Second Quarter 2014 Results

31 July 2014
Forward looking statements

Certain statements contained in this report that are not statements of historical fact constitute forward-looking statements, notwithstanding that such statements are not specifically identified. In addition, certain statements may be contained in the future filings of the Company with the competent securities regulators or other authorities, in press releases, and in oral and written statements made by or with the approval of the Company that are not statements of historical fact and constitute forward-looking statements.

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2Q14 Highlights

- **Strong momentum** from 1Q14 continued into 2Q14
- **Volume and brand equity** benefits from 2014 FIFA World Cup
- Volume in top four markets **in line or ahead** of expectations
- Strong **Focus and Global Brands** performance
- Solid **revenue and revenue per hectoliter** growth
- Good **cost management**
- **Sales and marketing investments** to support top line
- Robust **EBITDA growth and margin expansion**
2Q14 Financial Summary

• Total volumes +1.0%
  • Own beer +0.5% and non-beer +5.8%
  • Focus Brands +3.1% and Global Brands +6.0%

• Total Revenue +5.0%
  • Revenue per hl +4.6% on a constant geographic basis

• EBITDA +9.5%
  • EBITDA margin +157 bps to 39.8%

• Profit attributable to equity holders +74%

• Normalized EPS of $1.60, versus $0.93 in 2Q13
Global Brand Volumes +6.0%

**Budweiser**
+6.7%

Good performances in Brazil, China, Canada & UK

**Corona**
+5.3%

Driven by growth in Mexico and Canada

**Stella Artois**
+4.6%

Good growth in Brazil, Canada, UK and US
2014 FIFA World Cup – Strong activation

- Record high television audiences, driving fantastic brand exposure
- Final drew over 27 million TV viewers in the US alone, setting record for highest viewership ever for a soccer match
- Importance of social media demonstrated by new record set of over 600,000 tweets per minute after the final whistle

In June, Budweiser celebrated an all-time record sales month, with over 4.1 million hectoliters being sold globally
Our iconic gold bottle provided a central connection point for fans

![Budweiser bottles]

**Impressions**

<table>
<thead>
<tr>
<th>Date</th>
<th>Impressions</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Jun</td>
<td></td>
</tr>
<tr>
<td>8 Jun</td>
<td></td>
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<tr>
<td>15 Jun</td>
<td></td>
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<tr>
<td>22 Jun</td>
<td></td>
</tr>
<tr>
<td>29 Jun</td>
<td></td>
</tr>
<tr>
<td>6 Jul</td>
<td></td>
</tr>
</tbody>
</table>

- **Target:** 12 billion
- **2010:** 3.5 billion

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@rihanna: I’m feeling right at home!!! #BUDWEISER #BUDgal #FIFAWorldCup2014

View more photos and videos
World Cup activations in Brazil
Brahma and Budweiser

- Total World Cup impact was approximately 1.4 million hl, of which 80% in 2Q14
- More than 80k events in 700 cities in Brazil, reaching more than 15M people
World Cup overview – Other top markets
US – 2Q14 summary

Industry

- STRs +0.4% in 2Q14, benefitting from Easter shift but negatively impacted by July 4th timing. STRs -0.5% in HY14

AB InBev

- STRs -1.0% in 2Q14 and -1.7% in HY14
- Market share decline of 65 bps
- Shipments (STWs) -3.4% driven by inventory adjustments
- Beer revenue per hectoliter +1.5% in 2Q14, with lower brand mix and negative package mix
- EBITDA flat with margin expansion of 69 bps
Bud Light trends continue to improve

- The most important brand in our portfolio and our number one focus
- Bud Light STRs -0.5%, gaining share of premium lights
- Re-closeable aluminum bottle & 25 ounce can are driving share gains for Bud Light
- “Up for Whatever” campaign underway
- Ritas are performing well
  - 1% total market share
  - New campaign “Fiesta Forever”
  - New flavor Apple-Ahh-Rita in 3Q14
  - Untapped growth potential
Budweiser – Challenging quarter, but strong programs ahead

Budweiser mega brand share -50 bps in 2Q14
• Tough comparable versus 2Q13 when Budweiser was only down 15 bps

Exciting upcoming activations include:
• BMIA West Coast edition
• MLB programs
• 16 oz-aluminum bottle
Michelob Ultra and High End brands showed good growth in 2Q14

- Continue to invest behind Michelob Ultra, Stella Artois, Goose Island and Shock Top
- Michelob Ultra share grew 15 bps
- High End brands share grew 20 bps
- Increased focus and investment in the on-premise in 2014
Mexico – 2Q14 summary

