregate amount of all outstanding intercompany loans made to Brandbrew and Brandbev respectively and their respective Subsidiaries by other members of the Group which have been directly or indirectly funded using the proceeds of borrowings under this Agreement or the Other Guaranteed Facilities; and
(iii) an amount equal to 100% of the greater of:

(A) the sum of Brandbrew and Brandbev’s respective own capital (capitaux propres) and subordinated debt (dettes subordonnées) (other than any subordinated debt already accounted for under subparagraph (ii) above) (both as referred to in article 34 of the Luxembourg law dated 19 December 2002 on the trade and companies register and the accounting and annual accounts of undertakings, as amended (the “Luxembourg Law of 2002”)) as reflected in the most recent annual accounts approved by the competent organ of Brandbrew and Brandbev respectively (as audited by its réviseur d’entreprises (external auditor), if required by law); and

(B) the sum of Brandbrew and Brandbev’s respective own capital (capitaux propres) and subordinated debt (dettes subordonnées) (other than any subordinated debt already accounted for under subparagraph (ii) above) (both as referred to in article 34 of the Luxembourg Law of 2002) as reflected in its filed annual accounts available as at the Amendment and Restatement Date.

(b) For the avoidance of doubt, the limitation referred to in paragraph (a) above shall not apply to the guarantee by Brandbrew or Brandbev of any obligations owed by their respective Subsidiaries under the Finance Document or under any Other Guaranteed Facilities.

(c) In addition to the limitation referred to in paragraph (a) above, the obligations and liabilities of Brandbrew and Brandbev under this Agreement or under any Other Guaranteed Facilities shall not include any obligation which, if incurred, would constitute a breach of the provisions on financial assistance as defined by article 49-6 of the Luxembourg Law on Commercial Companies dated 10 August 1915, as amended, to the extent such or an equivalent provision is applicable to Brandbrew or Brandbev respectively.

(d) Each of Brandbrew and Brandbev hereby expressly accepts and confirms, for the purposes of article 1281 of the Luxembourg civil code, that notwithstanding any assignment, transfer and/or novation permitted under, and made in accordance with the provisions of this Agreement, the guarantee given under this Agreement shall be preserved for the benefit of any new Lender and Brandbrew and Brandbev hereby accept and confirm the aforementioned.

(e) Notwithstanding any term or provision of this Clause 28 or any other term in this Agreement or any Finance Document, each Finance Party agrees that each U.S. Guarantor’s liability under this Clause 28, without the requirement of amendment or any other formality, be limited to a maximum aggregate amount equal to the largest amount that would not render its liability hereunder subject to avoidance as a fraudulent transfer or conveyance under Section 548 of Title 11 of the United States Bankruptcy Code or any applicable provision of comparable state law.
28.12 **Additional Guarantor limitations**

The obligations of any Additional Guarantor under this Clause 28 are subject to any limitations set out in the Accession Letter pursuant to which that Additional Guarantor becomes a party to this Agreement.

29. **REPRESENTATIONS**

29.1 **General**

Save for the representations and warranties in Clauses 29.16 *(Sanctions)* and 29.17 *(Anti-corruption)*, which are made only by the Company on the Amendment and Restatement Date, each Obligor makes the representations and warranties set out in this Clause 29 to each Finance Party on the date of this Agreement, save for the representation given in Clause 29.10 *(Financial statements)* with respect to the Original Financial Statements which shall be made on the date they are delivered.

29.2 **Status**

(a) It is a corporation, partnership (whether or not having separate legal personality) or other corporate body duly incorporated or organised and validly existing under the law of its jurisdiction of incorporation or organisation.

(b) It and each of its Subsidiaries has the power to own its assets and carry on its business as it is being conducted in all material respects.

29.3 **Binding obligations**

Subject to the Legal Reservations, the obligations expressed to be assumed by it in each Finance Document, to which it is a party are legal, valid, binding and enforceable obligations.

29.4 **Non-conflict with other obligations**

The entry into and performance by it of, and the transactions contemplated by, the Finance Documents to which it is a party do not and will not conflict with:

(a) any law or regulation applicable to it;

(b) the constitutional documents of any Obligor or Material Subsidiary; or

(c) any agreement or instrument binding upon it or any of its Subsidiaries or any of its or its Subsidiaries’ assets to an extent which would reasonably be expected to have a Material Adverse Effect.

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29.5 **Power and authority**

It has the power to enter into, perform and deliver, and has taken all necessary action to authorise its entry into, performance and delivery of, the Finance Documents to which it is a party and the transactions contemplated by those Finance Documents.

29.6 **Validity and admissibility in evidence**

All Authorisations required or desirable:

(a) to enable it lawfully to enter into, exercise its rights and comply with its obligations in the Finance Documents to which it is a party; and

(b) to make the Finance Documents to which it is a party admissible in evidence in its jurisdiction of incorporation, have been obtained or effected and are in full force and effect.

29.7 **Governing law and enforcement**

(a) Subject to the Legal Reservations, the choice of English law as the governing law of the Finance Documents will be recognised and enforced in its jurisdiction of incorporation or organisation.

(b) Subject to the Legal Reservations, any judgment obtained in England in relation to a Finance Document will be recognised and enforced in its jurisdiction of incorporation or organisation.

29.8 **No default**

(a) Save as otherwise notified to the Agent, no Default is continuing or would reasonably be expected to result from the making of any Utilisation.

(b) No other event or circumstance is outstanding which constitutes a default under (i) any other agreement or instrument which is binding on it or any of its Subsidiaries or (ii) to which its (or any of its Subsidiaries’) assets are subject which, in either case, would reasonably be expected to have a Material Adverse Effect.

29.9 **No misleading information**

(a) Any written factual information (which for this purpose excludes any projections or forward looking statements) regarding the Company or its Subsidiaries (as at the date of this Agreement) provided to the Arrangers by or on behalf of the Company or any other member of the Group in connection with the Facilities (the “Information”) is true and accurate in all material respects as at the date it is provided or as at the date (if any) at which it is stated and when taken as a whole.

(b) Nothing has occurred or been omitted and no information has been given or withheld that results in the Information, taken as a whole, being untrue or misleading in any material respect.

(c) Any projections contained in the Information have been prepared in good faith on the basis of recent historical information and on the basis of assumptions believed by the preparer to be reasonable as at the time such assumptions were made, it being understood that projections are as to future events and are not to be viewed as facts.
29.10 **Financial statements**

(a) The Company’s Original Financial Statements were prepared in accordance with the Accounting Principles consistently applied.

(b) The Company’s Original Financial Statements fairly represent its consolidated financial condition and operations during the relevant financial year.

29.11 **Pari passu ranking**

Its payment obligations under the Finance Documents rank at least *pari passu* with the claims of all its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally in any relevant jurisdiction.

29.12 **No proceedings pending or threatened**

No litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency which would reasonably be expected to have a Material Adverse Effect, have (to the best of its knowledge and belief) been started or threatened against it or any of its Subsidiaries.

29.13 **ERISA and Multiemployer Plans**

(a) With respect to any Plan, no ERISA Event has occurred or, subject to the passage of time, is reasonably expected to occur that has resulted in or would reasonably be expected to have a Material Adverse Effect.

(b) To the best of the knowledge and belief of the relevant Obligors, (i) Schedule B (*Actuarial Information*) to the most recent annual report (Form 5500 Series) filed with the IRS by any Obligor or ERISA Affiliate with respect to any Plan and furnished to the Agent is not incomplete or inaccurate in any respects which would reasonably be expected to have a Material Adverse Effect and does not unfairly present the funding status of such Plan to the extent which would reasonably be expected to have a Material Adverse Effect, and (ii) since the date of such Schedule B, there has been no change in such funding status which would reasonably be expected to have a Material Adverse Effect.

(c) Neither any U.S. Obligor nor any ERISA Affiliate has incurred or, so far as the relevant Obligors are aware, is reasonably expected to incur any Withdrawal Liability to any Multiemployer Plan which has or would reasonably be expected to have a Material Adverse Effect.

(d) Neither any Obligor nor any ERISA Affiliate has been notified by the sponsor of a Multiemployer Plan that such Multiemployer Plan is in reorganisation or has been terminated, within the meaning of Title IV of ERISA, and, so far as
the relevant Obligors are aware, no such Multiemployer Plan is reasonably expected to be in reorganisation or to be terminated, within the meaning of Title IV of ERISA, in each case and to the extent that such reorganisation or termination would reasonably be expected to have a Material Adverse Effect.

(c) The Obligors and their ERISA Affiliates are in compliance in all respects with the presently applicable provisions of ERISA and the Code with respect to each Plan and Multiemployer Plan, except for failures to so comply which would not reasonably be expected to have a Material Adverse Effect. No condition exists or event or transaction has occurred with respect to any Plan or Multiemployer Plan which would reasonably be expected to result in the incurrence by any Obligor or any ERISA Affiliate of any liability, fine or penalty which would reasonably be expected to have a Material Adverse Effect.

(f) No assets of an Obligor constitute the assets of any Plan within the meaning of the U.S. Department of Labor Regulation § 2510.3-101 to an extent which would reasonably be expected to have a Material Adverse Effect.

29.14 Investment Companies

Neither the Company nor any Borrower is registered, or is required to be registered, as an “investment company” under the U.S. Investment Company Act of 1940, as amended.

29.15 Federal Regulations

The use of the proceeds of each Utilisation in accordance with the terms of this Agreement does not violate Regulation T, U or X promulgated by the Board of Governors of the Federal Reserve System of the United States.

29.16 Sanctions

(a) Neither it nor any Obligor is (i) currently a designated target of any Sanctions or (ii) organised or resident in a Sanctioned Country.

(b) In relation to a Sanctioned Country in which it (or an Obligor) is operating or conducting any business, it (or the relevant Obligor) is conducting such business in compliance with the Sanctions applicable to that Sanctioned Country in all material respects.

(c) It has instituted and maintains policies and procedures designed to promote compliance by the Group with Sanctions applicable to the Group and the Group’s business.

(d) In relation to each Finance Party which notifies the Agent in writing that it is a “Restricted Finance Party” for the purposes of this Clause 29.16, the representations made in this Clause 29.16 shall only apply for the benefit of that Restricted Finance Party to the extent that the sanctions provisions would not result in (i) any violation of, conflict with or liability under EU Regulation (EC) 2271/96 or (ii) a violation or conflict with Section 7 Foreign Trade And Payments Rules (AWV) (Außenwirtschaftsverordnung) (in connection with
Section 4 paragraph 1 a no. 3 German Foreign Trade and Payments Act (AWG) (Außenwirtschaftsgesetz) or a similar anti-boycott statute). In connection with any amendment, waiver, determination or direction relating to any part of this Clause 29.16 of which a Restricted Finance Party does not have the benefit, the commitments of that Restricted Finance Party (to the extent that it is a Lender) will be excluded for the purpose of determining whether the consent of the Majority Lenders has been obtained or whether the determination or direction by the Majority Lenders has been made.

29.17 **Anti-corruption**

It is the policy of the Company to conduct its business in compliance with all applicable anti-money laundering and Anti-Corruption Laws in all material respects and it has instituted and maintains policies and procedures designed to promote and achieve compliance with such laws across the Group.

29.18 **Times when representations made**

(a) All the representations and warranties in this Clause 29 are made by each Original Obligor on the date of this Agreement save for the representation given in Clause 29.10 (Financial statements) with respect to the Original Financial Statements which shall be made on the date they are delivered.

(b) The representations and warranties in Clauses 29.16 (Sanctions) and 29.17 (Anti-corruption) are made by the Company only and only on the Amendment and Restatement Date.

(c) The Repeating Representations are deemed to be made by each Obligor on the date of each Utilisation Request, on each Utilisation Date and on the first day of each Interest Period.

(d) The Repeating Representations are deemed to be made by each Additional Obligor on the day on which it becomes (or it is proposed that it becomes) an Additional Obligor.

(e) Each representation or warranty deemed to be made after the date of this Agreement shall be deemed to be made by reference to the facts and circumstances existing at the date the representation or warranty is deemed to be made.

30. **INFORMATION UNDERTAKINGS**

The undertakings in this Clause 30 remain in force from the date of this Agreement for so long as any amount is outstanding under the Finance Documents or any Commitment is in force.

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30.1 Financial statements

The Company shall supply to the Agent in sufficient copies for all the Lenders:

(a) as soon as the same become available, but in any event within 120 days after the end of each of its financial years, its audited consolidated financial statements for that financial year;

(b) if requested by the Agent on behalf of a Finance Party in respect of a financial year of each Obligor, as soon as the same become available, but in any event not later than 270 days after the end of that financial year, the audited annual financial statements of that Obligor, provided it prepares audited annual financial statements; and

(c) as soon as the same become available, but in any event not later than 30 September in each financial year, its unaudited consolidated financial statements for the six Month period ending 30 June in that financial year.

30.2 Requirements as to financial statements

(a) Each set of financial statements delivered by the Company pursuant to Clause 30.1 (Financial statements) shall be certified by a director or the chief financial officer or two authorised signatories of the relevant company as fairly representing its financial condition as at the date as at which those financial statements were drawn up (unless, in the case of financial statements delivered by the Company pursuant to paragraph (b) of Clause 30.1 (Financial statements), expressly disclosed to the Agent in writing to the contrary).

(b) The Company shall procure that each set of financial statements delivered pursuant to paragraphs (a) and (c) of Clause 30.1 (Financial statements) is prepared using the Accounting Principles, accounting practices and financial reference periods consistent with those applied in the preparation of the Original Financial Statements for the Company unless, in relation to any set of financial statements, it notifies the Agent that there has been a change in the Accounting Principles, the accounting practices or reference periods and its auditors deliver to the Agent a description of any change necessary for those financial statements to reflect the Accounting Principles, accounting practices and reference periods upon which the Company’s Original Financial Statements were prepared. Any reference in this Agreement to those financial statements shall be construed as a reference to those financial statements as adjusted to reflect the basis upon which the Original Financial Statements were prepared.

30.3 Information: miscellaneous

The Company shall supply to the Agent (in sufficient copies for all the Lenders, if the Agent so requests):

(a) all documents dispatched by the Company to its shareholders generally (or any class of them generally) or its creditors generally at the same time as they are dispatched;
(b) promptly upon becoming aware of them, the details of any litigation, arbitration or administrative proceedings which are current, threatened or pending against any member of the Group, and which, if adversely determined, would reasonably be expected to have a Material Adverse Effect;

(c) promptly, such further information regarding the financial condition, business and operations of any member of the Group as any Finance Party (through the Agent) may reasonably request subject to any limits arising from confidentiality obligations owed by the Company or its Subsidiaries and excluding competition filings;

(d) with each set of audited consolidated financial statements of the Company, an updated list of Material Subsidiaries; and

(e) promptly and in any event within ten Business Days of any such downgrade, details of any downgrade to the Credit Rating of the Company as assessed by S&P or Moody’s.

30.4 Notification of default

(a) Each Obligor shall notify the Agent of any Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence (unless that Obligor is aware that a notification has already been provided by another Obligor).

(b) Promptly upon a reasonable request by the Agent, the Company shall supply to the Agent a certificate signed by an authorised signatory of the Company on its behalf certifying that no Default is continuing (or if a Default is continuing, specifying the Default and the steps, if any, being taken to remedy it).

30.5 Use of websites

(a) The Company may satisfy its obligation under this Agreement to deliver any information in relation to those Lenders (the “Website Lenders”) who accept this method of communication by posting this information onto an electronic website designated by the Company and the Agent (the “Designated Website”) if:

(i) the Agent expressly agrees (after consultation with each of the Lenders) that it will accept communication of the information by this method;

(ii) both the Company and the Agent are aware of the address of and any relevant password specifications for the Designated Website; and

(iii) the information is in a format previously agreed between the Company and the Agent.

If any Lender (a Paper Form Lender) does not agree to the delivery of information electronically then the Agent shall notify the Company accordingly and the Company shall supply the information to the Agent (in sufficient copies for each Paper Form Lender) in paper form. In any event the Company shall supply the Agent with at least one copy in paper form of any information required to be provided by it.

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(b) The Agent shall supply each Website Lender with the address of and any relevant password specifications for the Designated Website following designation of that website by the Company and the Agent.

(c) The Company shall promptly upon becoming aware of its occurrence notify the Agent if:
   (i) the Designated Website cannot be accessed due to technical failure;
   (ii) the password specifications for the Designated Website change;
   (iii) any new information which is required to be provided under this Agreement is posted onto the Designated Website;
   (iv) any existing information which has been provided under this Agreement and posted onto the Designated Website is amended; or
   (v) the Company becomes aware that the Designated Website or any information posted onto the Designated Website is or has been infected by any electronic virus or similar software.

If the Company notifies the Agent under paragraph (c)(i) or (c)(v) above, all information to be provided by the Company under this Agreement after the date of that notice shall be supplied in paper form unless and until the Agent and each Website Lender is satisfied that the circumstances giving rise to the notification are no longer continuing.

(d) Any Website Lender may request, through the Agent, one paper copy of any information required to be provided under this Agreement which is posted onto the Designated Website. The Company shall comply with any such request within ten Business Days.

30.6 “Know your customer” checks

(a) If:
   (i) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the date of this Agreement;
   (ii) any change in the status of an Obligor after the date of this Agreement; or
   (iii) a proposed assignment or transfer by a Lender of any of its rights and obligations under this Agreement to a party that is not a Lender prior to such assignment or transfer,

obliges the Agent or any Lender (or, in the case of paragraph (iii) above, any prospective new Lender) to comply with “know your customer” or similar...
identification procedures in circumstances where the necessary information is not already available to it, each Obligor shall promptly upon the request of the Agent or any Lender supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Agent (for itself or on behalf of any Lender) or any Lender (for itself or, in the case of the event described in paragraph (iii) above, on behalf of any prospective new Lender) in order for the Agent, such Lender or, in the case of the event described in paragraph (iii) above, any prospective new Lender to carry out and be satisfied it has complied with all necessary “know your customer” or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Finance Documents.

(b) Each Lender shall promptly upon the request of the Agent supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Agent (for itself) in order for the Agent to carry out and be satisfied it has complied with all necessary “know your customer” or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Finance Documents.

(c) The Company shall, by not less than ten Business Days’ prior written notice to the Agent, notify the Agent (which shall promptly notify the Lenders) of its intention to request that one of its Subsidiaries becomes an Additional Obligor pursuant to Clause 34 (Changes to the Obligors).

(d) Following the giving of any notice pursuant to paragraph (c) above, if the accession of such Additional Obligor obliges the Agent or any Lender to comply with “know your customer” or similar identification procedures in circumstances where the necessary information is not already available to it, the Company shall promptly upon the request of the Agent or any Lender supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Agent (for itself or on behalf of any Lender) or any Lender (for itself or on behalf of any prospective new Lender) in order for the Agent or such Lender or any prospective new Lender to carry out and be satisfied it has complied with all necessary “know your customer” or other similar checks under all applicable laws and regulations pursuant to the accession of such Subsidiary to this Agreement as an Additional Obligor.

31. GENERAL UNDERTAKINGS

The undertakings in this Clause 31 remain in force from the date of this Agreement for so long as any amount is outstanding under the Finance Documents or any Commitment is in force. Any undertaking to procure compliance by another member of the Group shall, in relation to Madrid (to the extent it is a Subsidiary of the Company), be limited to an obligation to exercise such voting rights as an Obligor may have with a view to ensure compliance.
31.1 **Authorisations**

Each Obligor shall promptly:

(a) obtain, comply with and do all that is necessary to maintain in full force and effect; and

(b) (at the prior written request of the Agent) supply certified copies to the Agent of,

any Authorisation required under any law or regulation of its jurisdiction of incorporation to:

(i) enable it to perform its obligations under the Finance Documents; and

(ii) ensure the legality, validity, enforceability or admissibility in evidence its jurisdiction of incorporation of any Finance Document.

31.2 **Compliance with laws**

Each Obligor shall comply in all respects with all laws to which it may be subject, if failure so to comply would reasonably be expected to have a Material Adverse Effect.

31.3 **Environmental compliance**

Each Obligor will (and will ensure that each of its Subsidiaries will):

(a) comply with all Environmental Laws; and

(b) obtain, maintain and ensure compliance with all requisite Environmental Permits,

in each case where failure to do so would have a Material Adverse Effect.

31.4 **Taxation**

Each Obligor will (and will ensure that each of its Subsidiaries will) pay and discharge all Taxes imposed upon it or its assets within the time period allowed (including any grace periods) if failure to pay those Taxes would reasonably be expected to have a Material Adverse Effect.

31.5 **Merger**

No Obligor shall (and the Company shall procure that no Material Subsidiary will) enter into any amalgamation, demerger, merger or corporate reconstruction other than:

(a) any amalgamation, demerger, merger or corporate reconstruction involving any Obligor or Material Subsidiary (other than the Company) and any other member of the Group (other than where it involves a Guarantor and a member of the Anheuser-Busch Group and that Guarantor would not be the surviving entity); or

(b) any other amalgamation, demerger, merger or corporate reconstruction involving any Obligor or Material Subsidiary (other than the Company) so long as the relevant Obligor or Material Subsidiary is the surviving entity.
provided that in the case of paragraphs (a) and (b) above, (i) such amalgamation, demerger, merger or corporate reconstruction shall not affect the validity, legality or enforceability of the Finance Documents and (ii) the Obligors and, if relevant, any other company involved in such amalgamation, demerger, merger or corporate reconstruction shall execute such documents as may be necessary in order to preserve and protect the validity, legality or enforceability of the Finance Documents (and, for the avoidance of doubt, any contribution in kind transaction or similar transaction pursuant to which the Company, any other Obligor or any Material Subsidiary would acquire assets or shares in exchange for new shares to be issued by the Company or the Obligor or any Material Subsidiary respectively is not to be considered as an amalgamation, demerger, merger or corporate reconstruction for the purpose of this Clause 31.5 unless the issue of shares by the Obligor or any Material Subsidiary would result in it becoming a Subsidiary of an Excluded Subsidiary).

31.6 Change of business
The Company shall procure that neither Company nor the Group taken as a whole carries on any business which results in any material change to the nature of the core business of the Group from the Core Business.

31.7 Acquisitions
No Obligor shall (and the Company shall ensure that no other member of the Group will):
(a) acquire a company or any shares or securities or a business or undertaking (or, in each case, any interest in any of them); or
(b) incorporate a company,
which in either case, results in the Credit Rating of the Company being downgraded during the relevant Credit Rating Period applicable to such acquisition or incorporation to a rating of BB+ or lower by S&P or Ba1 or lower by Moody’s.

31.8 Pari passu ranking
Each Obligor shall ensure that at all times any unsecured and unsubordinated claims of a Finance Party against it under the Finance Documents rank at least pari passu with the claims of all its other unsecured and unsubordinated creditors, except those creditors whose claims are mandatorily preferred by law applying to companies generally.

31.9 Negative pledge
(a) No Obligor shall (and the Company shall ensure that no other member of the Group will) create or permit to subsist any Security over any of its assets.
(b) No Obligor shall (and the Company shall ensure that no other member of the Group will):
   (i) sell, transfer or otherwise dispose of any of its assets on terms whereby they are or may be leased to or re-
       acquired by an Obligor or any other member of the Group;
   (ii) sell, transfer or otherwise dispose of any of its receivables on recourse terms;
   (iii) enter into any arrangement under which money or the benefit of a bank or other account may be applied, set-
       off or made subject to a combination of accounts; or
   (iv) enter into any other preferential arrangement having a similar effect,
       in circumstances where the arrangement or transaction is entered into primarily as a method of raising Financial
       Indebtedness or of financing the acquisition of an asset.

(c) Paragraphs (a) and (b) above do not apply to Permitted Security.

