

# Brewing Driving the Top Line

**Pete Kraemer**

VP, Supply

# Key Messages

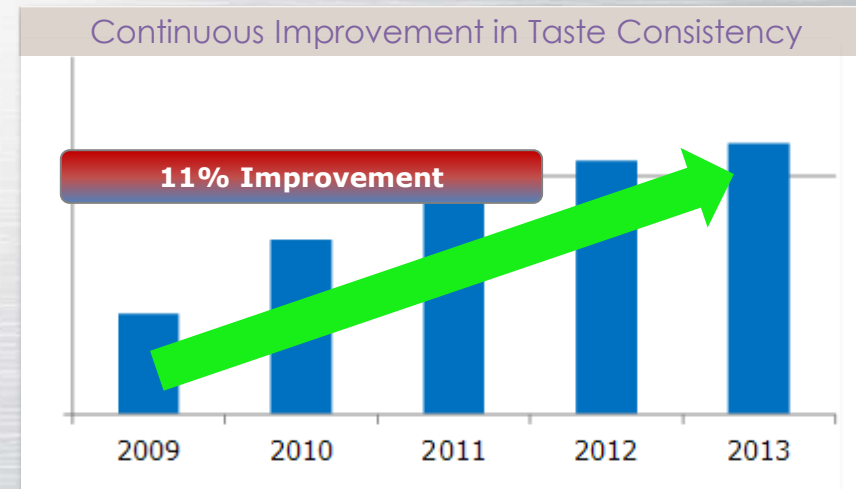


- Quality is thriving!
- Innovation process is delivering and fully integrated with commercial agenda
- Variety of tools to innovate and commercialize our great ideas
- Our VPO management system allows us to operate at world-class efficiency levels and deal with complexity in an organized way
- Facilities fully leverage strengths to create competitive advantage

VPO = Voyager Plant Optimization



# Brewmasters Supporting the Top Line Through Knowledge, Experience, Talent and Passion





# Full Integration of Supply Chain Innovation Process Into Commercial Agenda

- Starts with raw materials, source of competitive advantage
- Incredible capability to innovate
- Organized and integrated design, scale-up & commercialization processes



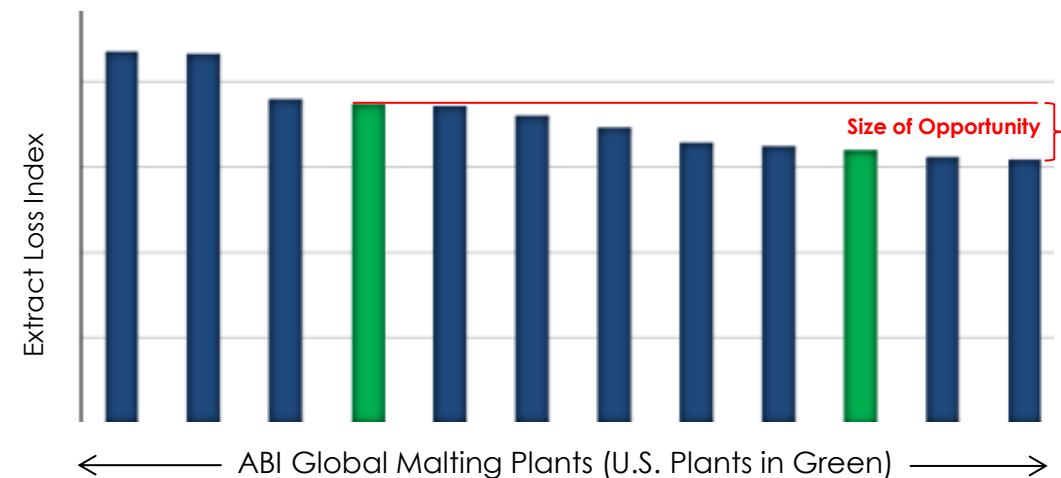


# Our Strategy for Vertical Integration Requires We Deliver the Highest Quality and Lowest Cost in the Industry

- Vertical integration
- Industry insight
- Benchmarking
- Highest quality, lowest cost
- New innovation possibilities through raw materials



