

## Brazilian Is CEO of Anheuser-Busch InBev Behemoth

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The just announced Anheuser-Busch InBev company, the result of the acquisition by Belgium-based InBev of Anheuser-Busch, will have a Brazilian at its helm. The new company's CEO is Carlos Brito, 48, a Carioca (a Rio de Janeiro resident) who has been leading Inbev since January 2006.

Brito will be presiding the world's fourth largest consumer products company, just behind Procter&Gamble, Nestlé and Coca-Cola. Extremely reserved, a man who often refuses to give interviews, the Brazilian businessman, who is married and has four children, had a key role in convincing Anheuser-Busch stockholders and St. Louis (the house of the US company) residents that the merger was a good business decision.

The combination of the two companies will create the world's leading global brewer. Anheuser-Busch shareholders will receive US\$ 70 per share in cash, for an aggregate equity value of US\$ 52 billion. Both companies' Boards of Directors have unanimously approved the transaction. InBev has fully committed financing for the purchase of all of Anheuser-Busch's outstanding shares.

On a pro-forma basis for 2007, the combined company would have generated global volumes of 460 million hectoliters, revenues of US\$ 36.4 billion (euro 26.6 billion) and EBITDA of US\$ 10.7 billion (euro 7.8 billion). Anheuser-Busch and InBev together believe that this transaction is in the best interests of both companies' shareholders, consumers, employees, wholesalers, business partners and the communities they serve.

The company will make St. Louis, Missouri the headquarters for the North American region and the global home of the flagship Budweiser brand. With about 40% of the combined company's revenues to be generated in the U.S., the company will draw on the collective expertise of Anheuser-Busch's employees.

Given the limited geographical overlap between the two businesses and the efficiency of Anheuser-Busch's brewery footprint in the United States, all of Anheuser-Busch's U.S. breweries will remain open.

The Board of Directors of the combined company will be comprised of the existing directors of the InBev Board, Anheuser-Busch President and CEO August Busch IV and one other current or former director from the Anheuser-Busch Board. In addition, the combined company's management team will draw from key members of both InBev's and Anheuser-Busch's current leadership. Anheuser-Busch will become a wholly owned subsidiary of InBev upon the completion of this transaction.

The expanded company will be geographically diversified, with leading positions in the world's top five markets - China, U.S., Russia, Brazil and Germany - and balanced exposure to developed and developing markets.

A combination of Anheuser-Busch and InBev will result in significant growth opportunities from leveraging the companies' combined brand portfolio, including the global flagship Budweiser brand and international market leaders such as Stella Artois and Beck's, maximizing the combination's global distribution network.

Budweiser and Bud Light are the largest selling beers in the world, and the combined company will have an unmatched portfolio of imports, local premiums and local core brands.

Brito said, "We are very pleased to announce this historic transaction today, bringing together two great companies that share a rich history of brewing traditions. We are extremely excited about the opportunities that this combination will create for consumers worldwide, as well as our shareholders, employees, business partners and wholesalers.

"Together, Anheuser-Busch and InBev will be able to accomplish much more than each can on its own. We have been successful business partners for quite some time, and this is the natural next step for us in an increasingly competitive global environment. This combination will create a stronger, more competitive global company with an unrivaled worldwide brand portfolio and distribution network, with great potential for growth all over the world."

August Busch IV, Anheuser-Busch President and CEO, stated, "Today's announcement brings new opportunities for Anheuser-Busch and its business, brands and employees. This agreement provides additional and certain value for Anheuser-Busch shareholders, while enhancing global market access for Budweiser, one of America's true iconic brands.

"We will leverage our collective strengths to create a truly diversified, global company to sustain long-term growth and profitability. In the United States and Canada, both InBev and Anheuser-Busch have seen significant benefits from our existing relationship and we look forward to replicating this success in other parts of the world."

Anheuser-Busch has equity investments in two companies with strong brands in two key markets: Mexico's Grupo Modelo, which owns Corona Extra, the number five brand globally; and China's Tsingtao, the leading Chinese premium brewer. In addition, Budweiser is a strong and growing national brand in China, and the two companies' footprints in China are complementary. InBev's China business in southeastern China will be enhanced by Anheuser-Busch's strength in northeastern China.

The transaction creates significant profitability potential both in terms of revenue enhancement and cost savings. The combination will yield cost synergies of at least US\$ 1.5 billion annually by 2011 phased in equally over three years.

In addition, there are meaningful revenue opportunities through expansion of Budweiser on a global scale: InBev is the number one brewer in 10 markets where Budweiser has a very limited presence, and has a superior footprint in nine markets where Budweiser is already present.

The transaction is subject to the approval of InBev and Anheuser-Busch shareholders, and other customary regulatory approvals. Shareholders of both companies will have an opportunity to vote on the proposed combination at special shareholder meetings that will be scheduled at a later date.

InBev's controlling shareholder has agreed to vote its shares of InBev in favor of the combination. In light of the limited overlap between the InBev and Anheuser-Busch businesses, the combination should not encounter any significant regulatory issues, and is expected to be completed by the end of 2008.

InBev has received fully committed financing with signed credit facilities from a group of leading financial institutions, including Banco Santander, Bank of Tokyo-Mitsubishi, Barclays Capital, BNP Paribas, Deutsche Bank, Fortis, ING Bank, JP Morgan, Mizuho Corporate Bank and Royal Bank of Scotland.

The transaction will be financed with US\$ 45 billion in debt, including a US\$ 7 billion bridge financing for divestitures of non-core assets from both companies. In addition, InBev has received commitments for up to US\$ 9.8 billion in equity bridge financing which will allow the company flexibility in deciding upon the timing and form of equity financing for a period of up to six months after closing.