(d) Notwithstanding paragraph (c) above, no Obligor shall (and the Company shall ensure that no other member of the
    Group will) at any time create or permit to subsist any Security over or undertake any of the actions set out in
    paragraph (b) above in respect of any of the shares in Barcelona owned by a member of the Group.

31.10 Disposal of shares in Barcelona

No Obligor shall (and the Company shall ensure that no other member of the Group will), enter into a single transaction or a
series of transactions (whether related or not) and whether voluntary or involuntary to sell, lease, transfer or otherwise dispose
of any shares in Barcelona if, as a result, the Company would cease to own directly or indirectly more than 50% of the
economic or voting interests in Barcelona or otherwise cease to Control Barcelona.

31.11 Arm’s length basis

No Obligor shall (and the Company shall ensure no member of the Group (other than Barcelona until such time as Barcelona
becomes a wholly-owned Subsidiary of the Company) will) enter into:

(a) any transaction with any Affiliate which is not a member of the Group; or
(b) any written contract with any other person which is not a member of the Group,
    except, in each case, on arm’s length terms.
31.12 Loans or credit to Excluded Subsidiaries

(a) Except as permitted under paragraph (b) below, no Obligor shall (and the Company shall ensure that no member of the Group (other than any Excluded Subsidiary) will) be a creditor in respect of any Financial Indebtedness owing by, or give any guarantee or financial accommodation to, or for the benefit of, an Excluded Subsidiary (including without limitation in respect of any Financial Indebtedness of an Excluded Subsidiary).

(b) Paragraph (a) above does not apply to Permitted Excluded Subsidiary Credit Support.

31.13 Subsidiary Financial Indebtedness

Each Obligor shall procure that Subsidiary Financial Indebtedness, when aggregated with (i) the aggregate amount secured by the Security referred to in paragraph (p) of the definition of Permitted Security (other than such Security securing Subsidiary Financial Indebtedness) and (ii) Financial Indebtedness of all Excluded Subsidiaries owed to or guaranteed by other members of the Group which are not Excluded Subsidiaries, shall at no time exceed US$4,500,000,000 (or its equivalent in any other currency).

31.14 Insurance

(a) Each Obligor shall (and the Company shall ensure that each member of the Group will) maintain insurances on and in relation to its business and assets against those risks and to the extent as is usual for companies carrying on the same or substantially similar business.

(b) All insurances must be with reputable independent insurance companies or underwriters.

31.15 Intellectual Property

Each Obligor shall (and the Company shall procure that each member of the Group will):

(a) preserve and maintain the subsistence and validity of the Intellectual Property necessary for the business of the relevant member of the Group;

(b) use reasonable endeavours to prevent any infringement in any material respect of the Intellectual Property;

(c) make registrations and pay all registration fees and taxes necessary to maintain the Intellectual Property in full force and effect and record its interest in that Intellectual Property;

(d) not use or permit the Intellectual Property to be used in a way or take any step or omit to take any step in respect of that Intellectual Property which may materially and adversely affect the existence or value of the Intellectual Property or imperil the right of any member of the Group to use such property; and

(e) not discontinue the use of the Intellectual Property,
where failure to do so, in the case of paragraphs (a), (b) and (c) above, or, in the case of paragraphs (d) and (e) above, such use, permission to use, omission or discontinuation, would reasonably be expected to have a Material Adverse Effect.

31.16 Credit Rating

(a) Subject to paragraph (b) below, the Company will ensure that it maintains a Credit Rating with S&P and Moody’s.

(b) If S&P or Moody’s ceases to carry on business as a rating agency or to supply a Credit Rating with respect to the Company, within 30 days after the date on which that event occurs, the Company shall appoint any other rating agency of international standing which is prepared to issue a Credit Rating with respect to the Company and which is acceptable to the Majority Lenders (acting reasonably) to issue a Credit Rating with respect to the Company. If any other rating agency is appointed under this paragraph (b), the Parties agree to amend this Agreement to make appropriate amendments to the definition of “Margin”.

31.17 Cancellation of Existing Credit Facilities

The Company shall, no later than the Funding Date: (i) deliver to the agent under the Existing Credit Facilities a notice of immediate cancellation of the available facilities under the Existing Credit Facilities and (ii) provide to the Agent a copy of such notice.

31.18 Shareholders’ Approval – the Company

The Company shall procure that a Shareholders’ Approval is obtained and provide to the Agent a copy of the relevant resolutions of the shareholders of the Company together with evidence that an extract of the resolutions has been filed with the clerk of the relevant commercial court in accordance with article 556 of the Belgian Companies Act no later than the date falling one month after the annual general meeting of shareholders in respect of the financial year ended 31 December 2015 (or, if earlier, one month after the first shareholders’ meeting of the Company which is convened after the Amendment and Restatement Date).

31.19 Sanctions

(a) No Obligor shall to its knowledge use the proceeds of any Utilisation or lend, contribute, or otherwise make available such proceeds to fund any activities or business of any person who is, at the time of such funding, a designated target of Sanctions or in a Sanctioned Country (other than, in relation to a Sanctioned Country, in respect of business operated or conducted in compliance with Sanctions applicable to that Sanctioned Country in all material respects), to the extent such action would reasonably be expected to result in any Finance Party becoming in breach of its legal obligations in respect of any Sanctions.

(b) The Parties acknowledge that moneys are fungible and therefore agree that the co-mingling of the proceeds of a Loan with general funds within the Group will not of itself constitute a breach of this Clause 31.19. A statement in a Utilisation Request as to the intended use of proceeds of the relevant Utilisation is conclusive in the absence of manifest error.
Each of the events or circumstances set out in this Clause 32 is an Event of Default (save for Clause 32.14 (Acceleration)).

An Obligor does not pay on the due date any amount payable pursuant to a Finance Document at the place at and in the currency in which it is expressed to be payable unless:

(c) The Company shall maintain policies and procedures designed to promote and achieve compliance with Sanctions applicable to the Group and the Group’s business.

(d) In relation to each Finance Party that notifies the Agent that it is a “Restricted Finance Party” for the purposes of this Clause 31.19, the undertakings in this Clause 31.19 shall only apply for the benefit of that Restricted Finance Party to the extent that the sanctions provisions would not result in (i) any violation of, conflict with or liability under EU Regulation (EC) 2271/96 or (ii) a violation or conflict with Section 7 Foreign Trade And Payments Rules (AWV) (Außenwirtschaftsverordnung) (in connection with Section 4 paragraph 1 a no. 3 German Foreign Trade and Payments Act (AWG) (Außenwirtschaftsgesetz) or a similar anti-boycott statute). In connection with any amendment, waiver, determination or direction relating to any part of this Clause 31.19 of which a Restricted Finance Party does not have the benefit, the Commitments of that Restricted Finance Party (to the extent that it is a Lender) will be excluded for the purpose of determining whether the consent of the Majority Lenders has been obtained or whether the determination or direction by the Majority Lenders has been made.

31.20 Anti-corruption

(a) No Obligor shall (and the Company shall procure that no member of the Group will) knowingly use the proceeds of any Loan for any purpose which would breach applicable anti-money laundering or Anti-Corruption Laws in any material respect.

(b) The Company shall maintain policies and procedures designed to promote and achieve compliance by the Group with applicable anti-money laundering and Anti-Corruption Laws.

32. EVENTS OF DEFAULT

Each of the events or circumstances set out in this Clause 32 is an Event of Default (save for Clause 32.14 (Acceleration)).

32.1 Non-payment

An Obligor does not pay on the due date any amount payable pursuant to a Finance Document at the place at and in the currency in which it is expressed to be payable unless:

(a) its failure to pay is caused by:
   (i) administrative or technical error; or
   (ii) a Disruption Event; and

(b) payment is made within five Business Days of its due date.
32.2 **Other obligations**

(a) An Obligor does not comply with any provision of the Finance Documents (other than those referred to in Clause 32.1 (Non-payment) or paragraph (c) below).

(b) No Event of Default under paragraph (a) above will occur if the failure to comply is capable of remedy and is remedied within:

(i) (in relation to Clause 30 (Information undertakings) and Clause 31 (General Undertakings)) 15 Business Days; or

(ii) (in relation to any of the other obligations expressed to be assumed by it in any of the Finance Documents (other than referred to in Clauses 32.1 (Non-payment)) 30 Business Days, of the Agent giving notice to the Company or relevant Obligor or the Company or an Obligor becoming (or should have become when exercising normal diligence) aware of the failure to comply.

(c) The Company does not comply with any provision of Clause 31.17 (Cancellation of Existing Credit Facilities) or Clause 31.18 (Shareholders’ Approval – the Company).

32.3 **Misrepresentation**

(a) Any representation or statement made or deemed to be made by an Obligor in the Finance Documents or any other document delivered by or on behalf of any Obligor under or in connection with any Finance Document is or proves to have been incorrect or misleading in any material respect when made or deemed to be made.

(b) No Event of Default under paragraph (a) above will occur if the failure to comply is capable of remedy and is remedied within 15 Business Days of the Agent giving notice to the Company or relevant Obligor or the Company or an Obligor becoming (or should have become when exercising normal diligence) aware of the failure to comply.

32.4 **Cross default**

(a) Any Financial Indebtedness or any indebtedness under a Derivative Contract of any member of the Group is not paid when due or within any originally applicable grace period.

(b) Any Financial Indebtedness or any indebtedness under a Derivative Contract of any member of the Group is declared to be or otherwise becomes due and payable prior to its specified maturity as a result of an event of default (howsoever described).
(c) No Event of Default will occur under this Clause 32.4 (Cross default) if:

(i) the aggregate amount of Financial Indebtedness, of any indebtedness (marked to market) under a Derivative Contract and of any commitment for Financial Indebtedness falling within paragraphs (a) and (b) above is less than €100,000,000 (or its equivalent in any other currency or currencies);

(ii) in the case of paragraph (a) above, the question as to whether the relevant amount is due is being contested in good faith by the relevant member of the Group; or

(iii) in the case of paragraph (b) above, the relevant member of the Group and the Company (A) keep the Agent promptly informed of any communication made or received by the relevant member of the Group or the Company in relation thereto and deliver to the Agent without delay a copy of any such communication, and (B) have confirmed to the Agent and the Agent is satisfied that the relevant creditor(s) has (have) taken no action whatsoever with a view to declaring or considering whether to declare the relevant Financial Indebtedness due and payable (including, but without limitation, holding or calling meetings in relation thereto).

(d) In respect of any member of the Group acquired by the Company after the date of this Agreement, no Event of Default will occur under this Clause 32.4 in relation to that member of the Group for a period of 45 days after the date of that acquisition.

32.5 Insolvency

Any Obligor or any other Material Subsidiary is unable to pay its debts as they fall due, suspends making payments on all or substantially all of its debts by reason of actual or anticipated financial difficulties or commences negotiations with any one or more of its creditors (excluding any Finance Party in its capacity as such) with a view to the general readjustment or rescheduling of all or a material part of its indebtedness or makes a general assignment for the benefit of or a composition with its creditors.

32.6 Insolvency proceedings

Any Obligor or any other Material Subsidiary takes any corporate action or other steps are taken or legal proceedings are started for its winding-up, dissolution, administration, bankruptcy, moratorium or re-organisation (whether by way of voluntary arrangement, scheme of arrangement or otherwise) (other than a solvent liquidation of any dormant company or a solvent liquidation of any other Material Subsidiary which is not an Obligor) or for the appointment of a liquidator, curator, receiver, administrator, administrative receiver, conservator, custodian, trustee or similar officer of it or of any or all of its revenues and assets unless any such action, proceeding, procedure or step brought by a third party is stayed or discharged within 20 Business Days.
Clause 32.7 **Creditors’ process**

Any execution or distress is levied against, or an encumbrancer takes possession of, the whole or any part of, the property, undertaking or assets (other than a Judicial Deposit) of any Obligor or any other Material Subsidiary or any event occurs which under the laws of any jurisdiction has a similar or analogous effect **provided that** where such execution, distress or taking of possession relates to any property, undertaking or assets, it shall not be an Event of Default under this Clause 32.7 if the relevant execution, distress or taking of possession (other than a Dutch or Belgian executory attachment (*executorial beslag*)) is released or discharged within ten Business Days or the value of such property, undertaking or assets (when aggregated with the value of any other such property, undertaking or assets of the Group which are then subject to any such execution, distress or taking of possession) does not exceed €100,000,000 or the equivalent thereof in other currencies.

Clause 32.8 **Analogous Event**

Any event occurs which under the laws of any jurisdiction has a similar or analogous effect to any of those events mentioned in Clause 32.5 (*Insolvency*), Clause 32.6 (*Insolvency proceedings*) or Clause 32.7 (*Creditors’ process*).

Clause 32.9 **Unlawfulness and invalidity**

It is or becomes unlawful for an Obligor to perform any of its obligations under the Finance Documents.

Clause 32.10 **Ownership of the Obligors**

Any Obligor (other than the Company) ceases to be a Subsidiary of the Company other than pursuant to a resignation of a Guarantor in accordance with Clause 34.5 (*Resignation of a Guarantor*).

Clause 32.11 **Repudiation and rescission of agreements**

An Obligor (or any other relevant party) rescinds or purports to rescind or repudiates or purports to repudiate a Finance Document or evidences an intention to rescind or repudiate a Finance Document.

Clause 32.12 **Litigation**

Any litigation, arbitration, administrative, governmental, regulatory or other investigations, proceedings or disputes are commenced or threatened in relation to the Finance Documents or the transactions contemplated in the Finance Documents or against any member of the Group or its assets which would reasonably be expected to have a Material Adverse Effect.

Clause 32.13 **ERISA**

(a) Any ERISA Event shall have occurred with respect to a Plan and the sum (determined as of the date of occurrence of such ERISA Event) of the Insufficiency of such Plan and the Insufficiency of any and all other Plans with respect to which an ERISA Event shall have occurred and then exist (or
the liability of the Obligors and the ERISA Affiliates related to such ERISA Event) is an amount that has or would reasonably be expected to have a Material Adverse Effect.

(b) Any Obligor or any ERISA Affiliate shall have been notified by the sponsor of a Multiemployer Plan that it has incurred Withdrawal Liability to such Multiemployer Plan in an amount that, when aggregated with all other amounts required to be paid to Multiemployer Plans by the Obligors and the ERISA Affiliates as Withdrawal Liability (determined as of the date of such notification), has or would reasonably be expected to have a Material Adverse Effect or requires payments in an amount that has or would reasonably be expected to have a Material Adverse Effect.

(c) Any Obligor or any ERISA Affiliate shall have been notified by the sponsor of a Multiemployer Plan that such Multiemployer Plan is in reorganisation or is being terminated, within the meaning of Title IV of ERISA, and as a result of such reorganisation or termination the aggregate annual contributions of the Obligors and the ERISA Affiliates to all Multiemployer Plans that are then in reorganisation or being terminated have been or will be increased over the amounts contributed to such Multiemployer Plans for the plan years of such Multiemployer Plans immediately preceding the plan year in which such reorganisation or termination occurs by an amount that has or would reasonably be expected to have a Material Adverse Effect.

32.14 Acceleration

On and at any time after the occurrence of an Event of Default which is continuing the Agent may, and shall if so directed by the Majority Lenders, by notice to the Company:

(a) cancel the Total Commitments whereupon they shall immediately be cancelled;

(b) declare that all or part of the Utilisations, together with accrued interest, and all other amounts accrued or outstanding under the Finance Documents be immediately due and payable, whereupon they shall become immediately due and payable;

(c) declare that all or part of the Utilisations be payable on demand, at which time they shall immediately become payable on demand by the Agent on the instructions of the Majority Lenders;

(d) declare that cash cover in respect of each Letter of Credit is immediately due and payable at which time it shall become immediately due and payable;

(e) declare that cash cover in respect of each Letter of Credit is payable on demand at which time it shall immediately become due and payable on demand by the Agent on the instructions of the Majority Lenders; and/or

(f) following the taking of any action referred to in paragraphs (a) or (b) above, by notice to any Dutch Obligor, require that Dutch Obligor to give a guarantee or Security in favour of the Finance Parties and/or the Agent and that Dutch Obligor must comply with that request.
If an Event of Default under Clause 32.5 (Insolvency) or Clause 32.6 (Insolvency proceedings) shall occur in respect of any Obligor incorporated in the United States, then without notice to such Obligor or any other act by the Agent or any other person, the Loans to such Obligor, interest thereon and all other amounts owed by such Obligor under the Finance Documents shall become immediately due and payable without presentment, demand, protest or notice of any kind, all of which are expressly waived.

32.15 Non-Material Obligors

Notwithstanding anything to the contrary in any of the Finance Documents, if any event or circumstance occurs in relation to any Non-Material Obligor or any Finance Documents executed by a Non-Material Obligor which would in respect of any provision which by its terms refers to an Obligor (in its capacity as Obligor) (a) be a breach of contract or misrepresentation, (b) be a Default or (c) entitle the Lenders to terminate or reduce the Commitments or require prepayment of all or part of the Loans (each a “Relevant Event”), no Relevant Event shall be deemed to have occurred or be continuing as a result of the occurrence of such event or circumstance solely in relation to a Non Material Obligor unless:

(a) one or more such events or circumstances has occurred and is continuing which affects one or more Non-Material Obligors which, if they were a single entity on the last day of the most recent Test Date in respect of which financial statements are available, would have constituted a Material Subsidiary; or

(b) such event or circumstance would reasonably be expected to have a Material Adverse Effect.

32.16 Anti-corruption

Notwithstanding anything to the contrary in the Finance Documents, if:

(a) any event or circumstance occurs which might otherwise give rise to a breach of contract or misrepresentation under Clause 29.17 (Anti-corruption) or Clause 31.20 (Anti-corruption) by reason of any failure by the Company or any member of the Group to comply with any anti-money laundering or Anti-Corruption Law; and

(b) the relevant failure to comply with anti-money laundering or Anti-Corruption Laws is disputed in good faith by the Company or the relevant member of the Group,

the relevant event or circumstance, potential breach of contract or potential misrepresentation or potential failure to comply with any anti-money laundering or Anti-Corruption Law shall not constitute a misrepresentation or breach of obligation or Default or Event of Default under any Finance Document save to the extent the Company or the relevant member of the Group have been found to have been in breach of the relevant anti-money laundering or Anti-Corruption Law in a non-appealable decision from a court of competent jurisdiction in relation to such anti-money laundering or Anti-Corruption Law.

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33. **CHANGES TO THE LENDERS**

33.1 **Assignments and transfers by the Lenders**

Subject to this Clause 33, a Lender (the “Existing Lender”) may:

(a) assign any of its rights; or

(b) transfer by novation any of its rights and obligations,

under any Finance Document to another bank or financial institution or to a trust, fund or other entity which is regularly engaged in or established for the purpose of making, purchasing or investing in loans, securities or other financial assets (the “New Lender”).

33.2 **Conditions of assignment or transfer**

(a) The consent of:

(i) the Issuing Bank; and

(ii) the Company (such consent not to be unreasonably withheld and deemed to be given five days after the Company receives notice of request for such consent by an Existing Lender unless expressly refused),

is required for any assignment or transfer by an Existing Lender of its rights and/or obligations under the Revolving Facility, unless (in the case of any consent which would otherwise be required to be obtained from the Company) the assignment or transfer is:

(A) to another Lender or an Affiliate of a Lender;

(B) if the Existing Lender is a fund, to a fund which is a Related Fund of the Existing Lender; or

(C) made at a time when an Event of Default is continuing.

(b) Any partial assignment or transfer must be in an amount of at least US$10,000,000 or, if less, the whole of the Existing Lender’s participation or Commitment.

(c) An assignment will only be effective on:

(i) receipt by the Agent of written confirmation from the New Lender (in form and substance satisfactory to the Agent) that the New Lender will assume the same obligations to the other Finance Parties and the Obligors as it would have been under if it was an Original Lender;
then the New Lender or Lender acting through its new Facility Office is only entitled to receive payment under those Clauses to the same extent as the Existing Lender or Lender acting through its previous Facility Office would have been if the assignment, transfer or change had not occurred.

Unless the Agent otherwise agrees and excluding an assignment or transfer (a) to an Affiliate of a Lender, (b) to a Related Fund or (c) made in connection with primary syndication of the Facilities, the New Lender shall, on the date upon which an assignment or transfer takes effect, pay to the Agent (for its own account) a fee of US$2,500.

(ii) the performance by the Agent of all necessary “know your customer” or other similar checks under all applicable laws and regulations in relation to such assignment to a New Lender, the completion of which the Agent shall promptly notify to the Existing Lender and the New Lender; and

(iii) to the extent that the consent of the Company is required pursuant to Clause (a) above, receipt by the Agent of written confirmation from the Company that it consents to such assignment (such confirmation not to be unreasonably withheld or delayed) (unless the Company has failed to respond to a written request from the Agent for its consent within 5 Business Days of the date on which that written request was made).

(d) A transfer will only be effective if the procedure set out in Clause 33.5 (Procedure for transfer) is complied with.

(e) If:

(i) a Lender assigns or transfers any of its rights or obligations under the Finance Documents or changes its Facility Office; and

(ii) as a result of circumstances existing at the date the assignment, transfer or change occurs, an Obligor would be obliged to make a payment to the New Lender or Lender acting through its new Facility Office under Clause 23 (Tax Gross-up and Indemnities) or Clause 24 (Increased Costs), then the New Lender or Lender acting through its new Facility Office is only entitled to receive payment under those Clauses to the same extent as the Existing Lender or Lender acting through its previous Facility Office would have been if the assignment, transfer or change had not occurred.

33.3 Assignment or transfer fee

Unless the Agent otherwise agrees and excluding an assignment or transfer (a) to an Affiliate of a Lender, (b) to a Related Fund or (c) made in connection with primary syndication of the Facilities, the New Lender shall, on the date upon which an assignment or transfer takes effect, pay to the Agent (for its own account) a fee of US$2,500.

33.4 Limitation of responsibility of Existing Lenders

(a) Unless expressly agreed to the contrary, an Existing Lender makes no representation or warranty and assumes no responsibility to a New Lender for:

(i) the legality, validity, effectiveness, adequacy or enforceability of the Finance Documents or any other documents;

(ii) the financial condition of any Obligor;
(iii) the performance and observance by any Obligor or any other member of the Group of its obligations under the Finance Documents or any other documents; or

(iv) the accuracy of any statements (whether written or oral) made in or in connection with any Finance Document or any other document,

and any representations or warranties implied by law are excluded.

(b) Each New Lender confirms to the Existing Lender and the other Finance Parties that it:

(i) has made (and shall continue to make) its own independent investigation and assessment of the financial condition and affairs of each Obligor and its related entities in connection with its participation in this Agreement and has not relied exclusively on any information provided to it by the Existing Lender in connection with any Finance Document; and

(ii) will continue to make its own independent appraisal of the creditworthiness of each Obligor and its related entities whilst any amount is or may be outstanding under the Finance Documents or any Commitment is in force.

(c) Nothing in any Finance Document obliges an Existing Lender to:

(i) accept a re-transfer from a New Lender of any of the rights and obligations assigned or transferred under this Clause 33; or

(ii) support any losses directly or indirectly incurred by the New Lender by reason of the non performance by any Obligor of its obligations under the Finance Documents or otherwise.

33.5 Procedure for transfer

(a) Subject to the conditions set out in Clause 33.2 (Conditions of assignment or transfer) a transfer is effected in accordance with paragraph (c) below when the Agent executes an otherwise duly completed Transfer Certificate delivered to it by the Existing Lender and the New Lender. The Agent shall, subject to paragraph (b) below, as soon as reasonably practicable after receipt by it of a duly completed Transfer Certificate appearing on its face to comply with the terms of this Agreement and delivered in accordance with the terms of this Agreement, execute that Transfer Certificate.