Benchmarking Cross-Plant Malting Extract Losses





# Technical Knowledge and our Research Pilot Brewery (RPB) are Catalysts for Innovation

- Best technical knowledge in the world
- Small-scale experimentation
- Versatility to innovate
- RPB taste score for Bud & Bud Light consistently high





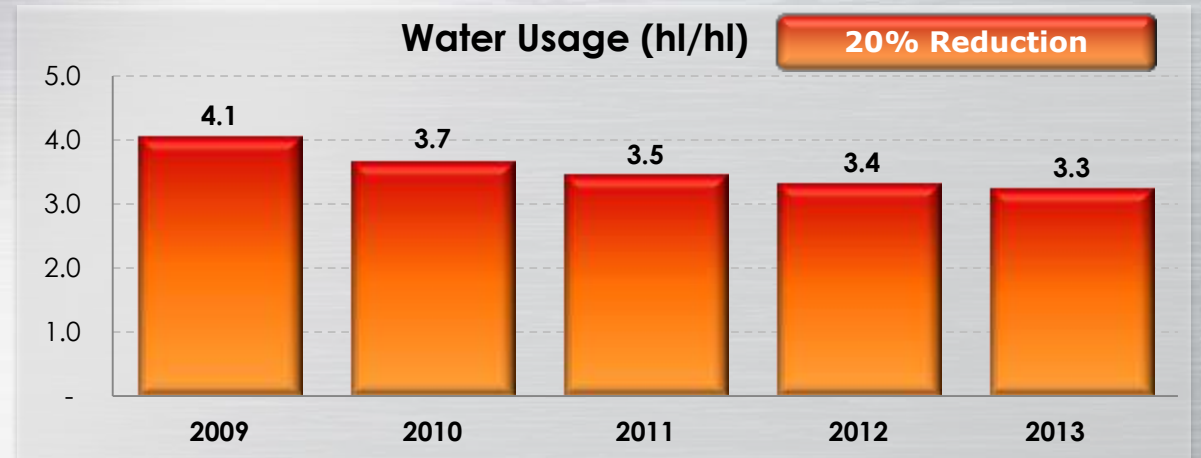
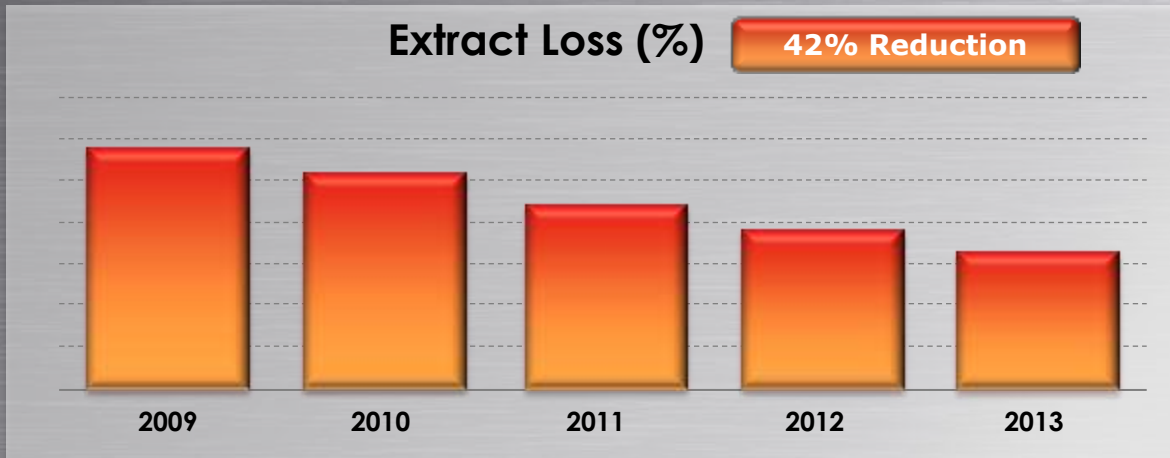
# Advanced Technological Capabilities for Flavor Development