Industry

- Industry growth of low single digits in 2Q14

AB InBev

- A strong quarter in terms of revenue and EBITDA growth
- Volume: \(+1.5\%\) with strong contribution from Focus Brands, despite significant glass shortages
  - Corona family \(+9\%\)
- Revenue per hectoliter growth of \(2.1\%\), following price increase in May
- EBITDA growth of \(+34\%\)
- EBITDA margin expansion of over \(1000\) basis points
Focus Brand volumes were +5.5% in 2Q14, led by Corona +9%
Brazil – 2Q14 summary

Industry
• Beer industry volumes +6.8% boosted by the World Cup

AB InBev
• Beer volumes +7.2%, non-beer volumes +8.8%
• Beer market share increased 90 bps sequentially to 68.4% and 30 bps year over year
• Beer revenue per hectoliter growth +3.8%, and +6.6% in HY14
• Soft drinks market share gain of 120 bps reaching all-time high market share of 19.3% driven by Pepsi portfolio and own brands
• EBITDA growth of 8.1%
• Margin contraction of 128 bps to 44.6% driven by one-time impact of World Cup packaging and higher mix of cans
China – 2Q14 summary

• Beer volume +4.6%
• Strong growth of Budweiser and Harbin
• Market share growth of approximately 80 bps to 15.4% in HY14
• Revenue per hectoliter +8.5% driven by brand mix and consumer trade up to core plus and premium brands
• EBITDA growth of +65.7%, and a margin of 24.8%
China Focus Brands

• Leveraged global “Rise as One” campaign and special packaging
• Holistic integrated campaign with TV, digital, out of home and in-store activation

+9.6% in 2Q14

• Themed FIFA World Cup cans
• Sponsored viewing parties in major Chinese cities
South Korea – 2Q14 summary

- Total volumes up >10%
- Strong performance of Cass during FIFA World Cup
- Revenue up ~ 12%
- EBITDA up > 20%
Second quarter EBITDA growth of 9.5%, an organic increase of more than 400m USD

<table>
<thead>
<tr>
<th>Region</th>
<th>2Q14 EBITDA (USD millions)</th>
<th>HY14 EBITDA (USD millions)</th>
<th>Margin Expansion</th>
</tr>
</thead>
<tbody>
<tr>
<td>North America</td>
<td>3,514</td>
<td>2,045</td>
<td>48.4%</td>
</tr>
<tr>
<td>Latin America North</td>
<td>2,377</td>
<td>1,112</td>
<td>43.6%</td>
</tr>
<tr>
<td>Mexico</td>
<td>1,062</td>
<td>631</td>
<td>48.7% +1074 bps</td>
</tr>
<tr>
<td>Europe</td>
<td>632</td>
<td>439</td>
<td>29.3% -26 bps</td>
</tr>
<tr>
<td>Asia Pacific</td>
<td>431</td>
<td>431</td>
<td>28.9% +765 bps</td>
</tr>
<tr>
<td>Latin America South</td>
<td>604</td>
<td>176</td>
<td>33.8% -281 bps</td>
</tr>
</tbody>
</table>

AB InBev margin expansion of 157 bps to 39.8% in 2Q14

Note: Excludes Global Export and Holding Companies (GEHC), for simplicity.
Grupo Modelo cost synergies being delivered ahead of schedule

1 billion USD to be captured by the end of 2016, the majority of which will be delivered by the end of 2015

<table>
<thead>
<tr>
<th>Period</th>
<th>USD millions</th>
</tr>
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<tbody>
<tr>
<td>To date Dec 13</td>
<td>460</td>
</tr>
<tr>
<td>1Q14</td>
<td>120</td>
</tr>
<tr>
<td>2Q14</td>
<td>135</td>
</tr>
<tr>
<td>Cumulative</td>
<td>715</td>
</tr>
<tr>
<td>Commitment</td>
<td>1 billion USD</td>
</tr>
</tbody>
</table>
Normalized EPS increased to $1.60 in 2Q14, driven by lower Net Finance Costs and organic EBIT growth.
2Q14 Net Finance Costs decreased to 382m USD

- Decrease in 2Q14 Net Finance Costs mainly due to:
  - Positive impact of the mark-to-market adjustments linked to the hedging of our share-based payment programs
  - Partially off-set by negative currency and other hedging costs
Decrease in normalized ETR in 2Q14 mainly due to:

- 2Q14 ETR favorably impacted by the non-taxable nature of the gain from the hedging of our share-based payment programs,
- Partially offset by changes in country profit mix, including the impact resulting from the combination with Grupo Modelo
Robust Cash Flow generation

Note: Free Cash Flow (FCF) defined as Cash Flow from Operating Activities adding back Net Interest, less Net Capex.
FCF represents cash available for debt pay down and distributions to equity holders of AB InBev [before adjusting for Ambev minorities].
Cash Flow from Operating Activities is defined in Figure 9 of the 2Q14 press release.
Capital Allocation objectives