(b) The Agent shall only be obliged to execute a Transfer Certificate delivered to it by the Existing Lender and the New Lender upon its completion of all “know your customer” or other checks relating to any person that it is required to carry out in relation to the transfer to such New Lender. To the extent that the consent of the Company to the relevant transfer is required pursuant to Clause 33.2 (Conditions of assignment or transfer), the Agent shall only execute the relevant Transfer Certificate to the extent that either (i) the Company has confirmed in writing that it consents to such transfer (such
confirmation not to be unreasonably withheld or delayed) or (ii) the Company has failed to respond to a written request from the Agent for its consent within 5 Business Days of the date on which that written request was made.

(c) On the Transfer Date:

(i) to the extent that in the Transfer Certificate the Existing Lender seeks to transfer by novation its rights and obligations under the Finance Documents, each of the Obligors and the Existing Lender shall be released from further obligations towards one another under the Finance Documents and their respective rights against one another under the Finance Documents shall be cancelled (being the "Discharged Rights and Obligations");

(ii) each of the Obligors and the New Lender shall assume obligations towards one another and/or acquire rights against one another which differ from the Discharged Rights and Obligations only insofar as that Obligor or other member of the Group and the New Lender have assumed and/or acquired the same in place of that Obligor and the Existing Lender;

(iii) the Agent, the Arrangers, the New Lender, the other Lenders and the Issuing Bank shall acquire the same rights and assume the same obligations between themselves as they would have acquired and assumed had the New Lender been an Original Lender with the rights, and/or obligations acquired or assumed by it as a result of the transfer and to that extent the Agent, the Arrangers and the Issuing Bank and the Existing Lender shall each be released from further obligations to each other under the Finance Documents; and

(iv) the New Lender shall become a Party as a “Lender”.

33.6 Copy of Transfer Certificate or Increase Confirmation to Company

The Agent shall, as soon as reasonably practicable after it has executed a Transfer Certificate or an Increased Confirmation, send to the Company a copy of that Transfer Certificate or Increase Confirmation for, but not limited thereto, the purpose of notifying the transfer to the Company.

33.7 Disclosure of information

(a) Any Lender may disclose any information about any Obligor, the Group or the Finance Documents as that Lender shall consider appropriate to:

(i) any of its Affiliates and any other person:

   (A) to (or through) whom that Lender assigns or transfers (or may potentially assign or transfer) all or any of its rights and obligations under the Finance Documents;

   (B) with (or through) whom that Lender enters into (or may potentially enter into) any sub participation in relation to, or any other transaction under which payments are to be made by reference to the Finance Documents or any Obligor; or

   (C) to whom, and to the extent that, information is required to be disclosed by any applicable law or regulation;

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(ii) a rating agency or its professional advisers, or (with the consent of the Company) any other person; or

(iii) any person for the purpose of obtaining credit risk insurance with respect to any Obligor, the Group or the Finance Documents,

provided that, in relation to any disclosure under paragraphs (i)(A) and (B) above, the person to whom the information is to be given enters into a Confidentiality Undertaking.

(b) Any Confidentiality Undertaking signed by a Lender pursuant to this Clause 33.7 shall supersede any prior confidentiality undertaking signed by such Lender for the benefit of any member of the Group.

33.8 Disclosure to numbering service providers

(a) Any Finance Party may disclose to any national or international numbering service provider appointed by that Finance Party to provide identification numbering services in respect of this Agreement, the Facilities and/or one or more Obligors the following information:

(i) names of Obligors;

(ii) country of domicile of Obligors;

(iii) place of incorporation of Obligors;

(iv) date of this Agreement;

(v) Clause 48 (Governing Law);

(vi) the names of the Agent and the Arrangers;

(vii) date of each amendment and restatement of this Agreement;

(viii) amounts of, and names of, the Facilities (and any tranches);

(ix) amount of Total Revolving Facility Commitments;

(x) currencies of the Facilities;

(xi) type of Facilities;

(xii) ranking of Facilities;

(xiii) Final Termination Date for Facilities;
(xv) such other information agreed between such Finance Party and the Company,

to enable such numbering service provider to provide its usual syndicated loan numbering identification services.

(b) The Parties acknowledge and agree that each identification number assigned to this Agreement, the Facilities and/or one or more Obligors by a numbering service provider and the information associated with each such number may be disclosed to users of its services in accordance with the standard terms and conditions of that numbering service provider.

(c) The Company represents that none of the information set out in paragraphs (i) to (xv) of paragraph (a) above is, nor will at any time be, unpublished price-sensitive information.

33.9 Security over Lenders’ rights

In addition to the other rights provided to Lenders under this Clause 33, each Lender may without consulting with or obtaining consent from any other Party, at any time charge, assign or otherwise create Security in or over (whether by way of collateral or otherwise) all or any of its rights under any Finance Document to secure obligations of that Lender to a federal reserve, central or supranational bank, except that no such charge, assignment or other Security shall:

(a) release a Lender from any of its obligations under the Finance Documents or substitute the beneficiary of the relevant charge, assignment or Security for the Lender as a party to any of the Finance Documents; or

(b) require any payments to be made by an Obligor or grant to any person any more extensive rights than those required to be made or granted to the relevant Lender under the Finance Documents,

and provided further that under no circumstance shall such central or supranational bank be considered a Lender hereunder or be entitled to require the assigning or pledging Lender to take, or refrain from, action hereunder.

33.10 Lender Affiliates and Facility Office

(a) In respect of a Loan or Loans to a particular Borrower (“Designated Loans”) a Lender (a “Designating Lender”) may subject to the conditions and limitations in this Clause 33.10 at any time and from time to time designate (by written notice to the Agent and the Company):

(i) a substitute Facility Office from which it will make Designated Loans (a “Substitute Facility Office”); or

(ii) one of its Affiliates to act as the Lender in respect of the Designated Loans (a “Substitute Affiliate Lender”).

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(b) Subject to paragraph (c) below, no Lender or Substitute Affiliate Lender shall be entitled to request or exercise any right to any payment, indemnification or other compensation or alternative pricing or cancellation or termination under any of Clauses 16.1 (Illegality), 21 (Changes to the Calculation of Interest), 23 (Tax Gross-up and Indemnities), 24 (Increased Costs), 25 (Other Indemnities), 27 (Costs and Expenses) or any other provision under this Agreement to the extent the relevant Tax, costs or expense or event or circumstance giving rise to any right to cancellation or termination or compensation directly or indirectly relates to or results from the designation or maintaining of any designation of the Substitute Facility Office or the Substitute Affiliate Lender.

(c) Notwithstanding paragraph (b) above, a Substitute Affiliate Lender shall be deemed to be a Lender for the purposes of Clause 16.1 (Illegality) and shall be entitled to rely on such Clause in respect of itself and its own obligations as a Lender hereunder.

(d) A notice to nominate a Substitute Facility Office or Substitute Affiliate Lender must be in the form set out in Schedule 12 (Form of Substitute Facility Office or Substitute Affiliate Lender Designation Notice) and be countersigned (in the case of a Substitute Affiliate Lender Designation Notice) by the relevant Substitute Affiliate Lender confirming it will be bound as a Lender under this Agreement in respect of the Designated Loans in respect of which it acts as Lender.

(e) The Designating Lender will act as the representative of any Substitute Affiliate Lender that it nominates for all administrative purposes under this Agreement and will remain fully liable for the performance of the Substitute Affiliate Lender’s obligations hereunder (including, but not limited to, in circumstances in which it becomes unlawful in any applicable jurisdiction for a Substitute Affiliate Lender to perform any of its obligations as a Lender or to fund or maintain its participation in any Designated Loan). The Obligors, the Agent and the other Finance Parties will be entitled to deal only with the Designating Lender, except that payments will be made in respect of Designated Loans to the Facility Office of the Substitute Affiliate Lender. In particular the Commitments of the Designating Lender will not be treated as reduced by the introduction of the Substitute Affiliate Lender for voting purposes under this Agreement or the other Finance Documents. Nothing in this paragraph (e) shall apply to the extent that: (i) the Designating Lender would be in breach of law or regulation applicable to it if it were to participate in the relevant Utilisation; and (ii) the Designating Lender would also be in breach of law or regulation applicable to it if it were to remain liable and responsible for the performance of the applicable obligations assumed by the relevant branch or Affiliate on its behalf.

(f) Save as mentioned in paragraph (e) above, a Substitute Affiliate Lender will be treated as a Lender for all purposes under the Finance Documents and having a Commitment equal to the principal amount of all Designated Loans in which it is participating if and for so long as it continues to be a Substitute Affiliate Lender under this Agreement.

(g) A Designating Lender may revoke its designation of an Affiliate as a Substitute Affiliate Lender by notice in writing to the Agent and the Company provided that such notice may only take effect when there are no Designated Loans outstanding to the Substitute Affiliate Lender. Upon such Substitute Affiliate Lender ceasing to be a Substitute Affiliate Lender the Designating Lender will automatically assume (and be deemed to assume without further action by any Party) all rights and obligations previously vested in the Substitute Affiliate Lender.
33.11 **Maintenance of Register**

The Agent, acting solely for this purpose as agent for the Borrowers, shall maintain at one of its offices a register for the recordation of the names and addresses of the Lenders, and the principal and interest amount owing to each Lender, pursuant to the terms hereof from time to time (the “Register”). Any transfer or assignment pursuant to this Clause 33 shall be effective only upon recordation of such transfer in the Register, and the Borrowers may treat each person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The right to the principal of, and interest on, the loan facility may be transferred or assigned only if such transfer or assignment is recorded in the Register. The Register shall be available for inspection by the Company and any Lender, at any reasonable time upon reasonable prior notice.

34. **CHANGES TO THE OBLIGORS**

34.1 **Assignment and transfers by Obligors**

No Obligor may assign any of its rights or transfer any of its rights or obligations under the Finance Documents.

34.2 **Additional Borrowers**

(a) Subject to compliance with the provisions of paragraphs (c) and (d) of Clause 30.6 (“Know your customer” checks), the Company may request that any of its wholly-owned Subsidiaries becomes a Borrower. That Subsidiary shall become a Borrower if:

(i) if all the Lenders under the relevant Facility under which that Subsidiary will become a Borrower approve the addition of that Subsidiary;

(ii) subject to the Guarantee Principles, that Subsidiary also becomes a Guarantor;

(iii) the Company and that Subsidiary deliver to the Agent a duly completed and executed Accession Letter;

(iv) the Company confirms that no Default is continuing or would occur as a result of that Subsidiary becoming an Additional Borrower; and

(v) the Agent has received all of the documents and other evidence listed in Part 2 of Schedule 2 (Conditions Precedent) in relation to that Additional Borrower, each in form and substance satisfactory to the Agent.

(b) The Agent shall notify the Company and the Lenders promptly upon being satisfied that it has received (in form and substance satisfactory to it) all the documents and other evidence listed in Part 2 of Schedule 2 (Conditions Precedent).
34.3 Resignation of a Borrower

(a) The Company may request that a Borrower ceases to be a Borrower by delivering to the Agent a Resignation Letter.

(b) The Agent shall accept a Resignation Letter and notify the Company and the Lenders of its acceptance if:
   (i) no Default is continuing or would result from the acceptance of the Resignation Letter; and
   (ii) the Borrower is under no actual or contingent obligations as a Borrower under any Finance Documents.

(c) Upon notification by the Agent to the Company of its acceptance of the resignation of a Borrower, that company shall cease to be a Borrower and shall have no further rights or obligations under the Finance Documents as a Borrower.

34.4 Additional Guarantors

(a) Subject to compliance with the provisions of paragraphs (b) and (c) of Clause 30.6 ("Know your customer" checks), the Company may request that any of its wholly-owned Subsidiaries become a Guarantor.

(b) A member of the Group shall become an Additional Guarantor if:
   (i) the Company and the proposed Additional Guarantor deliver to the Agent a duly completed and executed Accession Letter; and
   (ii) the Agent has received all of the documents and other evidence listed in Part 2 of Schedule 2 (Conditions Precedent) in relation to that Additional Guarantor, each in form and substance satisfactory to the Agent.

(c) The Agent shall notify the Company and the Lenders promptly upon being satisfied that it has received (in form and substance satisfactory to it) all the documents and other evidence listed in Part 2 of Schedule 2 (Conditions Precedent).

(d) Any limitations on the scope of the Additional Guarantor’s obligations agreed with the Agent and set out in an Accession Letter shall take effect in accordance with these terms.
34.5 Resignation of a Guarantor
(a) In this Clause 34.5 (Resignation of a Guarantor), “Third Party Disposal” means the disposal of an Obligor to a person which is not a member of the Group.
(b) The Company may request that a Guarantor (other than the Company or Anheuser-Busch) ceases to be a Guarantor by delivering to the Agent a Resignation Letter.
(c) The Agent shall accept a Resignation Letter and notify the Company and the Lenders of its acceptance if:
   (i) the Guarantor is an Original Guarantor and the Super Majority Lenders have consented to the resignation of that Guarantor; or
   (ii) that Guarantor is not an Original Guarantor and the Majority Lenders have consented to the resignation of that Guarantor; or
   (iii) that Guarantor is being disposed of by way of a Third Party Disposal; and
       (A) no Default is continuing or would result from the acceptance of the Resignation Letter or, in the case of a disposal of a Guarantor, no Default exists on the date on which the obligation to dispose of such Guarantor is entered into; and
       (B) no payment is due from the Guarantor under Clause 28.1 (Guarantee and indemnity).
(d) The Guarantor shall cease to be a Guarantor upon notification by the Agent to the Company of its acceptance of the resignation of a Guarantor or, where such resignation is made in connection with a Third Party Disposal and provided that the conditions in (A) to (B) above are satisfied, on the date on which the relevant Third Party Disposal is consummated.

34.6 Repetition of Representations
Delivery of an Accession Letter constitutes confirmation by the relevant Subsidiary that the Repeating Representations are true and correct in relation to it as at the date of delivery as if made by reference to the facts and circumstances then existing.

35.1 Appointment of the Agent
(a) Each of the Arrangers, the Lenders and the Issuing Bank appoints the Agent to act as its agent under and in connection with the Finance Documents.
(b) Each of the Arrangers, the Lenders and the Issuing Bank authorises the Agent to exercise the rights, powers, authorities and discretions specifically given to the Agent under or in connection with the Finance Documents together with any other incidental rights, powers, authorities and discretions.
35.2 **Duties of the Agent**

(a) The Agent shall promptly forward to a Party the original or a copy of any document which is delivered to the Agent for that Party by any other Party.

(b) Except where a Finance Document specifically provides otherwise, the Agent is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party.

(c) If the Agent receives notice from a Party referring to this Agreement, describing a Default and stating that the circumstance described is a Default, it shall promptly notify the other Finance Parties.

(d) If the Agent is aware of the non-payment of any principal, interest, commitment fee or other fee payable to a Finance Party (other than the Agent or the Arrangers) under this Agreement it shall promptly notify the other Finance Parties.

(e) The Agent’s duties under the Finance Documents are solely mechanical and administrative in nature.

(f) The Agent shall, if so requested by the Company from time to time, provide to the Company a list (which may be in electronic form) setting out the names of the Lenders, their respective Commitments, the address and fax number (and the department or officer, if any, for whose attention any communication is to be made) of each Lender for any communication to be made or document to be delivered under or in connection with the Finance Documents, the electronic mail address and/or any other information required to enable the sending and receipt of information by electronic mail or other electronic means to and by each Lender to whom any communication under or in connection with the Finance Documents may be made by that means and the account details of each Lender for any payment to be distributed by the Agent to that Lender under the Finance Documents.

35.3 **Role of the Arrangers**

Except as specifically provided in the Finance Documents, the Arrangers have no obligations of any kind to any other Party under or in connection with any Finance Document.

35.4 **No fiduciary duties**

(a) Nothing in this Agreement constitutes the Agent, the Arrangers and/or the Issuing Bank as a trustee or fiduciary of any other person.

(b) None of the Agent, the Arrangers or the Issuing Bank shall be bound to account to any Lender for any sum or the profit element of any sum received by it for its own account.
35.5 **Business with the Group**

The Agent, the Arrangers and the Issuing Bank may accept deposits from, lend money to and generally engage in any kind of banking or other business with any member of the Group.

35.6 **Rights and discretions**

(a) The Agent and the Issuing Bank may rely on:

(i) any representation, notice or document believed by it to be genuine, correct and appropriately authorised; and

(ii) any statement made by a director, authorised signatory or employee of any person regarding any matters which may reasonably be assumed to be within his knowledge or within his power to verify.

(b) The Agent may assume (unless it has received notice to the contrary in its capacity as agent for the Lenders) that:

(i) no Default has occurred (unless it has actual knowledge of a Default arising under Clause 32.1 *(Non-payment)*);

(ii) any right, power, authority or discretion vested in any Party or the Majority Lenders has not been exercised; and

(iii) any notice or request made by the Company (other than a Utilisation Request) is made on behalf of and with the consent and knowledge of all the Obligors.

(c) The Agent and the Issuing Bank may engage, pay for and rely on the advice or services of any lawyers, accountants, surveyors or other experts.

(d) The Agent and the Issuing Bank may act in relation to the Finance Documents through its personnel and agents.

(e) The Agent may disclose to any other Party any information it reasonably believes it has received as agent under this Agreement.

(f) Without prejudice to the generality of paragraph (e) above, the Agent may disclose the identity of a Defaulting Lender to the other Lenders and the Company and shall disclose the same upon the written request of the Company or the Majority Lenders.

(g) Notwithstanding any other provision of any Finance Document to the contrary, none of the Agent, the Arrangers or the Issuing Bank is obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality.
35.7 **Majority Lenders’ instructions**

(a) Unless a contrary indication appears in a Finance Document, the Agent shall (i) exercise any right, power, authority or discretion vested in it as Agent in accordance with any instructions given to it by the Majority Lenders (or, if so instructed by the Majority Lenders, refrain from exercising any right, power, authority or discretion vested in it as Agent) and (ii) not be liable for any act (or omission) if it acts (or refrains from taking any action) in accordance with an instruction of the Majority Lenders.

(b) Unless a contrary indication appears in a Finance Document, any instructions given by the Majority Lenders will be binding on all the Finance Parties.

(c) The Agent may refrain from acting in accordance with the instructions of the Majority Lenders (or, if appropriate, the Lenders) until it has received such security as it may require for any cost, loss or liability (together with any associated VAT) which it may incur in complying with the instructions.

(d) In the absence of instructions from the Majority Lenders, (or, if appropriate, the Lenders) the Agent may act (or refrain from taking action) as it considers to be in the best interest of the Lenders.

(e) The Agent is not authorised to act on behalf of a Lender (without first obtaining that Lender’s consent) in any legal or arbitration proceedings relating to any Finance Document.

35.8 **Responsibility for documentation**

None of the Agent, the Arrangers or the Issuing Bank:

(a) is responsible for the adequacy, accuracy and/or completeness of any information (whether oral or written) supplied by the Agent, the Arrangers, the Issuing Bank, an Obligor or any other person given in or in connection with any Finance Document; or

(b) is responsible for the legality, validity, effectiveness, adequacy or enforceability of any Finance Document or any other agreement, arrangement or document entered into, made or executed in anticipation of or in connection with any Finance Document.

35.9 **Exclusion of liability**

(a) Without limiting paragraph (b) below (and without prejudice to the provisions of paragraph (e) of Clause 38.11 (Disruption to Payment Systems etc.)), neither the Agent nor the Issuing Bank will be liable (including, without limitation, for negligence or any other category of liability whatsoever) for any action taken by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct.

(b) No Party (other than the Agent or the Issuing Bank) may take any proceedings against any officer, employee or agent of the Agent or the Issuing Bank (as applicable), in respect of any claim it might have against the Agent or the
Issuing Bank (as applicable) or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Finance Document and any officer, employee or agent of the Agent or the Issuing Bank (as applicable) may rely on this Clause subject to Clause 1.6 (Third party rights) and the provisions of the Third Parties Act.

(c) The Agent will not be liable for any delay (or any related consequences) in crediting an account with an amount required under the Finance Documents to be paid by the Agent if the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.

(d) Nothing in this Agreement shall oblige the Agent or the Arrangers to carry out any “know your customer” or other checks in relation to any person on behalf of any Lender and each Lender confirms to the Agent and the Arrangers that it is solely responsible for any such checks it is required to carry out and that it may not rely on any statement in relation to such checks made by the Agent or the Arrangers.

35.10 Lenders’ indemnity to the Agent

Each Lender shall (in proportion to its share of the Total Commitments or, if the Total Commitments are then zero, to its share of the Total Commitments immediately prior to their reduction to zero) indemnify the Agent, within three Business Days of demand, against any cost, loss or liability (including, without limitation, for negligence or any other category of liability whatsoever) incurred by the Agent (otherwise than by reason of the Agent’s gross negligence or wilful misconduct) (or, in the case of any cost, loss or liability pursuant to Clause 38.11 (Disruption to Payment Systems etc.) notwithstanding the Agent’s negligence, gross negligence or any other category of liability whatsoever but not including any claim based on the fraud of the Agent in acting as Agent under the Finance Documents (unless the Agent has been reimbursed by an Obligor pursuant to a Finance Document).

35.11 Resignation of the Agent

(a) The Agent may resign and appoint one of its Affiliates acting through an office in the United Kingdom as successor by giving notice to the other Finance Parties and the Company.

(b) Alternatively the Agent may resign by giving notice to the other Finance Parties and the Company, in which case the Majority Lenders (after consultation with the Company) may appoint a successor Agent.

(c) If the Majority Lenders have not appointed a successor Agent in accordance with paragraph (b) above within thirty days after notice of resignation was given, the Agent (after consultation with the Company) may appoint a successor Agent (acting through an office in the United Kingdom, Luxembourg or Belgium).
(d) The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.

(e) The Agent’s resignation notice shall only take effect upon the appointment of a successor.

(f) Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of this Clause 35. Its successor and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.

(g) The Agent shall resign in accordance with paragraph (b) above (and, to the extent applicable, shall use reasonable endeavours to appoint a successor Agent pursuant to paragraph (c) above) if on or after the date which is three months before the earliest FATCA Application Date relating to any payment to the Agent under the Finance Documents, either:

(i) the Agent fails to respond to a request under Clause 23.7 (FATCA Information) and the Company or a Lender reasonably believes that the Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date;

(ii) the information supplied by the Agent pursuant to Clause 23.7 (FATCA Information) indicates that the Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date; or

(iii) the Agent notifies the Company and the Lenders that the Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date;

and (in each case) the Company or a Lender reasonably believes that a Party will be required to make a FATCA Deduction that would not be required if the Agent were a FATCA Exempt Party, and the Company or that Lender, by notice to the Agent, requires it to resign.

35.12 Replacement of the Agent

(a) After consultation with the Company, the Majority Lenders may, by giving 30 days’ written notice to the Agent (or, at any time the Agent is an Impaired Agent, by giving any shorter notice determined by the Majority Lenders) replace the Agent by appointing a successor Agent (acting through an office in the United Kingdom, Luxembourg or Belgium).

(b) The retiring Agent shall (at its own cost if it is an Impaired Agent and otherwise at the expense of the Lenders), make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.
(c) The appointment of the successor Agent shall take effect on the date specified in the notice from the Majority Lenders to the retiring Agent. As from this date, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of this Clause 35 (and any agency fees for the account of the retiring Agent shall cease to accrue from (and shall be payable on) that date).

(d) Any successor and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.

35.13 Resignation of the Issuing Bank

(a) The Issuing Bank may resign and appoint a successor Issuing Bank with the prior consent of the Agent and the beneficiary of each Letter of Credit issued by the retiring Issuing Bank by giving notice to the Company and the Agent.