- State-of-the-art control systems & processing equipment
- Hi-tech instrumentation for process control





# Focus on Routine Execution and Continuous Improvement Results in Good Cost Management



### VPO

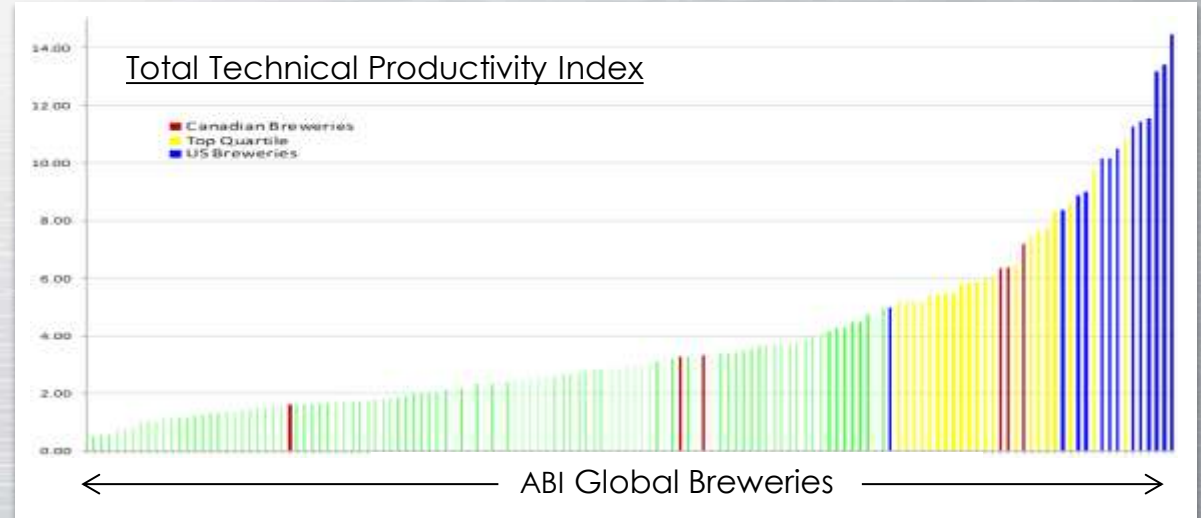
- Efficiency / Standardization
- Optimal Staffing
- Process Loss Reductions
- Culture of Continuous Improvement