- Investment in organic growth of the business
- Selective M&A, strict financial discipline
- Dividend yield comparable with other consumer goods companies (3% - 4%)
- Optimal capital structure of approximately 2x Net Debt/EBITDA
- At a level of around 2x, the return of cash to shareholders is expected to be comprised of both dividends and share buy-backs
Q&A
2Q14 Results Supplementary Information
Canada – 2Q14 summary

- Beer volumes **+1.3%** in 2Q14
- Market share growth of **20 bps**
- Good performances by Budweiser, Bud Light and Corona
- Budweiser further increased its leadership position
Latin America South – 2Q14 summary

• Total volumes -4.4%
  • Beer volumes -5.4%
  • Non-beer -3.1%

• Argentina beer volumes -8.9%, driven by industry, July is much improved

• Strong Quilmes World Cup activations

• EBITDA -1.8% to a margin of 33.8%

<table>
<thead>
<tr>
<th>% organic growth</th>
<th>2Q14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Volumes</td>
<td>-4.4%</td>
</tr>
<tr>
<td>Revenue</td>
<td>6.6%</td>
</tr>
<tr>
<td>Revenue/hl</td>
<td>11.5%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>-1.8%</td>
</tr>
<tr>
<td>EBITDA margin growth</td>
<td>-281 bps</td>
</tr>
</tbody>
</table>
Europe – 2Q14 summary

• Own beer volumes -5.0% (-0.7% excluding Ukraine crisis)
  • Belgium +9.3%
  • Germany +3.2%
  • UK own products +13.5%
  • Russia down approx. 10%
• EBITDA +3.1% with margin decline of 26 bps

<table>
<thead>
<tr>
<th>% organic growth</th>
<th>2Q14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Own beer volumes</td>
<td>-5.0%</td>
</tr>
<tr>
<td>Revenue</td>
<td>4.1%</td>
</tr>
<tr>
<td>Revenue/hl on a constant geographic basis</td>
<td>5.3%</td>
</tr>
<tr>
<td>EBITDA</td>
<td>3.1%</td>
</tr>
<tr>
<td>EBITDA margin growth</td>
<td>-26 bps</td>
</tr>
</tbody>
</table>
Net Finance Costs – detail

### 2Q14 press release – Figure 9

<table>
<thead>
<tr>
<th></th>
<th>2Q13</th>
<th>2Q14</th>
<th>Drivers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net interest expense</td>
<td>-457</td>
<td>-442</td>
<td>FY14 coupon guidance of 4.0-4.5%</td>
</tr>
<tr>
<td>Net interest on net defined benefit liabilities</td>
<td>-39</td>
<td>-28</td>
<td>Guidance of approx. 35m USD per quarter</td>
</tr>
<tr>
<td>Accretion expense</td>
<td>-83</td>
<td>-83</td>
<td>Guidance of approx. 80m USD per quarter</td>
</tr>
<tr>
<td>Other financial results</td>
<td>-421</td>
<td>171</td>
<td>- 344m USD mark-to-market gains on 28.3m shares</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Negative FX impact</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Bank fees and taxes</td>
</tr>
<tr>
<td><strong>Net finance costs</strong></td>
<td><strong>-1000</strong></td>
<td><strong>-382</strong></td>
<td></td>
</tr>
</tbody>
</table>

### 2Q14 press release – Figure 10

<table>
<thead>
<tr>
<th></th>
<th>2Q13</th>
<th>2Q14</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share price at the start of the quarter (Euro)</td>
<td>77.25</td>
<td>76.10</td>
</tr>
<tr>
<td>Share price at the end of the quarter (Euro)</td>
<td>68.39</td>
<td>83.90</td>
</tr>
<tr>
<td>Number of equity instruments (millions)</td>
<td>28.3</td>
<td>28.1</td>
</tr>
</tbody>
</table>

### Other Financial Results

<table>
<thead>
<tr>
<th></th>
<th>in million EUR</th>
</tr>
</thead>
<tbody>
<tr>
<td>MtM Gain (€83.90 - €76.10)</td>
<td>219</td>
</tr>
<tr>
<td>* 28.1m shares</td>
<td></td>
</tr>
<tr>
<td>Carrying cost / FX</td>
<td>2</td>
</tr>
<tr>
<td>Net Dividend (€1.45 per share, less 25% WHT)</td>
<td>31</td>
</tr>
<tr>
<td>Total Gain</td>
<td>252</td>
</tr>
<tr>
<td><strong>Converted to USD @ $1.36</strong></td>
<td><strong>344 m USD</strong></td>
</tr>
</tbody>
</table>

**Net Finance Costs** (excluding non-recurring net finance costs) were **382** million USD in 2Q14 compared with **1000** million USD in 2Q13