(b) The resignation of the Issuing Bank and the appointment of any successor Issuing Bank will both become effective only when the successor Issuing Bank notifies all the Parties and the beneficiary of each Letter of Credit issued by the retiring Issuing Bank that it accepts its appointment. Upon giving the notification the successor Issuing Bank will succeed to the position of the Issuing Bank and the term “Issuing Bank” will mean the successor Issuing Bank.

(c) The retiring Issuing Bank must, at its own cost:

(i) make available to the successor Issuing Bank those documents and records and provide any assistance as the successor Issuing Bank may reasonably request for the purposes of performing its functions as the Issuing Bank under the Finance Documents; and

(ii) enter into and deliver to the successor Issuing Bank those documents and effect any registrations as may be required for the transfer or assignment of all of its rights and benefits under the Finance Documents to the successor Issuing Bank.

(d) Upon its resignation becoming effective, this Clause will continue to benefit the retiring Issuing Bank in respect of any action taken or not taken by it in connection with the Finance Documents while it was the Issuing Bank, and, subject to paragraph (c) above, it will have no further obligations under any Finance Document.

35.14 Confidentiality

(a) In acting as agent for the Finance Parties, the Agent shall be regarded as acting through its agency division which shall be treated as a separate entity from any other of its divisions or departments.
The Agent may treat each Lender as a Lender, entitled to payments under this Agreement and acting through its Facility Office unless it has received not less than five Business Days’ prior notice from that Lender to the contrary in accordance with the terms of this Agreement.

Without affecting the responsibility of any Obligor for information supplied by it or on its behalf in connection with any Finance Document, each Lender confirms to the Agent, the Arrangers and the Issuing Bank that it has been, and will continue to be, solely responsible for making its own independent appraisal and investigation of all risks arising under or in connection with any Finance Document including but not limited to:

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35.15 Relationship with the Lenders

The Agent may treat each Lender as a Lender, entitled to payments under this Agreement and acting through its Facility Office unless it has received not less than five Business Days’ prior notice from that Lender to the contrary in accordance with the terms of this Agreement.

35.16 Credit appraisal by the Lenders and Issuing Bank

Without affecting the responsibility of any Obligor for information supplied by it or on its behalf in connection with any Finance Document, each Lender confirms to the Agent, the Arrangers and the Issuing Bank that it has been, and will continue to be, solely responsible for making its own independent appraisal and investigation of all risks arising under or in connection with any Finance Document including but not limited to:

(a) the financial condition, status and nature of each member of the Group;

(b) the legality, validity, effectiveness, adequacy or enforceability of any Finance Document and any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document;

(c) whether that Lender has recourse, and the nature and extent of that recourse, against any Party or any of its respective assets under or in connection with any Finance Document, the transactions contemplated by the Finance Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document; and

(d) the adequacy, accuracy and/or completeness of any information provided by the Agent, any Party or by any other person under or in connection with any Finance Document, the transactions contemplated by the Finance Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document.

35.17 Role of Reference Banks

(a) No Reference Bank is under any obligation to provide a quotation or any other information to the Agent.
(b) No Reference Bank will be liable for any action taken by it under or in connection with any Finance Document, or for any Reference Bank Quotation, unless caused by its fraud, gross negligence or wilful misconduct.

(c) No Party (other than the relevant Reference Bank) may take any proceedings against any officer, employee or agent of any Reference Bank in respect of any claim it might have against that Reference Bank or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Finance Document, or to any Reference Bank Quotation, and any officer, employee or agent of each Reference Bank may rely on this Clause 35.17 subject to Clause 1.6 (Third party rights) and the provisions of the Third Parties Act.

35.18 **Third party Reference Banks**

A Reference Bank which is not a Party may rely on Clause 35.17 (Role of Reference Banks), Clause 44.2 (Exceptions) and Clause 45 (Confidentiality of Funding Rates and Reference Bank Quotations), subject to Clause 1.6 (Third party rights) and the provisions of the Third Parties Act.

35.19 **Deduction from amounts payable by the Agent**

If any Party owes an amount to the Agent under the Finance Documents the Agent may, after giving notice to that Party, deduct an amount not exceeding that amount from any payment to that Party which the Agent would otherwise be obliged to make under the Finance Documents and apply the amount deducted in or towards satisfaction of the amount owed. For the purposes of the Finance Documents that Party shall be regarded as having received any amount so deducted.

36. **CONDUCT OF BUSINESS BY THE FINANCE PARTIES**

No provision of this Agreement will:

(a) interfere with the right of any Finance Party to arrange its affairs (tax or otherwise) in whatever manner it thinks fit;

(b) oblige any Finance Party to investigate or claim any credit, relief, remission or repayment available to it or the extent, order and manner of any claim; or

(c) oblige any Finance Party to disclose any information relating to its affairs (tax or otherwise) or any computations in respect of Tax.

37. **SHARING AMONG THE FINANCE PARTIES**

37.1 **Payments to Finance Parties**

If a Finance Party (a “Recovering Finance Party”) receives or recovers any amount from an Obligor other than in accordance with Clause 38 (Payment Mechanics) and applies that amount to a payment due under the Finance Documents then:

(a) the Recovering Finance Party shall, within three Business Days, notify details of the receipt or recovery, to the Agent;
the Agent shall determine whether the receipt or recovery is in excess of the amount the Recovering Finance Party would have been paid had the receipt or recovery been received or made by the Agent and distributed in accordance with Clause 38 (Payment Mechanics), without taking account of any Tax which would be imposed on the Agent in relation to the receipt, recovery or distribution; and

(c) the Recovering Finance Party shall, within three Business Days of demand by the Agent, pay to the Agent an amount (the “Sharing Payment”) equal to such receipt or recovery less any amount which the Agent determines may be retained by the Recovering Finance Party as its share of any payment to be made, in accordance with Clause 38.6 (Partial payments).

37.2 Redistribution of payments
The Agent shall treat the Sharing Payment as if it had been paid by the relevant Obligor and distribute it between the Finance Parties (other than the Recovering Finance Party) in accordance with Clause 38.6 (Partial payments).

37.3 Recovering Finance Party’s rights
(a) On a distribution by the Agent under Clause 37.2 (Redistribution of payments), the Recovering Finance Party will be subrogated to the rights of the Finance Parties which have shared in the redistribution.

(b) If and to the extent that the Recovering Finance Party is not able to rely on its rights under paragraph (a) above, the relevant Obligor shall be liable to the Recovering Finance Party for a debt equal to the Sharing Payment which is immediately due and payable.

37.4 Reversal of redistribution
If any part of the Sharing Payment received or recovered by a Recovering Finance Party becomes repayable and is repaid by that Recovering Finance Party, then:

(a) each Finance Party which has received a share of the relevant Sharing Payment pursuant to Clause 37.2 (Redistribution of payments) shall, upon request of the Agent, pay to the Agent for account of that Recovering Finance Party an amount equal to the appropriate part of its share of the Sharing Payment (together with an amount as is necessary to reimburse that Recovering Finance Party for its proportion of any interest on the Sharing Payment which that Recovering Finance Party is required to pay); and

(b) that Recovering Finance Party’s rights of subrogation in respect of any reimbursement shall be cancelled and the relevant Obligor will be liable to the reimbursing Finance Party for the amount so reimbursed.

37.5 Exceptions
(a) This Clause 37 shall not apply to the extent that the Recovering Finance Party would not, after making any payment pursuant to this Clause, have a valid and enforceable claim against the relevant Obligor.
(b) A Recovering Finance Party is not obliged to share with any other Finance Party any amount which the Recovering Finance Party has received or recovered as a result of taking legal or arbitration proceedings, if:

(i) it notified the other Finance Party of the legal or arbitration proceedings; and

(ii) the other Finance Party had an opportunity to participate in those legal or arbitration proceedings but did not do so as soon as reasonably practicable having received notice and did not take separate legal or arbitration proceedings.

38. PAYMENT MECHANICS

38.1 Payments to the Agent

(a) On each date on which an Obligor or a Lender is required to make a payment under a Finance Document, that Obligor or Lender shall make the same available to the Agent (unless a contrary indication appears in a Finance Document) for value on the due date at the time and in such funds specified by the Agent as being customary at the time for settlement of transactions in the relevant currency in the place of payment.

(b) Payment shall be made to such account in the principal financial centre of the country of that currency (or, in relation to euro, in a principal financial centre in a Participating Member State or London) with such bank as the Agent specifies.

38.2 Distributions by the Agent

Each payment received by the Agent under the Finance Documents for another Party shall, subject to Clause 38.3 (Distributions to an Obligor) and Clause 38.4 (Clawback) be made available by the Agent as soon as practicable after receipt to the Party entitled to receive payment in accordance with this Agreement (in the case of a Lender, for the account of its Facility Office), to such account as that Party may notify to the Agent by not less than five Business Days’ notice with a bank in the principal financial centre of the country of that currency (or, in relation to euro, in the principal financial centre of a Participating Member State or London).

38.3 Distributions to an Obligor

The Agent may (with the consent of the Obligor or in accordance with Clause 39 (Set-Off)) apply any amount received by it for that Obligor in or towards payment (on the date and in the currency and funds of receipt) of any amount due from that Obligor under the Finance Documents or in or towards purchase of any amount of any currency to be so applied.

38.4 Clawback

(a) Where a sum is to be paid to the Agent under the Finance Documents for another Party, the Agent is not obliged to pay that sum to that other Party (or to enter into or perform any related exchange contract) until it has been able to establish to its satisfaction that it has actually received that sum.

(b) If the Agent pays an amount to another Party and it proves to be the case that the Agent had not actually received that amount, then the Party to whom that amount (or the proceeds of any related exchange contract) was paid by the Agent shall on demand refund the same to the Agent together with interest on that amount from the date of payment to the date of receipt by the Agent, calculated by the Agent to reflect its cost of funds.
38.5 **Impaired Agent**

(a) If, at any time, the Agent becomes an Impaired Agent, an Obligor or a Lender which is required to make a payment under the Finance Documents to the Agent in accordance with Clause 38.1 (*Payments to the Agent*) may instead either pay that amount direct to the required participant or pay that amount to an interest-bearing account held with an Acceptable Bank within the meaning of paragraph (a) of the definition of “Acceptable Bank” and in relation to which no Insolvency Event has occurred and is continuing, in the name of the Obligor or the Lender making the payment and designated as a trust account for the benefit of the Party or Parties beneficially entitled to that payment under the Finance Documents. In each case such payments must be made on the due date for payment under the Finance Documents.

(b) If, at any time, the Agent becomes an Impaired Agent, the Company will following a request by any Lender provide to such Lender as soon as reasonably practicable the then most recent list of Lenders received from the Agent pursuant to paragraph (f) of Clause 35.2 (*Duties of the Agent*).

(c) All interest accrued on the amount standing to the credit of the account shall be for the benefit of the beneficiaries of the trust account pro rata to their respective entitlements.

(d) A Party which has made a payment in accordance with this Clause 38.5 shall be discharged of the relevant payment obligation under the Finance Documents and shall not take any credit risk with respect to the amounts standing to the credit of the trust account.

(e) Promptly upon the appointment of a successor Agent in accordance with Clause 35.12 (*Replacement of the Agent*), each Party which has made a payment in accordance with this Clause 38.5 shall give all requisite instructions to the bank with whom the trust account is held to transfer the amount (together with any accrued interest) to the successor Agent for distribution in accordance with Clause 38.2 (*Distributions by the Agent*).
38.6 Partial payments  
(a) If the Agent receives a payment that is insufficient to discharge all the amounts then due and payable by an Obligor under the Finance Documents, the Agent shall apply that payment towards the obligations of that Obligor under those Finance Documents in the following order:

(i) first, in or towards payment pro rata of any unpaid fees, costs and expenses of the Agent and the Issuing Bank under the Finance Documents;
(ii) secondly, in or towards payment pro rata of any accrued interest, fee or commission due but unpaid under this Agreement;
(iii) thirdly, in or towards payment pro rata of any principal due but unpaid under this Agreement and any amount due but unpaid under Clause 7.1 (Immediately payable) and Clause 7.3 (Indemnities); and
(iv) fourthly, in or towards payment pro rata of any other sum due but unpaid under the Finance Documents.

(b) The Agent shall, if so directed by the Majority Lenders, vary the order set out in paragraphs (a)(ii) to (iv) above.

(c) Paragraphs (a) and (b) above will override any appropriation made by an Obligor.

38.7 Set-off by Obligors  
(a) All payments to be made by an Obligor under the Finance Documents shall be calculated and be made without (and free and clear of any deduction for) set-off (including, for purposes of Luxembourg law, legal set-off) or counterclaim.

(b) Notwithstanding paragraph (a) above, each Obligor may set off any amount due and payable by it to a Defaulting Lender against any amount due and payable by the Defaulting Lender to that Obligor, in each case under the Finance Documents.

(c) The Obligor will notify the Agent and the Defaulting Lender as soon as practicable and in no event later than the date falling one Business Day prior to the due date for payment of the relevant amount by that Obligor that it intends to exercise a right of set off in accordance with paragraph (b) above and shall provide to the Agent and the Defaulting Lender reasonable computations in relation thereto.

38.8 Business Days  
(a) Any payment which is due to be made on a day that is not a Business Day shall be made on the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not).

(b) During any extension of the due date for payment of any principal or Unpaid Sum under this Agreement interest is payable on the principal or Unpaid Sum at the rate payable on the original due date.
38.9 Currency of account

(a) Subject to paragraphs (b) to (e) below, the Base Currency is the currency of account and payment for any sum due from an Obligor under any Finance Document.

(b) A repayment of a Utilisation or Unpaid Sum or a part of a Utilisation or Unpaid Sum shall be made in the currency in which that Utilisation or Unpaid Sum is denominated on its due date.

(c) Each payment of interest shall be made in the currency in which the sum in respect of which the interest is payable was denominated when that interest accrued.

(d) Each payment in respect of costs, expenses or Taxes shall be made in the currency in which the costs, expenses or Taxes are incurred.

(e) Any amount expressed to be payable in a currency other than the Base Currency shall be paid in that other currency.

38.10 Change of currency

(a) Unless otherwise prohibited by law, if more than one currency or currency unit are at the same time recognised by the central bank of any country as the lawful currency of that country, then:

(i) any reference in the Finance Documents to, and any obligations arising under the Finance Documents in, the currency of that country shall be translated into, or paid in, the currency or currency unit of that country designated by the Agent (after consultation with the Company); and

(ii) any translation from one currency or currency unit to another shall be at the official rate of exchange recognised by the central bank for the conversion of that currency or currency unit into the other, rounded up or down by the Agent (acting reasonably).

(b) If a change in any currency of a country occurs, this Agreement will, to the extent the Agent (acting reasonably and after consultation with the Company) specifies to be necessary, be amended to comply with any generally accepted conventions and market practice in the Relevant Interbank Market and otherwise to reflect the change in currency.
38.11 **Disruption to Payment Systems etc.**

If either the Agent determines (in its discretion) that a Disruption Event has occurred or the Agent is notified by the Company that a Disruption Event has occurred:

(a) the Agent may, and shall if requested to do so by the Company, consult with the Company with a view to agreeing with the Company such changes to the operation or administration of the Facilities as the Agent may deem necessary in the circumstances;

(b) the Agent shall not be obliged to consult with the Company in relation to any changes mentioned in paragraph (a) above if, in its opinion, it is not practicable to do so in the circumstances and, in any event, shall have no obligation to agree to such changes;

(c) the Agent may consult with the Finance Parties in relation to any changes mentioned in paragraph (a) above but shall not be obliged to do so if, in its opinion, it is not practicable to do so in the circumstances;

(d) any such changes agreed upon by the Agent and the Company shall (whether or not it is finally determined that a Disruption Event has occurred) be binding upon the Parties as an amendment to (or, as the case may be, waiver of) the terms of the Finance Documents notwithstanding the provisions of Clause 44 (*Amendments and Waivers*);

(e) the Agent shall not be liable for any damages, costs or losses whatsoever (including, without limitation for negligence, gross negligence or any other category of liability whatsoever but not including any claim based on the fraud of the Agent) arising as a result of its taking, or failing to take, any actions pursuant to or in connection with this Clause 38.11; and

(f) the Agent shall notify the Finance Parties of all changes agreed pursuant to paragraph (d) above.

39. **SET-OFF**

If an Event of Default has occurred and is continuing, a Finance Party may set off any matured obligation due from an Obligor under the Finance Documents (to the extent beneficially owned by that Finance Party) against any matured obligation owed by that Finance Party to that Obligor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Finance Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

40. **NOTICES**

40.1 **Communications in writing**

Any communication to be made under or in connection with the Finance Documents shall be made in writing and, unless otherwise stated, may be made by fax or letter.

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40.2 ***Addresses***

The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with the Finance Documents is:

(a) in the case of the Company:

   Address: Anheuser-Busch InBev SA/NV, Brouwerijplein 1, B-3000 Leuven, Belgium
   Fax number: +32 (0)1 650 66 70
   E-mail: matthew.amer@ab-inbev.com and Fernando.Tennenbaum@anheuser-busch.com
   Attention: Matthew Amer and Fernando Tennenbaum

(b) in the case of each Lender, the Issuing Bank or any other Obligor, that notified in writing to the Agent on or prior to the date on which it becomes a Party; and

(c) in the case of the Agent:

   Address: BNP Paribas Fortis SA/NV
   Warandeberg 3
   1000 Brussels
   Fax number: 02/228.06.40
   E-mail: guido.vandenberghe@fortis.com
   jeanpierre.nerinckx@fortis.com
   Attention: Van Den Berghe Guido, Head Agency BE
   Nerinckx Jean-Pierre, Manager Agency

or any substitute address, fax number or department or officer as the Party may notify to the Agent (or the Agent may notify to the other Parties, if a change is made by the Agent) by not less than five Business Days notice.

40.3 ***Delivery***

(a) Any communication or document made or delivered by one person to another under or in connection with the Finance Documents will only be effective:

   (i) if by way of fax, when received in legible form; or

   (ii) if by way of letter, when it has been left at the relevant address or five Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address,
and, if a particular department or officer is specified as part of its address details provided under Clause 40.2 (Addresses), if addressed to that department or officer.

(b) Any communication or document to be made or delivered to the Agent will be effective only when actually received by the Agent and then only if it is expressly marked for the attention of the department or officer identified with the Agent’s signature below (or any substitute department or officer as the Agent shall specify for this purpose).

(c) All notices from or to an Obligor shall be sent through the Agent.

(d) Any communication or document made or delivered to the Company in accordance with this Clause 40.3 will be deemed to have been made or delivered to each of the Obligors.

40.4 Notification of address and fax number

Promptly upon receipt of notification of an address, and fax number or change of address or fax number pursuant to Clause 40.2 (Addresses) or changing its own address or fax number, the Agent shall notify the other Parties.

40.5 Communication when Agent is Impaired Agent

If the Agent is an Impaired Agent the Parties may, instead of communicating with each other through the Agent, communicate with each other directly and (while the Agent is an Impaired Agent) all the provisions of the Finance Documents which require communications to be made or notices to be given to or by the Agent shall be varied so that communications may be made and notices given to or by the relevant Parties directly. This provision shall not operate after a replacement Agent has been appointed.

40.6 Electronic communication

(a) Any communication to be made between the Agent and a Lender under or in connection with the Finance Documents may be made by either encrypted or unencrypted electronic mail or other electronic means, if the Agent, and the relevant Lender:

(i) agree that, unless and until notified to the contrary, this is to be an accepted form of communication;

(ii) notify each other in writing of their electronic mail address and/or any other information required to enable the sending and receipt of information by that means; and

(iii) notify each other of any change to their address or any other such information supplied by them.

(b) Any electronic communication made between the Agent and a Lender will be effective only when actually received in readable form and in the case of any electronic communication made by a Lender to the Agent only if it is addressed in such a manner as the Agent shall specify for this purpose.
40.7 **English language**

(a) Any notice given under or in connection with any Finance Document must be in English.

(b) All other documents provided under or in connection with any Finance Document must be:

(i) in English; or

(ii) if not in English, and if so required by the Agent, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

41. **CALCULATIONS AND CERTIFICATES**

41.1 **Accounts**

In any litigation or arbitration proceedings arising out of or in connection with a Finance Document, the entries made in the accounts maintained by a Finance Party are *prima facie* evidence of the matters to which they relate.

41.2 **Certificates and determinations**

Any certification or determination by a Finance Party of a rate or amount under any Finance Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates.

41.3 **Day count convention**

Any interest, commission or fee accruing under a Finance Document will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 360 days or, in any case where the practice in the Relevant Interbank Market differs, in accordance with that market practice.

42. **PARTIAL INVALIDITY**

If, at any time, any provision of the Finance Documents is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

43. **REMEDIES AND WAIVERS**

No failure to exercise, nor any delay in exercising, on the part of any Finance Party, any right or remedy under the Finance Documents shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other
exercise or the exercise of any other right or remedy. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.

44. **AMENDMENTS AND WAIVERS**

44.1 **Required consents**

(a) Subject to Clause 44.2 *(Exceptions)* any term of the Finance Documents may be amended or waived only with the consent of the Majority Lenders and the Company and any such amendment or waiver will be binding on all Parties.

(b) The Agent may effect, on behalf of any Finance Party, any amendment or waiver permitted by this Clause 44.

(c) Each Obligor agrees to any such amendment or waiver permitted by this Clause 44 which is agreed to by the Company. This includes any amendment or waiver which would, but for this paragraph (c), require the consent of all of the Guarantors.

44.2 **Exceptions**

(a) An amendment or waiver that has the effect of changing or which relates to:

   (i) the definitions of “Majority Lenders”, “Super Majority Lenders” or “Margin” in Clause 1.1 *(Definitions)*;

   (ii) an extension to the date of payment of any amount under the Finance Documents;

   (iii) a reduction in the Margin or the amount of any payment of principal, interest, fees or commission payable;

   (iv) an increase in or an extension of any Commitment or the Total Commitments;

   (v) a change to the Borrowers or Guarantors other than in accordance with Clause 34 *(Changes to the Obligors)*;

   (vi) any provision which expressly requires the consent of all the Lenders;

   (vii) Clause 2.3 *(Finance Parties’ rights and obligations)*, Clause 33 *(Changes to the Lenders)*, paragraph (b) of Clause 34.5, Clause 37 *(Sharing among the Finance Parties)* or this Clause 44,

shall not be made without the prior consent of all the Lenders.

(b) An amendment or waiver which relates to the rights or obligations of the Agent, the Arrangers, the Issuing Bank or a Reference Bank (each in their capacity as such) may not be effected without the consent of the Agent, the Arrangers, the Issuing Bank or that Reference Bank, as the case may be.

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44.3 **Replacement of Lender**

(a) If at any time:

(i) any Lender becomes a Non-Consenting Lender (as defined in paragraph (c) below);

(ii) any Lender declines an Extension Request pursuant to Clause 5.6 (*Extension Option*);

(iii) an Obligor becomes obliged to repay any amount in accordance with Clause 16.1 (*Illegality*) or Clause 16.2 (*Illegality in relation to Issuing Bank*) or to pay additional amounts pursuant to Clause 24 (*Increased Costs*), Clause 23.2 (*Tax gross-up*) or Clause 23.3 (*Tax indemnity*) to any Lender in excess of amounts payable to the other Lenders generally; or

(iv) any Lender becomes insolvent and its assets become subject to a receiver, liquidator, trustee, custodian or other person having similar powers or any winding-up, dissolution or administration;

then the Company may, on five Business Days’ prior written notice to the Agent and that Lender, replace that Lender by requiring that Lender to (and that Lender shall) transfer pursuant to Clause 33 (*Changes to the Lenders*) all (and not part only) of its rights and obligations under this agreement to a Lender or other bank, financial institution, trust, fund or other entity (a “*Replacement Lender*”) selected by the Company, and which is acceptable to the Agent (acting reasonably) and (in the case of any transfer of a Revolving Facility Commitment), the Issuing Bank, which confirms its willingness to assume and does assume all the obligations of the transferring Lender (including the assumption of the transferring Lender’s participations on the same basis as the transferring Lender) for a purchase price in cash payable at the time of transfer equal to the outstanding principal amount of such Lender’s participation in the outstanding Utilisations and all accrued interest and/or Letter of Credit fees, Break Costs and other amounts payable in relation thereto under the Finance Documents.