### Technology

- Control Systems
- Instrumentation
- Lightweighting

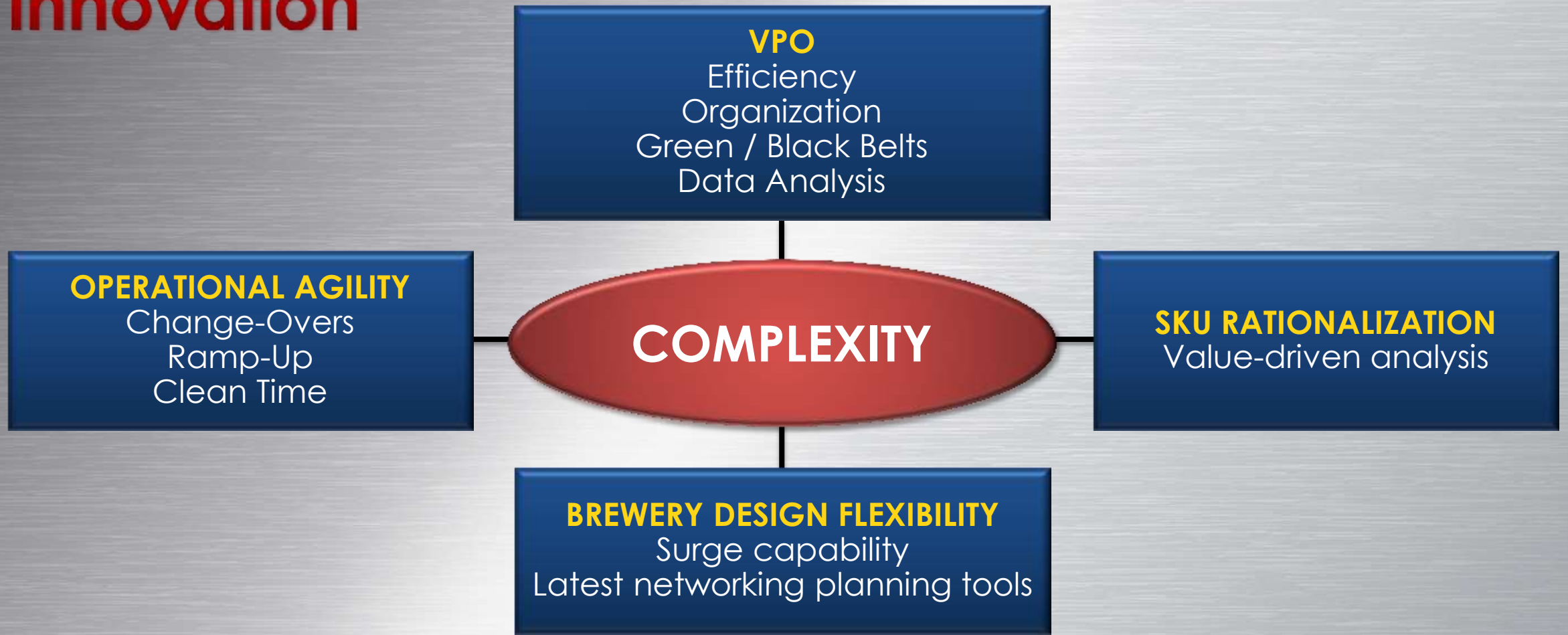
### Global Benchmarking

- Efficiency
- Optimal Staffing
- Process Loss Reductions
- Breweries, Malt, Glass, Aluminum