(b) The replacement of a Lender pursuant to this Clause 44.3 shall be subject to the following conditions:

(i) the Company shall have no right to replace the Agent;

(ii) neither the Agent nor any Lender shall have any obligation to the Company to find a Replacement Lender;

(iii) in the event of a replacement of a Non-Consenting Lender such replacement must take place no later than 30 Business Days after the date the Non-Consenting Lender notifies the Company and the Agent of its failure or refusal to agree to any consent, waiver or amendment to the Finance Documents requested by the Company; and

(iv) in no event shall the Lender replaced under this paragraph (b) be required to pay or surrender to such Replacement Lender any of the fees received by such Lender pursuant to the Finance Documents.
In the event that:

(i) the Company or the Agent (at the request of the Company) has requested the Lenders to consent to a waiver or amendment of any provisions of the Finance Documents;

(ii) the waiver or amendment in question requires the consent of all the Lenders; and

(iii) the Super Majority Lenders have given their consent,

then any Lender who does not and continues not to agree to such waiver or amendment shall be deemed a “Non-Consenting Lender”.

44.4 Replacement of Screen Rate

(a) Subject to Clause 44.2 (Exceptions), if any Screen Rate is not available for a currency which can be selected for a Loan, any amendment or waiver which relates to providing for another benchmark rate to apply in relation to that currency in place of that Screen Rate (or which relates to aligning any provision of a Finance Document to the use of that other benchmark rate) may be made with the consent of the Majority Lenders and the Obligors.

(b) If any Lender fails to respond to a request for an amendment or waiver described in paragraph (a) above within 5 Business Days (unless the Company and the Agent agree to a longer time period in relation to any request) of that request being made:

(i) its Revolving Facility Commitment shall not be included for the purpose of calculating the Total Revolving Facility Commitments when ascertaining whether any relevant percentage of Total Revolving Facility Commitments has been obtained to approve that request; and

(ii) its status as a Lender shall be disregarded for the purpose of ascertaining whether the agreement of any specified group of Lenders has been obtained to approve that request.

44.5 Disenfranchise of Defaulting Lenders

(a) For so long as a Defaulting Lender has any Available Commitment, in ascertaining the Majority Lenders or whether any given percentage (including for the avoidance of doubt unanimity) of the Total Commitments or Total Revolving Facility Commitments has been obtained to approve any request for a consent, waiver, amendment or other vote under the Finance Documents, that Defaulting Lender’s Commitments will be reduced by the amount of its Available Commitments.
(b) For the purposes of this Clause 44.5, the Agent may assume that the following Lenders are Defaulting Lenders:

(i) any Lender which has notified the Agent that it has become a Defaulting Lender; or

(ii) any Lender in relation to which it is aware that any of the events of circumstances referred to in paragraphs (a), (b) or (c) of the definition of “Defaulting Lender” has occurred,

unless it has received notice to the contrary from the Lender concerned (together with any supporting evidence reasonably requested by the Agent) or the Agent is otherwise aware that the Lender has ceased to be a Defaulting Lender.

44.6 Replacement of a Defaulting Lender

(a) The Company may, at any time a Lender has become and continues to be a Defaulting Lender, by giving 5 Business Days’ prior written notice to the Agent and such Lender:

(i) replace such Lender by requiring such Lender to (and such Lender shall) transfer pursuant to Clause 33 (Changes to the Lenders) all (and not part only) of its rights and obligations under this Agreement; or

(ii) require such Lender to (and such Lender shall) transfer pursuant to Clause 33 (Changes to the Lenders) all its rights and obligations under this Agreement with respect to all its unfunded participations in any Letters of Credit outstanding to the extent that those participations are not due and payable by it under this Agreement, to a Lender or other bank, financial institution, trust, fund or other entity (a “Replacement Lender”) selected by the Company, and which is acceptable to the Agent (acting reasonably) and (in the case of any transfer of a Revolving Facility Commitment) to the Issuing Bank, which confirms its willingness to assume and does assume all the obligations or all the relevant obligations of the transferring Lender (including the assumption of the transferring Lender’s participations or unfunded participations (as the case may be) on the same basis as the transferring Lender).

(b) Any transfer of rights and obligations of a Defaulting Lender pursuant to this Clause shall be subject to the following conditions:

(i) the Company shall have no right to replace the Agent;

(ii) neither the Agent nor the Defaulting Lender shall have any obligation to the Company to find a Replacement Lender;

(iii) the transfer must take place no later than 30 days after the notice referred to in paragraph (a) above; and

(iv) in no event shall the Defaulting Lender be required to pay or surrender to the Replacement Lender any of the fees received by the Defaulting Lender pursuant to the Finance Documents.
CONFIDENTIALITY OF FUNDING RATES AND REFERENCE BANK QUOTATIONS

45. Confidentiality and disclosure

(a) The Agent and each Obligor agree to keep each Funding Rate (and, in the case of the Agent, each Reference Bank Quotation) confidential and not to disclose it to anyone, save to the extent permitted by paragraphs (b), (c) and (d) below.

(b) The Agent may disclose:

(i) any Funding Rate (but not, for the avoidance of doubt, any Reference Bank Quotation) to the relevant Borrower pursuant to Clause 19.4 (Notification of rates of interest) or Clause 13.3 (Interest on Euro Swingline Loans); and

(ii) any Funding Rate or any Reference Bank Quotation to any person appointed by it to provide administration services in respect of one or more of the Finance Documents to the extent necessary to enable such service provider to provide those services if the service provider to whom that information is to be given has entered into a confidentiality agreement substantially in the form of the LMA Master Confidentiality Undertaking for Use With Administration/Settlement Service Providers or such other form of confidentiality undertaking agreed between the Agent and the relevant Lender or Reference Bank, as the case may be.

(c) The Agent may disclose any Funding Rate or any Reference Bank Quotation, and each Obligor may disclose any Funding Rate, to:

(i) any of its Affiliates and any of its or their officers, directors, employees, professional advisers, auditors, partners and Representatives if any person to whom that Funding Rate or Reference Bank Quotation is to be given pursuant to this paragraph (i) is informed in writing of its confidential nature and that it may be price-sensitive information except that there shall be no such requirement to so inform if the recipient is subject to professional obligations to maintain the confidentiality of that Funding Rate or Reference Bank Quotation or is otherwise bound by requirements of confidentiality in relation to it;

(ii) any person to whom information is required or requested to be disclosed by any court of competent jurisdiction or any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation if the person to whom that Funding Rate or Reference Bank Quotation is to be given is informed in writing of its confidential nature;
nature and that it may be price-sensitive information except that there shall be no requirement to so inform if, in the opinion of the Agent or the relevant Obligor, as the case may be, it is not practicable to do so in the circumstances;

(iii) any person to whom information is required to be disclosed in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes if the person to whom that Funding Rate or Reference Bank Quotation is to be given is informed in writing of its confidential nature and that it may be price-sensitive information except that there shall be no requirement to so inform if, in the opinion of the Agent or the relevant Obligor, as the case may be, it is not practicable to do so in the circumstances; and

(iv) any person with the consent of the relevant Lender or Reference Bank, as the case may be.

(d) The Agent’s obligations in this Clause 45 relating to Reference Bank Quotations are without prejudice to its obligations to make notifications under Clause 19.4 (Notification of rates of interest) or Clause 13.3 (Interest on Euro Swingline Loans) provided that (other than pursuant to paragraph (b)(i) above) the Agent shall not include the details of any individual Reference Bank Quotation as part of any such notification.

45.2 Related obligations

(a) The Agent and each Obligor acknowledge that each Funding Rate (and, in the case of the Agent, each Reference Bank Quotation) is or may be price-sensitive information and that its use may be regulated or prohibited by applicable legislation including securities law relating to insider dealing and market abuse and the Agent and each Obligor undertake not to use any Funding Rate or, in the case of the Agent, any Reference Bank Quotation for any unlawful purpose.

(b) The Agent and each Obligor agree (to the extent permitted by law and regulation) to inform the relevant Lender or Reference Bank, as the case may be:

(i) of the circumstances of any disclosure made pursuant to paragraph (c)(ii) of Clause 45.1 (Confidentiality and disclosure) except where such disclosure is made to any of the persons referred to in that paragraph during the ordinary course of its supervisory or regulatory function; and

(ii) upon becoming aware that any information has been disclosed in breach of this Clause 45.

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45.3 **No Event of Default**

No Event of Default will occur under Clause 32.2 (*Other obligations*) by reason only of an Obligor’s failure to comply with this Clause 45.

46. **COUNTERPARTS**

Each Finance Document may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of the Finance Document.

47. **USA PATRIOT ACT**

Each Lender hereby notifies each Obligor that such Lender, pursuant to the USA Patriot Act, will obtain, verify and record information specified under the USA Patriot Act that identifies such Obligor, which information includes the name and address of such Obligor and other information that will allow such Lender to identify such Obligor in accordance with the USA Patriot Act.

48. **GOVERNING LAW**

This Agreement and all non contractual obligations arising from or in connection with it are governed by English law.

49. **ENFORCEMENT**

49.1 **Jurisdiction of English courts**

(a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute relating to non contractual obligations arising from or in connection with this Agreement or a dispute regarding the existence, validity or termination of this Agreement) (a "Dispute").

(b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.

(c) This Clause 49.1 is for the benefit of the Finance Parties only. As a result, no Finance Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Finance Parties may take concurrent proceedings in any number of jurisdictions.

49.2 **Service of process**

(a) Without prejudice to any other mode of service allowed under any relevant law, each Obligor (other than an Obligor incorporated in England and Wales):

   (i) irrevocably appoints TMF Corporate Services Limited as its agent for service of process in relation to any proceedings before the English courts in connection with any Finance Document; and

   (ii) agrees that failure by an agent for service of process to notify the relevant Obligor of the process will not invalidate the proceedings concerned.
(b) If any person appointed as an agent for service of process is unable for any reason to act as agent for service of process, the Company (on behalf of all the Obligors) must immediately (and in any event within ten days of such event taking place) appoint another agent on terms acceptable to the Agent. Failing this, the Agent may appoint another agent for this purpose.

(c) Each Obligor expressly agrees and consents to the provisions of this Clause 49 and Clause 48 (Governing Law).

**THIS AGREEMENT** has been entered into on the date stated at the beginning of this Agreement.
### SCHEDULE 1
THE AMENDMENT AND RESTATEMENT DATE PARTIES

#### PART 1
THE BORROWERS

<table>
<thead>
<tr>
<th>Name of Borrower</th>
<th>Jurisdiction of Incorporation</th>
<th>Registration No. or equivalent</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Company</td>
<td>Belgium</td>
<td>0417.497.106</td>
</tr>
<tr>
<td>Anheuser-Busch InBev Worldwide Inc.</td>
<td>Delaware, U.S.</td>
<td>Tax identification number 90-0421412</td>
</tr>
<tr>
<td>Cobrew NV/SA</td>
<td>Belgium</td>
<td>0428.975.372</td>
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</tbody>
</table>

#### PART 2
THE GUARANTORS

<table>
<thead>
<tr>
<th>Name of Guarantor</th>
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</tr>
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</tr>
<tr>
<td>Anheuser-Busch Companies, LLC</td>
<td>Delaware, U.S.</td>
<td>Tax identification number 90-0427472</td>
</tr>
<tr>
<td>Anheuser-Busch InBev Finance Inc.</td>
<td>Delaware, U.S.</td>
<td>File number 5253080</td>
</tr>
<tr>
<td>Brandbrew S.A.</td>
<td>Luxembourg</td>
<td>B75.696</td>
</tr>
<tr>
<td>Brandbev S.à r.l</td>
<td>Luxembourg</td>
<td>B80.984</td>
</tr>
<tr>
<td>Cobrew NV/SA</td>
<td>Belgium</td>
<td>0428.975.372</td>
</tr>
</tbody>
</table>
# Part 3A

## The Amendment and Restatement Date Lenders

<table>
<thead>
<tr>
<th>Name of Amendment and Restatement Date Lenders</th>
<th>Revolving Facility Commitment (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia and New Zealand Banking Group Limited</td>
<td>50,000,000</td>
</tr>
<tr>
<td>Bank of America Merrill Lynch International Limited</td>
<td>600,000,000</td>
</tr>
<tr>
<td>Banco Santander, S.A.</td>
<td>600,000,000</td>
</tr>
<tr>
<td>Barclays Bank PLC</td>
<td>600,000,000</td>
</tr>
<tr>
<td>BNP Paribas Fortis SA/NV</td>
<td>600,000,000</td>
</tr>
<tr>
<td>Citibank, N.A.</td>
<td>200,000,000</td>
</tr>
<tr>
<td>Commerzbank AG, Filiale Luxemburg</td>
<td>50,000,000</td>
</tr>
<tr>
<td>Deutsche Bank Luxembourg S.A.</td>
<td>600,000,000</td>
</tr>
<tr>
<td>HSBC Bank USA, N.A.</td>
<td>200,000,000</td>
</tr>
<tr>
<td>ING Belgium SA/NV</td>
<td>600,000,000</td>
</tr>
<tr>
<td>Intesa Sanpaolo S.p.A</td>
<td>350,000,000</td>
</tr>
<tr>
<td>J.P Morgan Securities plc</td>
<td>600,000,000</td>
</tr>
<tr>
<td>Mizuho Bank Nederland N.V.</td>
<td>600,000,000</td>
</tr>
<tr>
<td>Morgan Stanley Bank N.A.</td>
<td>50,000,000</td>
</tr>
<tr>
<td>Cooperatieve Centrale Raiffeisen-Boerenleenbank B.A., &quot;Rabobank Nederland&quot;, New York Branch</td>
<td>350,000,000</td>
</tr>
<tr>
<td>The Royal Bank of Scotland plc</td>
<td>600,000,000</td>
</tr>
<tr>
<td>Société Générale Succursale en Belgique de la Société Générale France</td>
<td>450,000,000</td>
</tr>
<tr>
<td>Société Générale, London Branch</td>
<td>150,000,000</td>
</tr>
<tr>
<td>Sumitomo Mitsui Banking Corporation</td>
<td>600,000,000</td>
</tr>
<tr>
<td>The Toronto-Dominion Bank</td>
<td>200,000,000</td>
</tr>
<tr>
<td>The Bank of New York Mellon</td>
<td>50,000,000</td>
</tr>
<tr>
<td>The Bank of Tokyo-Mitsubishi UFJ, Ltd.</td>
<td>600,000,000</td>
</tr>
<tr>
<td>UniCredit Bank AG</td>
<td>50,000,000</td>
</tr>
<tr>
<td>U.S. Bank N.A.</td>
<td>50,000,000</td>
</tr>
<tr>
<td>Wells Fargo Bank, National Association</td>
<td>200,000,000</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>9,000,000,000</strong></td>
</tr>
</tbody>
</table>
## PART 3B
THE DOLLAR SWINGLINE LENDERS

<table>
<thead>
<tr>
<th>Name of Original Dollar Swingline Lender</th>
<th>Dollar Swingline Commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia and New Zealand Banking Group Limited</td>
<td>16,666,666.67</td>
</tr>
<tr>
<td>Bank of America, N.A.</td>
<td>200,000,000.00</td>
</tr>
<tr>
<td>Banco Santander, S.A.</td>
<td>200,000,000.00</td>
</tr>
<tr>
<td>Barclays Bank PLC</td>
<td>200,000,000.00</td>
</tr>
<tr>
<td>BNP Paribas Fortis SA/NV</td>
<td>200,000,000.00</td>
</tr>
<tr>
<td>Citibank, N.A.</td>
<td>66,666,666.67</td>
</tr>
<tr>
<td>Commerzbank AG, New York Branch</td>
<td>16,666,666.67</td>
</tr>
<tr>
<td>Deutsche Bank Luxembourg S.A.</td>
<td>200,000,000.00</td>
</tr>
<tr>
<td>HSBC Bank USA, N.A.</td>
<td>66,666,666.67</td>
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<tr>
<td>ING Belgium SA/NV</td>
<td>200,000,000.00</td>
</tr>
<tr>
<td>Intesa Sanpaolo S.p.A</td>
<td>116,666,666.67</td>
</tr>
<tr>
<td>JPMorgan Chase Bank, N.A.</td>
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<tr>
<td>Mizuho Bank Ltd, New York Branch</td>
<td>200,000,000.00</td>
</tr>
<tr>
<td>Morgan Stanley Bank N.A.</td>
<td>16,666,666.67</td>
</tr>
<tr>
<td>The Royal Bank of Scotland plc</td>
<td>200,000,000.00</td>
</tr>
<tr>
<td>Société Générale Succursale en Belgique de la Société Générale France</td>
<td>150,000,000.00</td>
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<tr>
<td>Société Générale, London Branch</td>
<td>50,000,000.00</td>
</tr>
<tr>
<td>Sumitomo Mitsui Banking Corporation</td>
<td>200,000,000.00</td>
</tr>
<tr>
<td>The Toronto-Dominion Bank</td>
<td>66,666,666.67</td>
</tr>
<tr>
<td>The Bank of New York Mellon</td>
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</tr>
<tr>
<td>The Bank of Tokyo-Mitsubishi UFJ, Ltd.</td>
<td>200,000,000.00</td>
</tr>
<tr>
<td>UniCredit Bank AG</td>
<td>16,666,666.67</td>
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<tr>
<td>U.S. Bank N.A.</td>
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<tr>
<td>Wells Fargo Bank, National Association</td>
<td>66,666,666.67</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
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### PART 3C
THE EURO SWINGLINE LENDERS

<table>
<thead>
<tr>
<th>Name of Original Euro Swingline Lender</th>
<th>Euro Swingline Commitment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australia and New Zealand Banking Group Limited</td>
<td>11,111,111.12</td>
</tr>
<tr>
<td>Bank of America Merrill Lynch International Limited</td>
<td>133,333,333.33</td>
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<tr>
<td>Banco Santander, S.A.</td>
<td>144,444,444.45</td>
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<tr>
<td>Barclays Bank PLC</td>
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<tr>
<td>BNP Paribas Fortis SA/NV</td>
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<tr>
<td>Citibank, N.A.</td>
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<tr>
<td>Commerzbank AG, Filiale Luxemburg</td>
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<tr>
<td>Deutsche Bank Luxembourg S.A.</td>
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<tr>
<td>HSBC Bank USA, N.A.</td>
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</tr>
<tr>
<td>ING Belgium SA/NV</td>
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<tr>
<td>Intesa Sanpaolo S.p.A</td>
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<tr>
<td>J.P Morgan Securities plc</td>
<td>133,333,333.33</td>
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<tr>
<td>Mizuho Bank Nederland N.V.</td>
<td>133,333,333.33</td>
</tr>
<tr>
<td>Morgan Stanley Bank N.A.</td>
<td>11,111,111.12</td>
</tr>
<tr>
<td>Coöperatieve Centrale Raiffeisen-Boerenleenbank B.A., “Rabobank Nederland”, New York Branch</td>
<td>77,777,777.78</td>
</tr>
<tr>
<td>The Royal Bank of Scotland plc</td>
<td>133,333,333.33</td>
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<tr>
<td>Société Générale Succursale en Belgique de la Société Générale France</td>
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<td>Société Générale, London Branch</td>
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<tr>
<td>Sumitomo Mitsui Banking Corporation</td>
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</tr>
<tr>
<td>The Toronto-Dominion Bank</td>
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</tr>
<tr>
<td>The Bank of New York Mellon</td>
<td>11,111,111.12</td>
</tr>
<tr>
<td>The Bank of Tokyo-Mitsubishi UFJ, Ltd.</td>
<td>133,333,333.33</td>
</tr>
<tr>
<td>UniCredit Bank AG</td>
<td>11,111,111.12</td>
</tr>
<tr>
<td>Wells Fargo Bank, National Association</td>
<td>44,444,444.44</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
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</table>
## Part 4
### The Arrangers

<table>
<thead>
<tr>
<th>Name of Arranger</th>
<th>Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank of America Merrill Lynch International Limited</td>
<td>Mandated lead arranger and bookrunner</td>
</tr>
<tr>
<td>Banco Santander, S.A.</td>
<td>Mandated lead arranger and bookrunner</td>
</tr>
<tr>
<td>Barclays Capital</td>
<td>Mandated lead arranger and bookrunner</td>
</tr>
<tr>
<td>BNP Paribas Fortis SA/NV</td>
<td>Mandated lead arranger and bookrunner</td>
</tr>
<tr>
<td>Deutsche Bank Luxembourg S.A.</td>
<td>Mandated lead arranger and bookrunner</td>
</tr>
<tr>
<td>ING Bank NV</td>
<td>Mandated lead arranger and bookrunner</td>
</tr>
<tr>
<td>J.P. Morgan plc</td>
<td>Mandated lead arranger and bookrunner</td>
</tr>
<tr>
<td>Mizuho Corporate Bank, Ltd</td>
<td>Mandated lead arranger and bookrunner</td>
</tr>
<tr>
<td>Société Générale Corporate &amp; Investment Banking, the Corporate and Investment Banking division of Société Générale</td>
<td>Mandated lead arranger and bookrunner</td>
</tr>
<tr>
<td>Sumitomo Mitsui Banking Corporation</td>
<td>Mandated lead arranger and bookrunner</td>
</tr>
<tr>
<td>The Bank of Tokyo-Mitsubishi UFJ, Ltd.</td>
<td>Mandated lead arranger and bookrunner</td>
</tr>
<tr>
<td>The Royal Bank of Scotland plc</td>
<td>Mandated lead arranger and bookrunner</td>
</tr>
<tr>
<td>Intesa Sanpaolo S.p.A</td>
<td>Mandated lead arranger</td>
</tr>
<tr>
<td>Citigroup Global Markets Inc.</td>
<td>Lead arranger</td>
</tr>
<tr>
<td>HSBC Bank USA, N.A.</td>
<td>Lead arranger</td>
</tr>
<tr>
<td>The Toronto-Dominion Bank</td>
<td>Lead arranger</td>
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<tr>
<td>Wells Fargo Bank, National Association</td>
<td>Lead arranger</td>
</tr>
<tr>
<td>Australia and New Zealand Banking Group Limited</td>
<td>Arranger</td>
</tr>
<tr>
<td>Commerzbank AG, Filiale Luxemburg</td>
<td>Arranger</td>
</tr>
<tr>
<td>Morgan Stanley Bank International Limited,</td>
<td>Arranger</td>
</tr>
<tr>
<td>The Bank of New York Mellon</td>
<td>Arranger</td>
</tr>
<tr>
<td>UniCredit Bank AG</td>
<td>Arranger</td>
</tr>
<tr>
<td>U.S. Bank N.A.</td>
<td>Arranger</td>
</tr>
</tbody>
</table>

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SCHEDULE 2
CONDITIONS PRECEDENT

PART 1
CONDITIONS PRECEDENT TO INITIAL UTILISATION

Original Obligors

1. A copy of the constitutional documents of each Original Obligor.
2. A copy of a resolution of the board of directors of each Original Obligor:
   (a) approving the terms of, and the transactions contemplated by, the Finance Documents to which it is a party and
       resolving that it execute the Finance Documents to which it is a party;
   (b) authorising a specified person or persons to execute the Finance Documents to which it is a party on its behalf; and
   (c) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices (including, if
       relevant, any Utilisation Request and Selection Notice) to be signed and/or despatched by it under or in connection with
       the Finance Documents to which it is a party.
3. A specimen of the signature of each person authorised by the resolution referred to in paragraph 2 above.
4. A certificate of the Company (signed by a director) confirming that borrowing or guaranteeing, as appropriate, the Total
   Commitments would not cause any borrowing, guaranteeing or similar limit binding on any Original Obligor to be exceeded.
5. A certificate of an authorised signatory of the relevant Original Obligor certifying that each copy document relating to it
   specified in this Part 1 of Schedule 2 is correct, complete and in full force and effect as at a date no earlier than the date of this
   Agreement.

Guarantors

6. Notwithstanding the principles set out in Schedule 8 (Guarantee Principles), a duly completed and executed Accession Letter
   from each company listed as a Guarantor in Part 1 of Schedule 1 (Pre-Funding Date Parties) which is not already a party to
   this Agreement (each such Accession Letter to incorporate any required limitation or similar language envisaged by
   Clause 28.11 (Guarantee limitations)).
7. All documents and other evidence listed in Part 2 of this Schedule in relation to each company referred to in paragraph 6
   above.

Finance Documents

8. This Agreement, duly executed by the parties to it.
9. Each Fee Letter, duly executed by the parties to it.
Legal opinions
10. A legal opinion of Allen & Overy LLP, legal advisers to the Arrangers and the Agent in England.
13. A legal opinion of Allen & Overy Brussels, legal advisers to the Arrangers and the Agent in Belgium.

Financial condition
15. The Original Financial Statements.

Other documents and evidence
16. Evidence satisfactory to the Agent that each Lender has carried out and is satisfied with the results of all “know your customer” or other similar checks required in respect of the Original Obligors.
17. A detailed list of Security created by a member of the Group over its assets on or after 31 December 2009.
18. A detailed list of Financial Indebtedness incurred by a member of the Group (including the Anheuser-Busch Group) prior to the Signing Date.
19. Evidence that the fees, costs and expenses then due from the Company pursuant to Clause 22 (Fees) and Clause 27 (Costs and Expenses) have been paid or will be paid by the first Utilisation Date.
20. Written instructions from the Relevant Borrower of each Loan to be made on the Funding Date (which instructions may be included in the relevant Utilisation Request) to the Agent requesting the Agent to credit the proceeds of such Loans to an account of the agent under the Existing Credit Facilities for application in or towards repayment of amounts outstanding under the Existing Credit Facilities.
21. If the aggregate amount of Loans requested on the Funding Date are less than the amounts outstanding under the Existing Credit Facilities, evidence that all excess amounts outstanding under the Existing Credit Facilities will be repaid on the Funding Date.
22. Draft forms of such notices or other documents as may be required to be submitted or executed to effect a release of the Existing Notes/Bonds Guarantors from their obligations as guarantors under the Existing Notes/Bonds in accordance with the terms of the Existing Notes/Bonds in the agreed form (each a “Guarantor Release Document”).
23. Evidence of the Company’s Credit Ratings.
PART 2
CONDITIONS PRECEDENT REQUIRED TO BE DELIVERED BY AN ADDITIONAL OBLIGOR

1. An Accession Letter, duly executed by the Additional Obligor and the Company.
2. A copy of the constitutional documents of the Additional Obligor.
3. A copy of a resolution of the board of directors of the Additional Obligor:
   (a) approving the terms of, and the transactions contemplated by, the Accession Letter and the Finance Documents and resolving that it execute the Accession Letter;
   (b) to the extent relevant, determining, and motivating the reasons of that determination, that it, as Obligor, has a corporate benefit justifying the assumption of any obligations it has pursuant to Clause 28 (Guarantee and Indemnity);
   (c) authorising a specified person or persons to execute the Accession Letter on its behalf; and
   (d) authorising a specified person or persons, on its behalf, to sign and/or despatch all other documents and notices (including, in relation to an Additional Borrower, any Utilisation Request) to be signed and/or despatched by it under or in connection with the Finance Documents.
4. Where appropriate, an up to date extract from the relevant trade and companies register for the Additional Obligor.
5. A copy of the minutes of the shareholders’ meeting or a unanimous written resolution of the shareholders of each Additional Obligor incorporated in Belgium approving the terms of, and the transactions contemplated by, the Finance Documents to which such Obligor is a party, for the purposes of article 556 of the Belgian Companies Code, together with evidence that an extract of such resolutions has been duly filed with the clerk of the relevant commercial court in accordance with article 556 of the Belgian Companies Code.
6. A copy of a resolution of the general meeting of shareholders of each Dutch Additional Obligor approving the terms of, and the transactions contemplated by, the Finance Documents to which it is (or will become) a party.
7. To the extent applicable or required pursuant to its constitutional documents, a copy of a resolution of the supervisory directors of each Dutch Additional Obligor approving the terms of, and the transactions contemplated by, the Finance Documents to which it is (or will become) a party.
8. An unconditional positive works council advice (advies) of any competent works council in respect of the transactions contemplated by the Finance Documents to which a Dutch Additional Obligor is (or will become) a party.

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9. A specimen of the signature of each person authorised by the resolution referred to in paragraph 3 above.

10. A copy of a resolution signed by all the holders of the issued shares in each Additional Guarantor, approving the terms of, and the transactions contemplated by, the Finance Documents to which the Additional Guarantor is a party (where required under applicable law).

11. A copy of a good standing certificate (including verification of tax status) with respect to each U.S. Obligor, issued as of a recent date by the Secretary of State or other appropriate official of each U.S. Obligor’s jurisdiction of incorporation or organisation.

12. To the extent applicable, a copy of the resolution of the managing body of the shareholders of each Luxembourg Additional Obligor approving the resolutions taken as a shareholder of that Additional Obligor.

13. A non bankruptcy certificate in respect of each Luxembourg Additional Obligor dated no more that one day prior to the date of the relevant Accession Letter.

14. A certificate of the Company (signed by a director) confirming that borrowing or guaranteeing, as appropriate, the Total Commitments by the Additional Obligor would not cause any borrowing, guaranteeing or similar limit binding on it to be exceeded.

15. A certificate of an authorised signatory of the Additional Obligor certifying that each copy document listed in this Part 2 of Schedule 2 is correct, complete and in full force and effect as at a date no earlier than the date of the Accession Letter.

16. A copy of any other Authorisation or other document, opinion or assurance which the Agent considers to be necessary or desirable in connection with the entry into and performance of the transactions contemplated by the Accession Letter or for the validity and enforceability of any Finance Document.

17. If available, the latest audited financial statements of the Additional Obligor.


19. If the Additional Obligor is incorporated in a jurisdiction other than England and Wales, a legal opinion of the legal advisers to the Arrangers and the Agent (or, if it is market practice in the relevant jurisdiction, legal advisers to the Additional Obligor) in the jurisdiction in which the Additional Obligor is incorporated.

20. If the proposed Additional Obligor is incorporated in a jurisdiction other than England and Wales, evidence that the process agent specified in Clause 49.2 (Service of process), if not an Obligor, has accepted its appointment in relation to the proposed Additional Obligor.
SCHEDULE 3
REQUESTS

PART 1
UTILISATION REQUEST - LOANS

From: [Borrower]
To: [Agent]

Dated:

Dear Sirs

Anheuser-Busch InBev SA/NV – US$9,000,000,000 Revolving Credit and Swingline Facilities Agreement dated 26 February 2010, as amended on 25 July 2011, as extended on 20 August 2013, as amended and restated on [●] July 2015 and as further amended from time to time (the “Facilities Agreement”)

1. We refer to the Facilities Agreement. This is a Utilisation Request. Terms defined in the Facilities Agreement have the same meaning in this Utilisation Request unless given a different meaning in this Utilisation Request.

2. We wish to borrow a Loan on the following terms:

   (a) Borrower: [●]
   (b) Proposed Utilisation Date: [●] (or, if that is not a Business Day, the next Business Day)
   (c) Facility to be utilised: Revolving Facility
   (d) Currency of Loan: [●]
   (e) Amount: [●] or, if less, the Available Facility
   (f) Interest Period [●]

3. We confirm that each condition specified in Clause 4.2 (Further conditions precedent) is satisfied on the date of this Utilisation Request.

4. [The proceeds of this Loan should be credited to [account]].

5. This Utilisation Request is irrevocable.

Yours faithfully

________________________________________
authorised signatory for
[insert name of Borrower]
NOTES:
* Select the Facility to be utilised and delete references to the other Facilities.

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Dear Sirs

Anheuser-Busch InBev SA/NV – US$9,000,000,000 Revolving Credit and Swingline Facilities Agreement dated 26 February 2010, as amended on 25 July 2011, as extended on 20 August 2013, as amended and restated on [●] July 2015 and as further amended from time to time (the “Facilities Agreement”)

1. We refer to the Facilities Agreement. This is a Utilisation Request. Terms defined in the Facilities Agreement have the same meaning in this Utilisation Request unless given a different meaning in this Utilisation Request.

2. We wish to arrange for a Letter of Credit to be issued by the Issuing Bank specified below (which has agreed to do so) on the following terms:

   (a) Borrower:       [●]
   (b) Issuing Bank:   [●]
   (c) Proposed Utilisation Date: [●] (or, if that is not a Business Day, the next Business Day)
   (d) Facility to be utilised: Revolving Facility
   (e) Currency of Letter of Credit: [●]
   (f) Amount: [●] or, if less, the Available Facility in relation to the Revolving Facility
   (g) Term: [●]

3. We confirm that each condition specified in paragraph (c) of Clause 6.5 (Issue of Letters of Credit) is satisfied on the date of this Utilisation Request.

4. We attach a copy of the proposed Letter of Credit.

5. This Utilisation Request is irrevocable (unless the Issuing Bank otherwise agrees).

Yours faithfully,

[insert name of Relevant Borrower]
PART 3
UTILISATION REQUEST – DOLLAR SWINGLINE LOANS

From: [Borrower]
To: [Agent]

Dated

Dear Sirs

Anheuser-Busch InBev SA/NV – US$9,000,000,000 Revolving Credit and Swingline Facilities Agreement dated 26 February 2010, as amended on 25 July 2011, as extended on 20 August 2013, as amended and restated on [●] July 2015 and as further amended from time to time (the “Facilities Agreement”)

1. We refer to the Facilities Agreement. This is a Utilisation Request. Terms defined in the Facilities Agreement have the same meaning in this Utilisation Request unless given a different meaning in this Utilisation Request.

2. We wish to borrow a Dollar Swingline Loan on the following terms:

   (a) Proposed Utilisation Date: [●] (or, if that is not a New York Business Day, the next New York Business Day)

   (b) Facility to be utilised: Dollar Swingline Facility

   (c) Amount: US$[●] or, if less, the Available Dollar Swingline Facility

   (d) Interest Period: [●]

3. We confirm that each condition specified in paragraph (b) of Clause 9.3 (Dollar Swingline Lenders’ participation) is satisfied on the date of this Utilisation Request.

4. The proceeds of this Dollar Swingline Loan should be credited to [account].

5. This Utilisation Request is irrevocable.

Yours faithfully

______________________________
authorised signatory for

[insert name of relevant Borrower]

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PART 4
UTILISATION REQUEST - EURO SWINGLINE LOANS

From: [Borrower]
To: [Agent]

Dated:

Dear Sirs,

Anheuser-Busch InBev SA/NV – US$9,000,000,000 Revolving Credit and Swingline Facilities Agreement dated 26 February 2010, as amended on 25 July 2011, as extended on 20 August 2013, as amended and restated on [●] July 2015 and as further amended from time to time (the “Facilities Agreement”)

1. We refer to the Facilities Agreement. This is a Utilisation Request. Terms defined in the Facilities Agreement have the same meaning in this Utilisation Request unless given a different meaning in this Utilisation Request.

2. We wish to borrow a Euro Swingline Loan on the following terms:

   (a) Proposed Utilisation Date: [●] (or, if that is not a [Euro Swingline Business Day], the next [Euro Swingline Business Day])

   (b) Facility to be utilised: Euro Swingline Facility

   (c) Amount: Euro [●] or, if less, the Available Euro Swingline Facility

   (d) Interest Period: [●]

3. We confirm that each condition specified in paragraph (b) of Clause 12.3 (Euro Swingline Lenders’ participation) is satisfied on the date of this Utilisation Request.

4. The proceeds of this Euro Swingline Loan should be credited to [account].

5. This Utilisation Request is irrevocable.

Yours faithfully,

____________________________________
authorised signatory for
[insert name of relevant Borrower]
To: [Agent]  
From: [The Existing Lender] (the “Existing Lender”) and [The New Lender] (the “New Lender”)  

Dated:  

Anheuser-Busch InBev SA/NV – US$9,000,000,000 Revolving Credit and Swingline Facilities Agreement dated 26 February 2010, as amended on 25 July 2011, as extended on 20 August 2013, as amended and restated on [●] July 2015 and as further amended from time to time (the “Facilities Agreement”)  

1. We refer to the Facilities Agreement. This is a Transfer Certificate. Terms defined in the Facilities Agreement have the same meaning in this Transfer Certificate unless given a different meaning in this Transfer Certificate.  
2. We refer to Clause 33.5 (Procedure for transfer):  
   (a) The Existing Lender and the New Lender agree to the Existing Lender transferring to the New Lender by novation all or part of the Existing Lender’s Commitment, rights and obligations referred to in the Schedule in accordance with Clause 33.5 (Procedure for transfer).  
   (b) The proposed Transfer Date is [●].  
   (c) The Facility Office and address, fax number and attention details for notices of the New Lender for the purposes of Clause 40.2 (Addresses) are set out in the Schedule.  
3. The New Lender expressly acknowledges the limitations on the Existing Lender’s obligations set out in paragraph (c) of Clause 33.4 (Limitation of responsibility of Existing Lenders).  
4. The New Lender confirms that it [is]/[is not] a Non-Acceptable L/C Lender.  
5. This Transfer Certificate may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Transfer Certificate.  
6. This Transfer Certificate is governed by English law.
THE SCHEDULE

Commitment/rights and obligations to be transferred

[insert relevant details]

[Facility Office address, fax number and attention details for notices and account details for payments.]

[Existing Lender] [New Lender]

By: By:

This Transfer Certificate is accepted by the Agent and the Transfer Date is confirmed as [●].

[Agent]

By:

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SCHEDULE 4
FORM OF ACCESSION LETTER

To: [Agent]
From: [Subsidiary] and Anheuser-Busch InBev SA/NV

Dated: 

Dear Sirs

Anheuser-Busch InBev SA/NV – US$9,000,000,000 Revolving Credit and Swingline Facilities Agreement dated 26 February 2010, as amended on 25 July 2011, as extended on 20 August 2013, as amended and restated on [●] July 2015 and as further amended from time to time (the “Facilities Agreement”)

1. We refer to the Facilities Agreement. This is an Accession Letter. Terms defined in the Facilities Agreement have the same meaning in this Accession Letter unless given a different meaning in this Accession Letter.

2. [Subsidiary] agrees to become an Additional [Borrower]/[Guarantor] and to be bound by the terms of the Facilities Agreement as an Additional [Borrower]/[Guarantor] pursuant to Clause [34.2 (Additional Borrowers)]/[Clause 34.4 (Additional Guarantors)] of the Facilities Agreement. [Subsidiary] is a company duly incorporated under the laws of [name of relevant jurisdiction] and is a limited liability company and registered number [●].

3. [Subsidiary’s] administrative details are as follows:
   Address:
   Fax No.:
   Attention:

4. This Accession Letter is governed by English law.
   [This Guarantor Accession Letter is entered into by deed.]
   [Company] [Subsidiary]

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SCHEDULE 5
FORM OF RESIGNATION LETTER

To: [Agent]
From: [resigning Obligor] and Anheuser-Busch InBev SA/NV

Dated:

Dear Sirs

Anheuser-Busch InBev SA/NV – US$9,000,000,000 Revolving Credit and Swingline Facilities Agreement dated 26 February 2010, as amended on 25 July 2011, as extended on 20 August 2013, as amended and restated on [●] July 2015 and as further amended from time to time (the “Facilities Agreement”)

1. We refer to the Facilities Agreement. This is a Resignation Letter. Terms defined in the Facilities Agreement have the same meaning in this Resignation Letter unless given a different meaning in this Resignation Letter.

2. Pursuant to [Clause 34.3 (Resignation of a Borrower)]/[Clause 34.5 (Resignation of a Guarantor)], we request that [resigning Obligor] be released from its obligations as a [Borrower]/[Guarantor] under the Facilities Agreement.

3. This letter is governed by English law.

[ANHEUSER-BUSCH INBEV SA/NV] [resigning Obligor]

By: By:

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<table>
<thead>
<tr>
<th>Event Description</th>
<th>Loans in dollars</th>
<th>Loans in euro</th>
<th>Loans in an Optional Currency (other than euro)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approval as an Optional Currency, if required (Clause 4.3 (Conditions relating to Optional Currencies))</td>
<td>N/A</td>
<td>N/A</td>
<td>Not later than 10.00 a.m. on the fifth Business Day prior to the desired date of the Loan</td>
</tr>
<tr>
<td>Agent notifies the Company if a currency is approved as an Optional Currency in accordance with Clause 4.3 (Conditions relating to Optional Currencies)</td>
<td>N/A</td>
<td>N/A</td>
<td>Not later than 11.00 a.m. on the fifth Business Day prior to the desired date of the Loan</td>
</tr>
<tr>
<td>Delivery of a duly completed Utilisation Request (Clause 5.1 (Delivery of a Utilisation Request))</td>
<td>Not later than 1.00 p.m. on the third Business Day prior to the desired date of the Loan</td>
<td>Not later than 1.00 p.m. on the third Business Day prior to the desired date of the Loan</td>
<td>Not later than 10.00 a.m. on the fourth Business Day prior to the desired date of the Loan</td>
</tr>
<tr>
<td>Agent determines (in relation to a Utilisation) the Base Currency Amount of the Loan, if required under Clause 5.4 (Lenders’ participation)</td>
<td>N/A</td>
<td>N/A</td>
<td>Not later than 11.00 a.m. on the fourth Business Day prior to the desired date of the Loan</td>
</tr>
<tr>
<td>Agent notifies the Lenders of the Loan in accordance with Clause 5.4 (Lenders’ participation)</td>
<td>Not later than 4.00 p.m. on the third Business Day prior to the desired date of the Loan</td>
<td>Not later than 4.00 p.m. on the third Business Day prior to the desired date of the Loan</td>
<td>Not later than 3.00 p.m. on the fourth Business Day prior to the desired date of the Loan</td>
</tr>
<tr>
<td>Agent receives a notification from a Lender under Clause 14.2 (Unavailability of a currency)</td>
<td>N/A</td>
<td>Not later than 9.30 a.m. on the third Business Day prior to the desired date of the Loan</td>
<td>Not later than 9.30 a.m. on the third Business Day prior to the desired date of the Loan</td>
</tr>
<tr>
<td>Agent gives notice in accordance with Clause 14.2 (Unavailability of a currency)</td>
<td>N/A</td>
<td>Not later than 3.00 p.m. on the third Business Day prior to the desired date of the Loan</td>
<td>Not later than 3.00 p.m. on the third Business Day prior to the desired date of the Loan</td>
</tr>
<tr>
<td>LIBOR or EURIBOR is fixed</td>
<td>As of 11.00 a.m. on the Quotation Day</td>
<td>As of 10.00 a.m. on the Quotation Day</td>
<td>As of 10.00 a.m. on the Quotation Day</td>
</tr>
<tr>
<td>Reference Bank Rate calculated by reference to available quotations in accordance with Clause 21.2 (Calculation of Reference Bank Rate).</td>
<td>Noon on the Quotation Day</td>
<td>Noon on the Quotation Day</td>
<td>Noon on the Quotation Day</td>
</tr>
</tbody>
</table>
All times in this Schedule refer to London time.

“U” = date of utilisation

“U - X” = X Business Days prior to date of utilisation
PART 2
SWINGLINE LOANS

Delivery of a duly completed Utilisation Request for a Dollar Swingline Loan (Clause 9.1 (Delivery of a Utilisation Request for Dollar Swingline Loans))

Agent determines Federal Funds Rate under Clause 10.3 (Interest)

Agent determines the Base Currency Amount of the Dollar Swingline Loan under paragraph (d) of Clause 9.3 (Dollar Swingline Lenders’ participation) and notifies each Dollar Swingline Lender of the amount of its participation in the Dollar Swingline Loan in accordance with paragraph (d) of Clause 9.3 (Dollar Swingline Lenders’ participation)

Delivery of a duly completed Utilisation Request for a Euro Swingline Loan (Clause 12.1 (Delivery of a Utilisation Request for Euro Swingline Loans))

Overnight LIBOR is fixed

Agent determines (in relation to a Utilisation) the Base Currency Amount of the Euro Swingline Loan, if required under Clause 12.3 (Euro Swingline Lenders’ participation) and notifies each Euro Swingline Lender of the amount of its participation in the Euro Swingline Loan under Clause 12.3 (Euro Swingline Lenders’ participation)

“U” = date of utilisation
“U - X” = Business Days prior to date of utilisation

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PART 3
LETTERS OF CREDIT

Delivery of a duly completed Utilisation Request (Clause 6.2 (Delivery of a Utilisation Request for Letters of Credit))

Agent determines (in relation to a Utilisation) the Base Currency Amount of the Letter of Credit if required under
paragraph (d) of Clause 6.5 (Issue of Letters of Credit) and notifies the Issuing Bank and Lenders of the Letter of
Credit in accordance with paragraph (d) of Clause 6.5 (Issue of Letters of Credit).

Delivery of duly completed Renewal Request in accordance with paragraph (a) of Clause 6.6

“U” = date of utilisation

“U-X” = Business Days prior to date of utilisation
SCHEDULE 7
FORM OF LETTER OF CREDIT

To:  [Beneficiary](the Beneficiary)

Date

Irrevocable Standby Letter of Credit no. [●]

At the request of [●], [Issuing Bank] (the “Issuing Bank”) issues this irrevocable standby Letter of Credit (“Letter of Credit”) in your favour on the following terms and conditions:

1. Definitions

In this Letter of Credit:

“Business Day” means a day (other than a Saturday or a Sunday) on which banks are open for general business in [London].*

“Demand” means a demand for a payment under this Letter of Credit in the form of the schedule to this Letter of Credit.

“Expiry Date” means [●].

“Total L/C Amount” means [●].

2. Issuing Bank’s agreement

(a) The Beneficiary may request a drawing or drawings under this Letter of Credit by giving to the Issuing Bank a duly completed Demand. A Demand must be received by the Issuing Bank by no later than [●] p.m. ([London] time) on the Expiry Date.

(b) Subject to the terms of this Letter of Credit, the Issuing Bank unconditionally and irrevocably undertakes to the Beneficiary that, within [ten] Business Days of receipt by it of a Demand, it must pay to the Beneficiary the amount demanded in that Demand.

(c) The Issuing Bank will not be obliged to make a payment under this Letter of Credit if as a result the aggregate of all payments made by it under this Letter of Credit would exceed the Total L/C Amount.

3. Expiry

(a) The Issuing Bank will be released from its obligations under this Letter of Credit on the date (if any) notified by the Beneficiary to the Issuing Bank as the date upon which the obligations of the Issuing Bank under this Letter of Credit are released.

(b) Unless previously released under paragraph (a) above, on [●] p.m. ([London] time) on the Expiry Date the obligations of the Issuing Bank under this Letter of Credit will cease with no further liability on the part of the Issuing Bank except for any Demand validly presented under the Letter of Credit that remains unpaid.