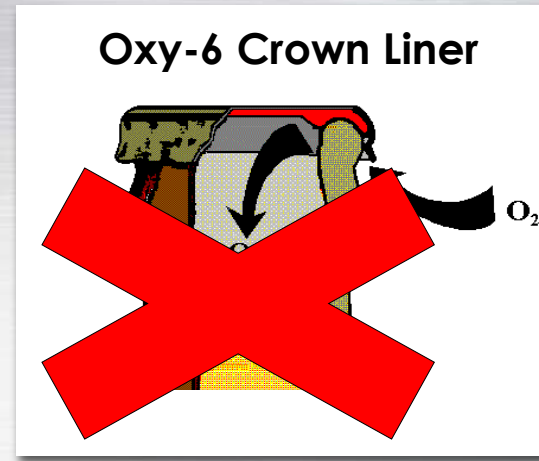


# Organized Approach & Proven Processes to Manage Complexity Generated by Innovation

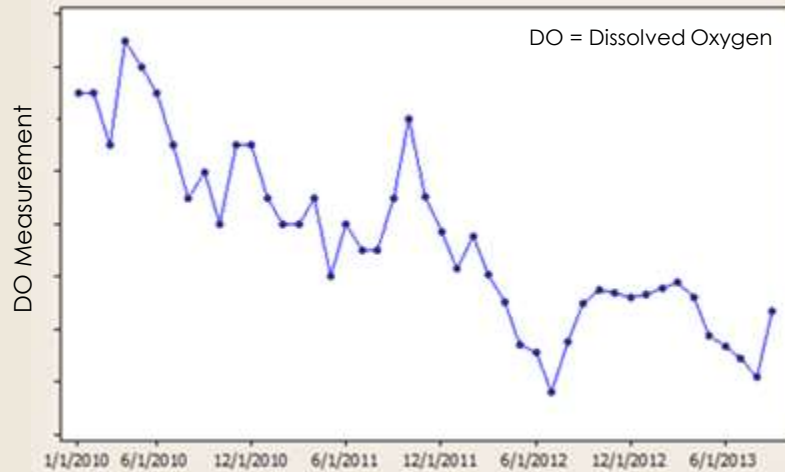


**38 Successful New Brands or Packages Rolled Out in 2012!**

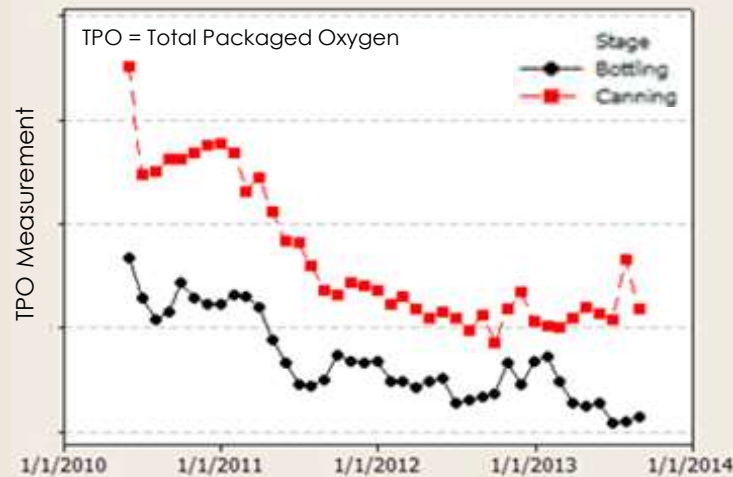
# Leveraging US Knowledge to Drive Significant Quality Improvements Across the ABI World



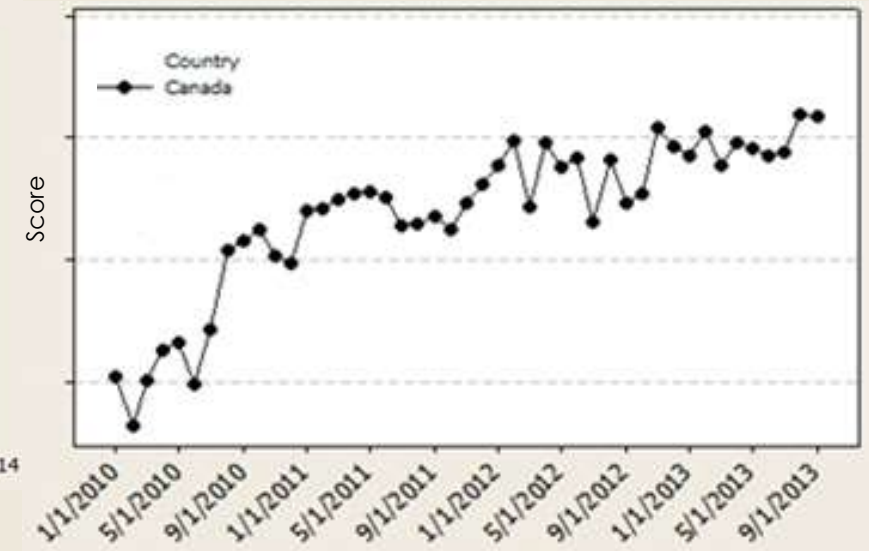
Canadian Filter Beer Monthly Average DO



Canadian TPO – Monthly Averages



Tasted Panel Score – Budweiser





# Metal Can Corporation (MCC) Provides Significant Strategic Advantage

## Industry Analysis

- Volume declines led to internal review

## Strategic Findings

- Better utilize MCC in strategic decisions
- Source internally where possible and profitable
- Increase MCC presence in higher margin specialty products



## Tactical Actions

- Improved view of cost...footprint



16 & 25oz

## Strategic Actions

**\$200M+ in CAPEX Innovation Investment**

**12 oz Can Light-Weighting**

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