(c) When the Issuing Bank is no longer under any further obligations under this Letter of Credit, the Beneficiary must return the original of this Letter of Credit to the Issuing Bank.
4. Payments
   All payments under this Letter of Credit shall be made in [●] and for value on the due date to the account of the Beneficiary specified in the Demand.

5. Delivery of Demand
   Each Demand shall be in writing, and, unless otherwise stated, may be made by letter, fax or telex and must be received in legible form by the Issuing Bank at its address and by the particular department or office (if any) as follows:

6. Assignment
   The Beneficiary’s rights under this Letter of Credit may not be assigned or transferred.

7. ISP
   Except to the extent it is inconsistent with the express terms of this Letter of Credit, this Letter of Credit is subject to the International Standby Practices (ISP 98), International Chamber of Commerce Publication No. 590.

8. Governing Law
   This Letter of Credit is governed by English law.

9. Jurisdiction
   The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Letter of Credit.

Yours faithfully

[Issuing Bank]

By:

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NOTES:
* This may need to be amended depending on the currency of payment under the Letter of Credit.

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SCHEDULE
FORM OF DEMAND

To: [Issuing Bank]  

[Date]

Dears Sirs

Standby Letter of Credit no. [●] issued in favour of [BENEFICIARY]  
(the “Letter of Credit”)

We refer to the Letter of Credit. Terms defined in the Letter of Credit have the same meaning when used in this Demand.

1. We certify that the sum of [●] is due [and has remained unpaid for at least [●] Business Days] [under [set out underlying contract or agreement]]. We therefore demand payment of the sum of [●].

2. Payment should be made to the following account:
   Name:
   Account Number:
   Bank:

3. The date of this Demand is not later than the Expiry Date.

Yours faithfully

(Authorised Signatory)  

For  
[BENEFICIARY]  

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SCHEDULE 8
GUARANTEE PRINCIPLES

1. The guarantees to be provided will be given in accordance with the agreed guarantee principles set out in this Schedule 8. This Schedule addresses the manner in which the agreed guarantee principles (the “Guarantee Principles”) will impact on the guarantees proposed to be taken in relation to the transaction contemplated by this Agreement.

2. The Guarantee Principles embody recognition by all parties that there may be certain legal, contractual and practical difficulties in obtaining guarantees from all Obligors in every jurisdiction in which Obligors are located. In particular:

(a) general statutory limitations, financial assistance, corporate benefit, fraudulent preference, “thin capitalisation” rules, earnings stripping and similar principles may limit the ability of a member of the Group to provide a guarantee or may require that the guarantee be limited by an amount or otherwise; the Company will use all reasonable endeavours to assist in demonstrating that adequate corporate benefit accrues to Anheuser-Busch and each Obligor; and

(b) members of the Group will not be required to give guarantees if it would conflict with the fiduciary duties of their directors or contravene any legal or regulatory prohibition (including, without limitation, any prohibition contained in case law) or result in a material risk of personal or criminal liability on the part of any officer provided that the relevant Group member shall use its all reasonable endeavours to overcome any such obstacle.

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SCHEDULE 9
MATERIAL BRANDS

Stella Artois
Beck’s
Leffe
Jupiter
Bass
Hoegaarden
Budweiser
Michelob
Bud Light
Corona
SCHEDULE 10
FORM OF INCREASE CONFIRMATION

To: [●] as Agent and [Anheuser-Busch InBev SA/NV] as Company, for and on behalf of each Obligor
From: [the Increase Lender] (the “Increase Lender”)

Dated:

Anheuser-Busch InBev SA/NV – US$9,000,000,000 Revolving Credit and Swingline Facilities Agreement dated 26 February 2010, as amended on 25 July 2011, as extended on 20 August 2013, as amended and restated on [●] July 2015 and as further amended from time to time (the “Facilities Agreement”)

1. We refer to the Facilities Agreement. This is an Increase Confirmation for the purpose of the Facilities Agreement. Terms defined in the Facilities Agreement have the same meaning in this Increase Confirmation unless given a different meaning in this Increase Confirmation.

2. We refer to Clause 2.2 (Increase) of the Facilities Agreement.

3. The Increase Lender agrees to assume and will assume all of the obligations corresponding to the Revolving Facility Commitment specified in the Schedule (the “Relevant Commitment”) as if it was an Original Lender under the Facilities Agreement.

4. The proposed date on which the increase in relation to the Increase Lender and the Relevant Commitment is to take effect (the “Increase Date”) is [●].

5. On the Increase Date, the Increase Lender becomes:
   (a) Party to the Finance Documents as a Lender; and
   (b) Party to [other relevant agreements in other relevant capacity].

6. The Facility Office and address, fax number and attention details for notices to the Increase Lender for the purposes of Clause 40.2 (Addresses) are set out in the Schedule.

7. The Increase Lender expressly acknowledges the limitations on the Lenders’ obligations referred to in paragraph (f) of Clause 2.2 (Increase).

8. This Increase Confirmation may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Increase Confirmation.

9. This Increase Confirmation is governed by English law.

10. This Increase Confirmation has been entered into on the date stated at the beginning of this Increase Confirmation.
THE SCHEDULE

Relevant Commitment/rights and obligations to be assumed by the Increase Lender

[insert relevant details]

[Facility office address, fax number and attention details for notices and account details for payments]

[Increase Lender]

By:

This Increase Confirmation is accepted by the Agent and the Issuing Bank and the Increase Date is confirmed as [date].

Agent

By:

Issuing Bank

By:

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To: [●] as Agent
From: Anheuser-Busch InBev SA/NV as the Company
Dated: [●]

Anheuser-Busch InBev SA/NV – US$9,000,000,000 Revolving Credit and Swingline Facilities Agreement dated 26 February 2010, as amended on 25 July 2011, as extended on 20 August 2013, as amended and restated on [●] July 2015 and as further amended from time to time (the “Facilities Agreement”)

1. We refer to the Facilities Agreement. This is an Extension Request. Terms defined in the Facilities Agreement have the same meaning in this Extension Request unless given a different meaning in this Extension Request.

2. We request that the Applicable Final Termination Date be extended to the [First Extended Final Termination Date/the Second Extended Final Termination Date] with effect from [●].

3. This Extension Request is irrevocable.

Yours faithfully

By:
Anheuser-Busch InBev SA/NV

Authorised Signatory
SCHEDULE 12
FORM OF SUBSTITUTE FACILITY OFFICE OR SUBSTITUTE AFFILIATE LENDER DESIGNATION NOTICE

To: [●] (as Agent for itself and each of the other parties to the Agreement referred to below); and
Anheuser-Busch InBev SA/NV as the Company

From: [Designating Lender] (the “Designating Lender”)

Dated: [●]

Dear Sirs

Anheuser-Busch InBev SA/NV – US$9,000,000,000 Revolving Credit and Swingline Facilities Agreement dated 26 February 2010, as amended on 25 July 2011, as extended on 20 August 2013, as amended and restated on [●] July 2015 and as further amended from time to time (the “Facilities Agreement”)

1. We refer to the Agreement. Terms defined in the Agreement have the same meaning in this Designation Notice.

2. [We hereby designate our Facility Office in [●] as a Substitute Facility Office]/[We hereby designate our Affiliate details of which are given below as a Substitute Affiliate Lender] in respect of any Revolving Loans and Swingline Loans required to be advanced to [specify name of borrower or refer to all borrowers in a particular jurisdiction etc] (“Designated Loans”).

3. [The details of the Substitute Affiliate Lender are as follows:
   Name:
   Facility Office:
   Fax Number:
   Attention:
   Jurisdiction of Incorporation:
]

4. By countersigning this notice below the Designated Affiliate Lender agrees to become a Designated Affiliate Lender in respect of Designated Loans as indicated above and agrees to be bound by the terms of the Agreement accordingly.

5. This Designation Notice and any non-contractual obligations arising out of or in connection with it are governed by English law.
For and on behalf of [Designating Lender]  
[We acknowledge and agree to the terms of the above.]

For and on behalf of [Substitute Affiliate Lender]  
We acknowledge the terms of the above.

For and on behalf of The [Agent]  
Dated  
We acknowledge the terms of the above.

For and on behalf of Anheuser-Busch InBev SA/NV as Company  
Dated
SIGNATURES

The Company

ANHEUSER-BUSCH INBEV SA/NV

By:

- 181-
ANHEUSER-BUSCH INBEV SA/NV
as Original Borrower

By:

- 182-
ANHEUSER-BUSCH INBEV WORLDWIDE INC.
as Original Borrower

By:

- 183-
ANHEUSER-BUSCH INBEV SA/NV
as Original Guarantor

By:

- 184-
ANHEUSER-BUSCH INBEV WORLDWIDE INC.
as Original Guarantor

By: - 185-
ANHEUSER-BUSCH COMPANIES, LLC
as Original Guarantor

By:

- 186-
BANC OF AMERICA SECURITIES LIMITED
as Arranger

By:

- 187-
BANCO SANTANDER, S.A. as Arranger

By:
BARCLAYS CAPITAL
as Arranger

By: -189-
DEUTSCHE BANK AG, LONDON BRANCH
as Arranger

By:

- 190-
FORTIS BANK SA/NV
as Arranger

By:

- 191-
ING BANK NV
as Arranger

By:

- 192-
INTESA SANPAOLO S.P.A
as Arranger

By:
J.P. MORGAN PLC
as Arranger

By:

- 194-
MIZUHO CORPORATE BANK, LTD
as Arranger

By:

- 195-
THE ROYAL BANK OF SCOTLAND PLC
as Arranger

By:

- 196-
SOCIÉTÉ GÉNÉRALE CORPORATE & INVESTMENT BANKING, THE CORPORATE AND INVESTMENT BANKING DIVISION OF SOCIÉTÉ GÉNÉRALE
as Arranger

By:
THE BANK OF TOKYO-MITSUBISHI
UFJ, LTD.
as Arranger

By:

- 198-
BANK OF AMERICA, N.A.
as Original Lender

By:

- 199-
BANCO SANTANDER, S.A., LONDON BRANCH
as Original Lender

By:
BANCO SANTANDER, S.A., NEW YORK BRANCH
as Original Lender

By:
BARCLAYS BANK PLC
as Original Lender

By:

- 202-
DEUTSCHE BANK AG, NEW YORK BRANCH

as Original Lender

By:

- 204-
DEUTSCHE BANK LUXEMBOURG S.A.
as Original Lender

By:

- 205-
FORTIS BANK SA/NV
as Original Lender

By:
ING BELGIUM SA/NV
as Original Lender

By:

- 207-
INTESA SANPAOLO S.P.A
as Original Lender

By:
JPMORGAN CHASE BANK, N.A.
as Original Lender

By:          - 209-
MIZUHO CORPORATE BANK, LTD
as Original Lender

By:

- 210-
THE ROYAL BANK OF SCOTLAND FINANCE (IRELAND) as Original Lender

By:
THE ROYAL BANK OF SCOTLAND PLC
as Original Lender

By:

- 212-
THE BANK OF TOKYO-MITSUBISHI UFJ, LTD.
as Original Lender

By:
The Agent

FORTIS BANK SA/NV

By:
The Issuing Bank

FORTIS BANK SA/NV

By:

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SIGNATURES

The Company
For and on behalf of
ANHEUSER-BUSCH INBEV SA/NV

Name: /s/ Benoit Loore  Name: /s/ Jan Vandermeersch
Title: Authorised Signatory  Title: Authorised Signatory

The Borrowers
For and on behalf of
ANHEUSER-BUSCH INBEV SA/NV

Name: /s/ Benoit Loore  Name: /s/ Jan Vandermeersch
Title: Authorised Signatory  Title: Authorised Signatory

For and on behalf of
ANHEUSER-BUSCH INBEV WORLDWIDE INC.

By: /s/ Matthew J. Amer

For and on behalf of
COBREW SA/NV

Name: /s/ Benoit Loore
Title: Authorised Signatory

The Guarantors
For and on behalf of
ANHEUSER-BUSCH INBEV SA/NV

Name: /s/ Benoit Loore  Name: /s/ Jan Vandermeersch
Title: Authorised Signatory  Title: Authorised Signatory

For and on behalf of
COBREW SA/NV

Name: /s/ Benoit Loore
Title: Authorised Signatory
For and on behalf of  
ANHEUSER-BUSCH INBEV WORLDWIDE INC.

By: /s/ Matthew J. Amer

For and on behalf of  
ANHEUSER-BUSCH INBEV FINANCE INC.

By: /s/ Matthew J. Amer

For and on behalf of  
ANHEUSER-BUSCH COMPANIES, LLC

By: /s/ Matthew J. Amer

For and on behalf of  
BRANDBREW S.A.

Société anonyme

Registered office: 5, rue Gabriel Lippmann, L-5365 Münchbach, Luxembourg
R.C.S. Luxembourg: B 75.696

Name: /s/ Benoit Loore
Title: Authorised Signatory

For and on behalf of  
BRANDBEV S.À R.L

Société à responsabilité limitée

Registered office: 5, rue Gabriel Lippmann, L-5365 Münchbach, Luxembourg
R.C.S. Luxembourg: B 80.984
Share capital: USD43,150,720

Name: /s/ Benoit Loore
Title: Authorised Signatory
The Existing Lenders

For and on behalf of
AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED

By: /s/ Mark Cherry

For and on behalf of
BANK OF AMERICA, N.A.

By: /s/ Emilia Evangelidis

For and on behalf of
BANCO SANTANDER, S.A.

By: [Illegible] /s/ Frederico Robin

For and on behalf of
BARCLAYS BANK PLC

By: /s/ Matthew Jackson

For and on behalf of
BNP PARIBAS FORTIS SA/NV

By: /s/ Hans Maas /s/ Erik Puttemans

For and on behalf of
COMMERZBANK AG, FILIALE LUXEMBURG

By: /s/ Bianca Bahn /s/ Frank Schmidt

For and on behalf of
COMMERZBANK AG, NEW YORK BRANCH

By: /s/ Philipp Huesgen /s/ Christina Halder

For and on behalf of
DEUTSCHE BANK LUXEMBOURG S.A.

By: /s/ Walther /s/ Philippi
For and on behalf of
DEUTSCHE BANK AG, NEW YORK BRANCH

By: /s/ Ming K. Chu /s/ Heidi Sandquist

For and on behalf of
EXPORT DEVELOPMENT CANADA

By: /s/ Sean Borutskie /s/ Geoff Bleich

For and on behalf of
ING BELGIUM SA/NV

By: /s/ Michel Verstraeten /s/ Emmanuel Verhoosel

For and on behalf of
INTESA SANPAOLO S.P.A

By: /s/ Louis Nooter /s/ Michel Mensink

For and on behalf of
JPMORGAN CHASE BANK, N.A.

By: /s/ Richard Johansson

For and on behalf of
MIZUHO BANK NEDERLAND N.V.

By: /s/ Shimpei Ikematsu /s/ Joost van Leeuwen

For and on behalf of
MIZUHO BANK LTD, NEW YORK BRANCH

By: [Illegible]
For and on behalf of
MORGAN STANLEY BANK N.A.

By: /s/ Michael King

For and on behalf of
RABOBANK INTERNATIONAL

   By: /s/ Johan Vanhulle /s/ Walter Debacq

For and on behalf of
THE ROYAL BANK OF SCOTLAND PLC

By: /s/ Anton Brykalin

For and on behalf of
SOCIÉTÉ GÉNÉRALE

By: /s/ Pierre Lebit

For and on behalf of
SUMITOMO MITSUI BANKING CORPORATION

   By: /s/ Thierry Muschs /s/ Philippe Delpature

For and on behalf of
TD BANK EUROPE LIMITED

By: /s/ James Stewart

For and on behalf of
THE BANK OF NEW YORK MELLON

By: /s/ Thomas J. Tarasovich, Jr.

For and on behalf of
THE BANK OF TOKYO-MITSUBISHI UFJ, LTD.

By: /s/ Andrew Trenoull
For and on behalf of  
**THE TORONTO-DOMINION BANK**

By: /s/ James Stewart

For and on behalf of  
**UNICREDIT BANK AUSTRIA AG**

By: /s/ Eugeni Entchev [Illegible]

For and on behalf of  
**U.S. BANK N.A.**

By: [Illegible]

**The New Lenders**

For and on behalf of  
**BANK OF AMERICA MERRILL LYNCH INTERNATIONAL LIMITED**

By: /s/ Tarun Mehta

For and on behalf of  
**CITIBANK, N.A.**

By: [Illegible]

For and on behalf of  
**HSBC BANK USA, N.A.**

By: /s/ Roderick Feltzer

For and on behalf of  
**J.P MORGAN SECURITIES PLC**

By: /s/ Richard Johansson
For and on behalf of
COOPERATIEVE CENTRALE RAFFEISEN-BOERENLEENBANK B.A.,
“RABOBANK NEDERLAND”, NEW YORK BRANCH

By: /s/ Claire Laury /s/ Van Brandenburg

For and on behalf of
SOCIÉTÉ GÉNÉRALE SUCCURSALE EN BELGIQUE DE LA SOCIÉTÉ GÉNÉRALE FRANCE

By: /s/ Pierre Lebit

For and on behalf of
SOCIÉTÉ GÉNÉRALE, LONDON BRANCH

By: /s/ Alexandre Huet

For and on behalf of
UNICREDIT BANK AG

By: /s/ Christian Eberle /s/ Diana Rippich

For and on behalf of
WELLS FARGO BANK, NATIONAL ASSOCIATION

By: /s/ Boaz Slomowitz

The New Arrangers

For and on behalf of
AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED

By: /s/ Mark Cherry

For and on behalf of
CITIGROUP GLOBAL MARKETS INC.

By: [Illegible]
For and on behalf of
COMMERZBANK AG, FILIALE LUXEMBURG

By: /s/ Bianca Bahn /s/ Frank Schmidt

For and on behalf of
DEUTSCHE BANK LUXEMBOURG S.A.

By: /s/ Walther /s/ Philippi

For and on behalf of
HSBC BANK USA, N.A.

By: /s/ Roderick Feltzer

For and on behalf of
MORGAN STANLEY BANK INTERNATIONAL LIMITED

By: [Illegible]

For and on behalf of
COOPERATIEVE CENTRALE RAFFEISEN-BOERENLEENBANK B.A.,
“RABOBANK NEDERLAND”, NEW YORK BRANCH

By: /s/ Claire Laury /s/ Van Brandenburg

For and on behalf of
SUMITOMO MITSUI BANKING CORPORATION

By: /s/ Thierry Muschs /s/ Philippe Delpature

For and on behalf of
THE BANK OF NEW YORK MELLON

By: /s/ Thomas J. Tarasovich, Jr.

For and on behalf of
THE TORONTO-DOMINION BANK

By: /s/ James Stewart

- 224-
For and on behalf of
UNICREDIT BANK AG

By: /s/ Christian Eberle /s/ Diana Rippich

For and on behalf of
U.S. BANK N.A.

By: [Illegible]

For and on behalf of
WELLS FARGO BANK, NATIONAL ASSOCIATION

By: /s/ Boaz Slomowitz

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## The Agent

For and on behalf of  
BNP PARIBAS FORTIS SA/NV

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>/s/ Guido van den Berghe</td>
<td>Senior Manager, Agency Brussels</td>
</tr>
<tr>
<td>/s/ Pierre Demaerel</td>
<td>Head of Business Management, Specialised Financing Europe</td>
</tr>
</tbody>
</table>

## The Issuing Bank

For and on behalf of  
BNP PARIBAS FORTIS SA/NV

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>/s/ Hans Maas</td>
<td>Executive Director</td>
</tr>
<tr>
<td>/s/ Erik Puttemans</td>
<td>Senior Banker</td>
</tr>
</tbody>
</table>
The following table sets out our ratios of earnings to fixed charges for each of the five years ended 31 December 2015, 2014, 2013, 2012 and 2011 based on information derived from our consolidated financial statements, which are prepared in accordance with International Financial Reporting Standards ("IFRS").

### Notes:

1. 2011 and 2012 as reported, adjusted to reflect the changes on the segment reporting.

The ratio of earnings to fixed charges represents the number of times fixed charges are covered by earnings. For purposes of computing this ratio, earnings consist of profit from operations before taxes and share of results of associates, plus fixed charges, minus interest capitalized during the period. Fixed charges consist of interest and accretion expense, interest on finance lease obligations, interest capitalized, plus one-third of rent expense on operating leases, estimated by us as representative of the interest factor attributable to such rent expense.

We did not have any preferred stock outstanding and did not pay or accrue any preferred stock dividends during the periods presented above.

---

**RATIOS OF EARNINGS TO FIXED CHARGES**

Year ended 31 December

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
<th>2012(1)</th>
<th>2011(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Earnings:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit from operations before taxes and share of results of associates</td>
<td>12,451</td>
<td>13,792</td>
<td>18,240</td>
<td>10,380</td>
<td>9,062</td>
</tr>
<tr>
<td>Add: Fixed charges (below)</td>
<td>2,200</td>
<td>2,366</td>
<td>2,389</td>
<td>2,361</td>
<td>3,702</td>
</tr>
<tr>
<td>Less: Interest capitalized (below)</td>
<td>28</td>
<td>39</td>
<td>38</td>
<td>57</td>
<td>110</td>
</tr>
<tr>
<td><strong>Total earnings</strong></td>
<td>14,623</td>
<td>16,119</td>
<td>20,591</td>
<td>12,684</td>
<td>12,654</td>
</tr>
</tbody>
</table>

| **Fixed charges:**   |      |      |      |         |         |
| Interest expense and similar charges | 1,805 | 1,969 | 2,005 | 2,008   | 3,216   |
| Accretion expense     | 289  | 266  | 261  | 209     | 286     |
| Interest capitalized  | 28   | 39   | 38   | 57      | 110     |
| Estimated interest portion of rental expense | 78   | 92   | 85   | 87      | 90      |
| **Total fixed charges** | 2,200 | 2,366 | 2,389 | 2,361   | 3,702   |
| **Ratio of earnings to fixed charges** | 6.65 | 6.81 | 8.62 | 5.37    | 3.42    |

(1) 2011 and 2012 as reported, adjusted to reflect the changes on the segment reporting.
Introduction

As a leading global company, Anheuser-Busch InBev and its affiliates ("AB InBev" or the "Company") operate in countries having a broad range of cultures and business practices. As a result, it is critical that we are guided by a clear and consistent code of business ethics and guidelines for our employees around the world. In achieving our business objectives, we must always adhere to the highest standards of business integrity and ethics and ensure that we comply with all applicable laws and regulations. Our Code of Business Conduct applies to all directors, officers, and employees of AB InBev and its subsidiaries. It applies to all business transactions we make and expresses principles that we expect every individual or entity acting on our behalf to follow. We expect our suppliers, service providers, and business partners to act in a manner consistent with the Code and our values.

It is our responsibility to carefully read and understand the Code. Employees are encouraged to report any activity or proposed transaction that they believe to be even potentially in violation of the law or this Code to a line manager or the Legal and Compliance department. It is our responsibility to carefully read and understand the Code of Business Conduct together with our policies.

Chairman of the Board

Kees J. Storm

Chief Executive Officer

Carlos Brito
Table of content

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3. Compliance Helpline/Channel
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6. Human Rights
7. Responsible Drinking
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9. Conflicts of Interest
10. Compliance with Anti-corruption Laws
11. Gifts and Hospitality
12. Political Contributions Mandates
13. Books, Records and Controls
15. Confidentiality
16. E-mails, Internet and Information Systems
17. Social Media
18. Use of Company Assets
19. Code of Responsible Commercial Communication
20. External Communication
21. Administration of the Codes
Our Principles

Our Code of Business Conduct is a practical guide to living our principles and values every day. It is designed to be clear and must be the context in which all Company business decisions are made.

1. Our Principles

Our shared dream energizes everyone to work in the same direction: to be the Best Beer Company bringing people together in a Better World.

2. Great people allowed to grow at the pace of their talent and compensated accordingly are the most valuable assets of our company.

3. We must select people who, with the right development challenges and encouragement, can be better than ourselves. We will be judged by the quality of our teams.

4. Culture

We are never completely satisfied with our results, which are the fuel of our company. Focus and zero complacency guarantee lasting competitive advantage.

5. The consumer is the Boss.

We connect with our consumers through meaningful brand experiences, balancing heritage and innovation and always in a responsible way.

6. We are a company of owners. Owners take results personally.

7. We believe common sense and simplicity are usually better guidelines than unnecessary sophistication and complexity.

8. We manage our costs tightly to free up resources that will support top-line growth.

9. Leadership by personal example is the best guide to our culture. We do what we say.

10. Integrity. Hard work, quality, and consistency are keys to building our company.

We don’t take shortcuts.

Integrity, hard work, quality, and consistency are keys to building our company.

Statement of Policy

It is AB InBev’s policy that our Board of Directors, officers, and employees strictly comply with all applicable laws and regulations and observe the highest standards of business ethics.

The Company’s reputation for honesty and integrity is an invaluable asset. All AB InBev directors, officers, and employees must be honest, objective, and diligent in the performance of their duties and responsibilities. They are trusted by the Company to exhibit professionalism in all matters pertaining to AB InBev’s affairs and not to partake in any illegal or improper activity.

No Company official has the authority to require any action that would violate this policy. This policy is not subject to waivers or exceptions because of competitive or commercial demands, industry customs, or other exigencies.

All managers shall be responsible for the enforcement of and compliance with our policies, including distributing and making them available to their teams. Any employee who deliberately violates this policy or authorizes or allows a subordinate to violate it is subject to disciplinary action, including potential dismissal.

Compliance Helpline/Channel

We are encouraged to report any activity that we believe is or might be a violation of laws, regulations, this Code, or our policies. If you become aware of activity that might constitute a violation, you are encouraged to report the activity:

• to your line manager;
• to your Legal and Compliance Department;
• through our Compliance Helpline.

Our Helpline is available 24/7 and is toll-free. It is available to all employees where you can confidentially and if you choose anonymously report any concern in relation to potential breaches of our Code of Business Conduct.

How the reports are treated?

• The reports are treated and conducted confidentially;
• EthicsPoint captures the reports and directs them to the Global Compliance and Internal Audit teams, who oversee the treatment of reports and conduct investigations;
• If necessary, follow-up communications can be facilitated anonymously by EthicsPoint via the website.

1. Our Principles

Our shared dream energizes everyone to work in the same direction: to be the Best Beer Company bringing people together in a Better World.

2. Statement of Policy

Any influence the Director, officers, and employees have is subject to the director or employee following potential disqualification.

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Any influence the Director, officers, and employees have is subject to the director or employee following potential disqualification.

Any influence the Director, officers, and employees have is subject to the director or employee following potential disqualification.
Compliance Channel - In addition to the Helpline, we also have the Compliance Channel (http://compliancechannelglobal.inbev.com) through which our employees can easily access compliance-related documents/policies and access the helpline to file a report. Non-Retaliation - AB InBev prohibits and will not tolerate any retaliation or threatened retaliatory action against any employee who reports a possible violation of law, regulation, or AB InBev policy. Similarly, any AB InBev employee who discourages or prevents another employee from making such a report or seeking the help or assistance they need to report the matter will be subject to disciplinary action. Retaliation is a violation itself and can be reported to our Compliance Helpline. In addition to the Helpline, we also have the Compliance Channel (http://compliancechannelglobal.inbev.com) through which our employees can easily access compliance-related documents/policies and access the helpline to file a report.

4. Honest and Ethical Conduct

All AB InBev directors, officers, and employees must be honest, objective, and diligent in the performance of their duties and responsibilities. They are trusted by the Company to exhibit professionalism in all matters pertaining to AB InBev's affairs and not to partake in any illegal or improper activity.

5. Environment, Health and Safety

In support of the Company's dream to be the Best Beer Company in a Better World, we will work vigorously to achieve a high standard of environmental health and safety performance throughout our organization. We will strive to prevent all accidents, injuries, and occupational illnesses within our operations. We will comply with all applicable environmental laws and regulations, company standards, and other requirements and strive to produce our products in the most environmentally responsible way while maintaining our commitment to quality and cost-efficiency. All employees have a role in the environment in our daily work, helping to continue our strong commitment to recycling.

6. Human Rights

As a signatory to the United Nations' Global Compact, AB InBev is committed to business practices that do not infringe on human rights and do align with various international standards of responsible business conduct, including the Universal Declaration of Human Rights and the International Labor Organization's Declaration on the Fundamental Principles and Rights at Work. AB InBev's Global Human Rights Policy sets out standards, expectations, and commitments in relation to its responsibility to respect human rights. For more details, see our Human Rights Policy. In addition to its own operations, AB InBev is committed to upholding high standards of responsible behavior amongst its business partners, including its suppliers, through its Responsible Sourcing Policy. For more details, see our Responsible Sourcing Policy.

7. Responsible Drinking

As the world's leading brewer, we are committed to promoting the responsible enjoyment of our products among consumers. As a responsible employer, our employees' safety and welfare at work is a top priority. That is why we have a global policy regarding drinking at work. This policy outlines the responsibilities of the Company as well as those of the employee and it gives clear guidelines about what is expected of both. Each of our operations also has its own local policy, which takes into account national legislation. Our employees are ambassadors of the Company and are encouraged to exercise personal responsibility whenever they consume alcohol. No level of impairment due to alcohol during working hours is tolerated. Under no circumstances shall an employee be intoxicated over the legal limit while conducting Company business or while on Company premises. Under no circumstances shall an employee be legally intoxicated while operating motor vehicles, driving a Company vehicle or a Company rental vehicle. There is clear disciplinary action for anyone who breaches Company policy, which may affect employment prospects with the Company.
8 Compliance with competition and antitrust laws

We must understand and comply with all applicable competition and antitrust laws. These laws regulate our dealings with competitors, customers, distributors, and other third parties. Infringement of competition and antitrust laws can result in very serious fines for AB InBev and for the employees involved, and have additional consequences such as reputational damage, litigation, and even imprisonment.

To ensure compliance with these laws, AB InBev and its directors, officers, and employees:

- May not participate in a cartel
- May not reach agreements or understandings with competitors that could restrict competition (e.g., to raise prices or to limit production volumes)
- May not exchange confidential information with competitors (e.g., on future price increases, input costs, or commercial strategy)
- May not agree on market restrictions with competitors (e.g., agreement on exclusive territories or allocation of customers)
- May not impose minimum or fixed resale prices on customers
- Must be very careful to comply with these rules in trade association meetings and all other contacts with competitors. In countries where AB InBev has a significant market share, all market practices should be reviewed and approved by the Legal and Compliance Department to ensure compliance with competition laws.

Detailed advice and training for compliance with competition and antitrust laws are available from your Legal Department. Not knowing the rules is not a defense. Seek advice from your legal team!

If you have any suspicion that AB InBev is involved in any anti-competitive behavior, please use our Compliance Helpline or contact your Legal and Compliance Department without delay.

9 Conflicts of Interest

Our directors, officers, and employees should not become involved in any activity which would conflict or interfere with the performance of their duties to the Company. A conflict of interest can arise in any personal relationship that can influence our ability to act in the best interest of the Company. It can also arise when our assessment of a circumstance could be affected or appear to be affected by the possibility of a personal benefit.

Even in those cases where we do not receive a personal benefit in reality, the appearance of conflict of interest may negatively impact our credibility. We should do everything to avoid a conflict of interest.

Conflicts of interest may arise in many situations. A conflict may arise for example:

- When you or a family member:
  - Act as shareholder, director, officer, partner, agent, or consultant for a supplier, customer, or competitor (except with regard to shares in publicly traded companies which may be held by employees for personal investment purposes)
  - Take a business decision motivated by a personal interest
  - Receive a personal benefit from a supplier, customer, or competitor
  - Accept gifts from suppliers, customers, competitors, or government officials which are not in accordance with our policies
  - Use Company assets or your position for private purposes

In addition, the Company recognizes that employees may have or form close personal friendships and sometimes romantic relationships with their colleagues. To avoid actual or perceived conflicts of interest arising from those relationships, we request that you inform your manager or the Legal and Compliance Department if:

- Directly or indirectly you manage or are managed by a family member or an employee with whom you have a close personal relationship; or
- Regardless of management line, a personal relationship with a colleague may influence your decision-making process or interfere with your work performance.

Seek guidance and aim for transparency. In many cases, conflicts can be resolved by an open discussion.

9.1 Compliance with Anti-corruption Laws

Every director, officer, and employee of the Company must comply with international and local laws that prohibit corruption and bribery everywhere we conduct business, including the U.S. Foreign Corrupt Practices Act and UK Bribery Act 2010. We have a zero tolerance anti-corruption policy. AB InBev directors, officers, and employees are strictly prohibited from directly or indirectly giving, offering, promising, or authorizing anything of value to a public official or any other individual to secure an improper business advantage, influence business or governmental decision making in connection with any of our activities or otherwise induce the recipient to abuse his or her power or official position.

This prohibition must be interpreted broadly and applies to anyone acting on our behalf, including suppliers, distributors, contractors, consultants, and agents. Consequently, you may not:

- Instruct, authorize, or allow a third party to make a prohibited payment on your or the Company's behalf; or
- Make a payment to a third party knowing or having reason to believe that it is likely to be used to improperly provide something of value to a public official or other individual.

We have strict policies and procedures to ensure compliance with anti-corruption laws. To ensure compliance with these laws, every director, officer, and employee is responsible for:

- Refusing or refusing to participate in any activity that may involve a conflict of interest.
- Reporting any observed or suspected violations of these policies to the Legal and Compliance Department.
- Receiving and following written instructions regarding compliance with anti-corruption laws.
- Receiving training on anti-corruption laws and policies.
- Reporting any observed or suspected violations of these policies to the Legal and Compliance Department.

Any employee who fails to comply with these policies is subject to disciplinary action, up to and including termination of employment.
Anything of value includes not only cash and cash equivalents but also gifts, entertainment tickets, accommodation, travel expenses, job offers, loans, personal favors, or anything else of tangible or intangible value. Public Officials include officers and employees of the following, regardless of seniority: any national, regional, local, or other governmental entity, judicial or legislative bodies, government-owned or government-controlled companies, public international organizations such as the World Health Organization or World Trade Organization, charitable organizations linked to a government official, or any private person acting in an official capacity for or on behalf of any of the foregoing. Public Officials also include political parties, party officials, candidates for public office, and family members of any Public Official.

AB InBev's Anti-Corruption Policy strictly prohibits facilitation payments. Facilitation or "grease" payments are small payments to a low-level government employee to expedite or secure performance of a routine, nondiscretionary governmental action, such as obtaining utility services or clearing customs. Contact your Legal and Compliance Department if you receive a request or demand for such a payment. For further details, see our Global Anti-Corruption Policy.

Gifts and Hospitality: Our employees are not allowed to accept anything of value, including gifts (even small gifts or gratuities), entertainment, travel, or meals from an actual or potential supplier, customer, public official, or other third party. As to the Gifts given by AB InBev employees, they must meet the thresholds set forth in applicable AB InBev policies and must be recorded accurately in the Company's books and records. All gifts, entertainment, or hospitality to Public Officials and/or Commercial counterparties must comply with Anti-Corruption Policies. Any request will only be approved if it is provided on a customary gift-giving occasion, directly related to a business purpose, provided with no sense of obligation on either side, compliant with local gift guidelines and thresholds permissible under local law and the internal rules of the recipient's organization, and not made with a corrupt intent. The expenses must be limited in value, reasonable, and recorded in a Gift Log. For further details, see our Global Anti-Corruption Policy. Consult your Legal and Compliance Department through the Compliance Channel (http://compliancechannelglobal.abinbev.com) for gift guidelines, thresholds, approval flows, and gift log requirements relating to the giving and acceptance of gifts and hospitality. You may also consult the guidelines for gifts and political contributions.

11. Gifts and Hospitality
12. Political Contributions Mandates

Any direct or indirect contribution by the Company to any political party committee or candidate for public office is strictly forbidden even if permitted by local regulations unless the formal approval of AB InBev’s Board of Directors has been obtained in advance. Members of AB InBev’s management committees at global zone business unit or local level who wish to be a candidate for local, regional, provincial, national, federal or European elections are requested to notify AB InBev’s Board of Directors of their intentions. You can find further clarifications in the guidelines for gifts and political contributions.

13. Books, Records and Controls

It is essential that the integrity, accuracy and reliability of AB InBev’s books, records and financial statements be maintained. All payments must be accurately recorded in AB InBev’s corporate books, records and accounts in a timely manner and in reasonable detail. False, misleading, incomplete, inaccurate or artificial entries in the books and records of AB InBev are strictly prohibited. Written contracts with counterparties must accurately reflect the financial terms of the agreement. Business records shall accurately reflect transactions and no transaction shall be entered into with the intention of it being documented or recorded in a deceptive manner. False, misleading, incomplete, inaccurate or artificial entries in the books and records of AB InBev and its subsidiaries are strictly prohibited. Similarly all funds, assets and transactions must be disclosed and recorded in the appropriate books and accounted for properly and punctually. All payments should be made through official bank transfer or by sending cheques directly to the official beneficiary’s company address.

Business records shall be interpreted broadly meaning that every document, even an apparently insignificant one, shall be complete and accurate. This includes:

- Expenses and travel reports
- Invoices
- Purchase orders
- Gift logs
- Inventory records
- Target appraisals
- Market research
- Quality control tests
- Accident reports

As a publicly traded company, we must adhere to the highest standards of governance and internal controls. Violation of these laws and regulations can result in Company and personal liability.


As a publicly listed company, AB InBev must ensure equal treatment of all investors, which means that all investors should have access to the same information at the same time. Therefore, a Code of Dealing has been put in place specifying the conditions to which all employees and their relatives are subject in dealing in AB InBev shares and in handling “inside information.” Inside information is information which has not been made public and could have a significant effect on the price of the AB InBev shares.

Dealing by employees:

- A director, officer or employee must not:
  - deal in AB InBev shares when he or she is in possession of inside information;
  - deal in AB InBev shares during a close period, i.e., the period of 15 calendar days preceding any financial results announcement of the company;
  - deal in AB InBev shares in considerations of a short-term nature, i.e., within a period of six months after having sold or purchased AB InBev shares;

Moreover, “Executives” of the AB InBev group are subject to prior clearance before any dealing.

Use of inside information:

- A director, officer or employee shall never:
  - communicate inside information within the group or to a third party except if necessary for the proper performance of his/her duties;
  - recommend to anyone to deal in AB InBev shares as a result of being in possession of such inside information.

Non-compliance with the Code of Dealing may result in disciplinary action and may also be a criminal offence and give rise to civil liability. The full Code of Dealing and further advice are available from your Legal and Compliance Department.

15. Confidentiality

Our directors, officers and employees may come into possession of confidential or proprietary information about the Company, its customers, suppliers or joint venture parties. The confidentiality of all such information should be strictly maintained except when disclosure is authorized. Confidential or proprietary information includes any non-public information that would be harmful to the Company or helpful to competitors if disclosed.

16. E-mails, Internet and Information Systems

When using email, exercise care as in most countries, emails have the same legal effect as other written communications. As a reasonable use of emails in the framework of the requirements of daily and family life is accepted, on the condition that the use of the email does not affect the normal traffic of professional messages.

Any direct or indirect contribution to the Company to any political party committee or candidate for public office is strictly forbidden even if permitted by local regulations unless the formal approval of AB InBev’s Board of Directors has been obtained in advance. Members of AB InBev’s management committees at global zone business unit or local level who wish to be a candidate for local, regional, provincial, national, federal or European elections are requested to notify AB InBev’s Board of Directors of their intentions. You can find further clarifications in the guidelines for gifts and political contributions.
As far as the use of the Internet is concerned an occasional consultation for personal reasons and within reasonable limits of websites is accepted provided their content is not contrary to public order or to morality and that consultation of such sites is not detrimental to the interests and the reputation of AB InBev Physical access to AB InBev sites and system access to IT applications are granted based on a person’s job in the Company and are personal and shall not be accessed by unauthorized persons Only persons that explicitly received nominative user access and passwords are allowed on the sites Also sharing of passwords is strictly prohibited

Social Media

The internet and social media have changed the way we work offering new ways to engage with our colleagues, customers, consumers and the world at large Social media can help build strong reputation and more successful business relationships. Candor and transparency are part of our culture and we encourage the exchange of ideas. However the disclosure of sensitive or inappropriate information through social media also has the potential to damage our brands, our company and our people. Consistent with our ownership culture we have adopted guidelines that must be followed by all directors, officers and employees:

• Personal opinions: Do not state personal opinions on behalf of the Company;

• Proprietary information: AB InBev is a publicly traded company; as a result various government agencies strictly regulate when and how we communicate certain information. You must never disclose any private, sensitive, proprietary, confidential or financial information related to our company or any current or former employees, customers, suppliers, shareholders or other stakeholders. You may not use any such information in any way or for any purpose that is not authorized by the Company. In particular you must not use it to communicate anything related to trading in securities;

• Stakeholders: Do not attack or malign personally or as a group any person, product, customer, supplier, other employee, former employee or any other stakeholder; There is no substitute for good judgment. Being cautious you will be protecting the Company and your personal image! For further details please refer to AB InBev Social Media Guidelines

Use of Company Assets

All directors, officers and employees should protect Company assets and ensure their efficient use. It is prohibited to use Company assets, funds, facilities, personnel or other resources for private purposes unless authorized by separate Company policies. Company assets also include your time at work and work product as well as the Company’s equipment and vehicles, computers and software. Company information and trademarks and name. All Company assets should be used for legitimate business purposes only. It is one of our 10 Principles to manage our costs tightly and it is everyone’s responsibility to protect Company funds. When managing our budgets we must ensure our costs are controlled.

Code of Responsible Communication

As a leading global brewer, AB InBev has implemented a Code aimed at ensuring that our marketing and commercial communications are responsible and do not contribute to the misuse of our products nor are directed at the under age. This Code applies to all forms of commercial communication and our brand marketing activities including: advertising, sponsorship, outdoor events, promotions, web site content, relationship marketing, consumer public relations, packaging, and labeling claims for all AB InBev beer brands. The Code of Responsible Communication is to be applied by all those involved in the marketing, sales promotion and communications of AB InBev brands including external advertising, public relations, design, sales promotion, events and media and buying agencies. This Code should be used as a Company reference for responsible marketing and commercial communication and regarded as the minimum standard. In those markets where national mandatory or self-regulatory rules already exist and if those requirements are more stringent then clearly these requirements have to be met in addition to those of this Code. For further information: please contact Corporate Affairs

External Communication

The AB InBev Disclosure Manual requires that only a limited number of key people talk to the media. No AB InBev employee will respond to media enquiries or give interviews, speeches or make presentations outside the Company without the prior authorization of the CEO/Zone President/Country Manager or the Corporate Affairs Representative.

Administration of the Codes

In case of general questions about this Code or our policies contact the Global Compliance or Audit teams through the Compliance Channel (http://compliancechannelglobal.abinbev.com)
CONTACT DETAILS:

Sabine Chalmers
Chief Legal & Corporate Affairs Officer
Tel.: +1 212 573 9280
sabine.chalmers@ab-inbev.com

Martim Della Valle
VP Global Compliance
Tel.: +32 16 27 62 53
martim.della.valle@ab-inbev.com

Bill Cartee
VP Corporate Audit
Tel.: +32 16 27 66 31
bill.cartee@ab-inbev.com
I, Carlos Brito, certify that:

1) I have reviewed this annual report on Form 20-F of Anheuser-Busch InBev SA/NV (the “Company”);

2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;

4) The Company’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:
   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) Evaluated the effectiveness of the Company’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) Disclosed in this report any change in the Company’s internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Company’s internal control over financial reporting;

5) The Company’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company’s auditors and the audit committee of the Company’s Board of Directors (or persons performing the equivalent functions):
   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company’s ability to record, process, summarize and report financial information; and
   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company’s internal control over financial reporting.

Date: 14 March 2016

By: /s/ Carlos Brito
Name: Carlos Brito
Title: Chief Executive Officer
I, Felipe Dutra, certify that:

1) I have reviewed this annual report on Form 20-F of Anheuser-Busch InBev SA/NV (the “Company”);

2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;

4) The Company’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Company and have:
   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) Evaluated the effectiveness of the Company’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) Disclosed in this report any change in the Company’s internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Company’s internal control over financial reporting; and

5) The Company’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company’s auditors and the audit committee of the Company’s Board of Directors (or persons performing the equivalent functions):
   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company’s ability to record, process, summarize and report financial information; and
   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company’s internal control over financial reporting.

Date: 14 March 2016

By: /s/ Felipe Dutra
Name: Felipe Dutra
Title: Chief Financial & Technology Officer
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code), each undersigned officer of Anheuser-Busch InBev SA/NV (the “Company”), hereby certifies, to such officer’s knowledge, that:

The Annual Report on Form 20-F for the year ended 31 December 2015 (the “Form 20-F”) of the Company fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934 and information contained in the Form 20-F fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: 14 March 2016

By: /s/ Carlos Brito
Name: Carlos Brito
Title: Chief Executive Officer

Date: 14 March 2016

By: /s/ Felipe Dutra
Name: Felipe Dutra
Title: Chief Financial & Technology Officer
CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form F-3 (No. 333-208678) and Forms S-8 (Nos. 333-165065, 333-165566, 333-169272, 333-171231, 333-172069, 333-178664, 333-188517, 333-192806, 333-201386 and 333-208634) of Anheuser-Busch InBev SA/NV of our report dated 14 March 2016 relating to the consolidated financial statements of Anheuser-Busch InBev SA/NV and the effectiveness of internal control over financial reporting, which appears in this Form 20-F.

PwC Bedrijfsrevisoren bcvba
Represented by

/s/ Koen Hens
Koen Hens
Bedrijfsrevisor
Sint-Stevens-Woluwe, Belgium
14 March 2016
CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form F-3 (No. 333-208678) and Forms S-8 (Nos. 333-165065, 333-165566, 333-69272, 333-171231, 333-172069, 333-178664, 333-188517, 333-192806, 333-201386 and 333-208634) of Anheuser-Busch InBev SA/NV of our report dated March 14, 2016, relating to the consolidated financial statements of Ambev S.A. and subsidiaries (the “Company”) and the effectiveness of the Company’s internal control over financial reporting appearing in this Annual Report on Form 20-F of Anheuser-Busch InBev SA/NV for the year ended December 31, 2015. The financial statements of the Company are not separately presented in Anheuser-Busch InBev SA/NV’s annual report on Form 20-F.

/s/ Deloitte Touche Tohmatsu
DELOITTE TOUCHE TOHMATSU
Auditores Independentes

São Paulo, Brazil,

March 14, 2016
14 March 2016

Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549

Commissioners:
We have read the statements made by Anheuser-Busch InBev SA/NV (copy attached), which we understand will be filed with the Securities and Exchange Commission, pursuant to Item 16.F of Form 20-F, as part of the Form 20-F of Anheuser-Busch InBev SA/NV dated 14 March 2016. We agree with the statements concerning our Firm in such Form 20-F.

Yours faithfully,

PwC Bedrijfsrevisoren BCVBA / Réviseurs d'Entreprises SCCRL
Represented by

/s/ Koen Hens

Koen Hens
Bedrijfsrevisor
Sint-Stevens-Woluwe, 14 March 2016