

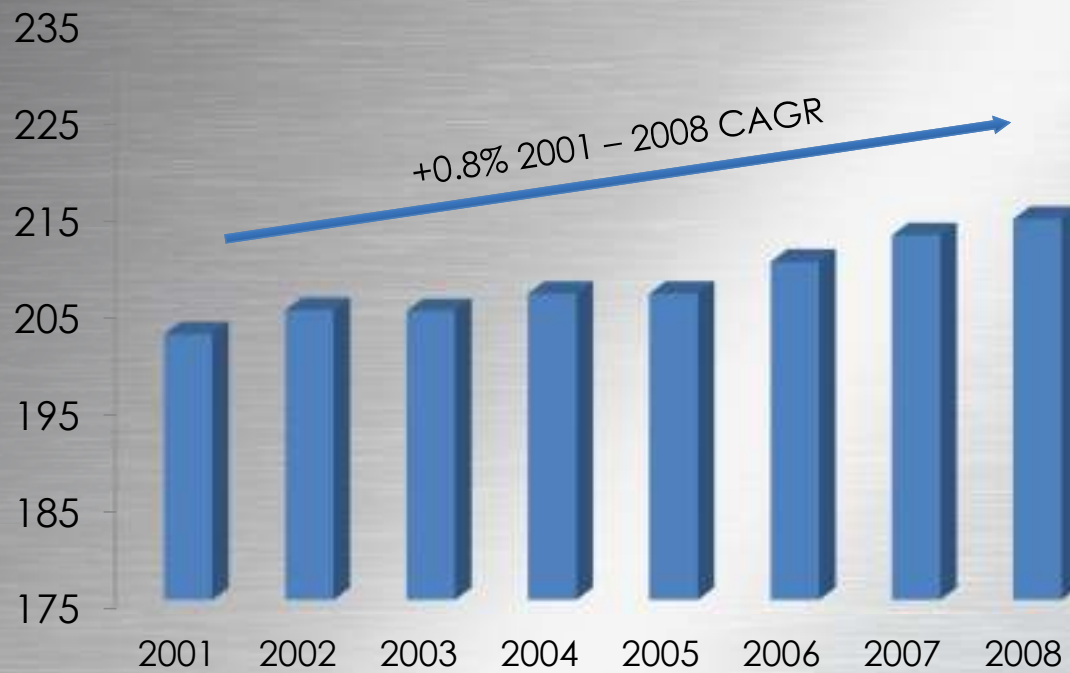
Revenue Management

David Almeida

VP, Sales and Wholesale Operations

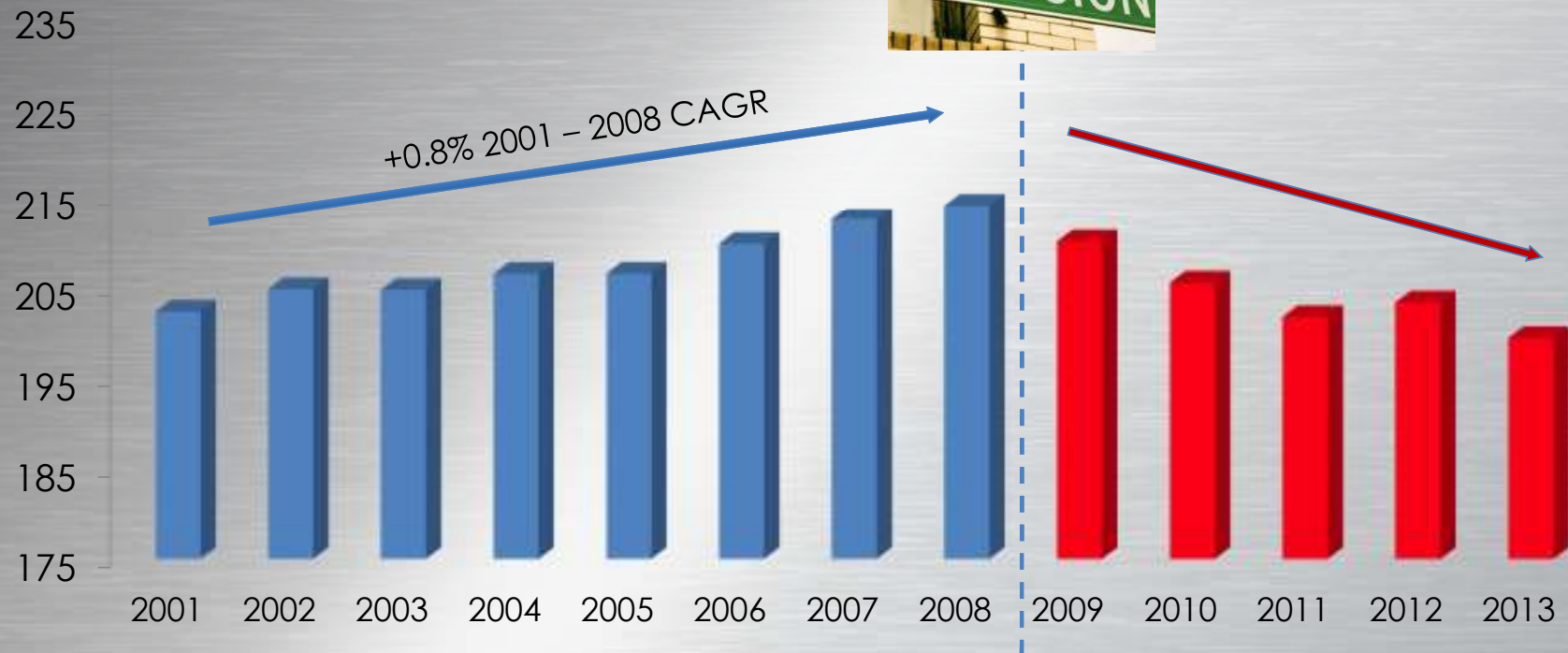
US industry was steadily growing up to 2008 ...

Industry Volume (mm hl)



... the recession impacted industry trends ...

Industry Volume (mm hl)



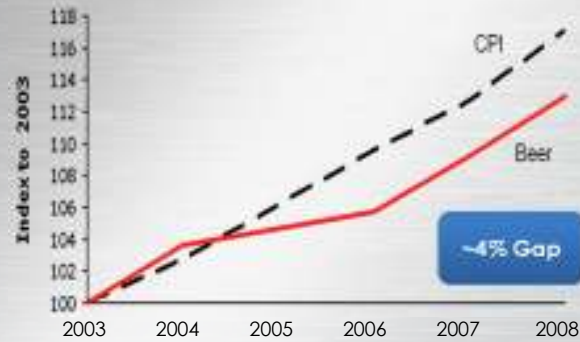
Pre-Merger Revenue Situation

ABI Decentralized Pricing Strategy



- 8 regions with different strategies

Industry Historical Revenue Gap vs CPI



- Beer industry lagging CPI, by 4pp resulting in opportunity

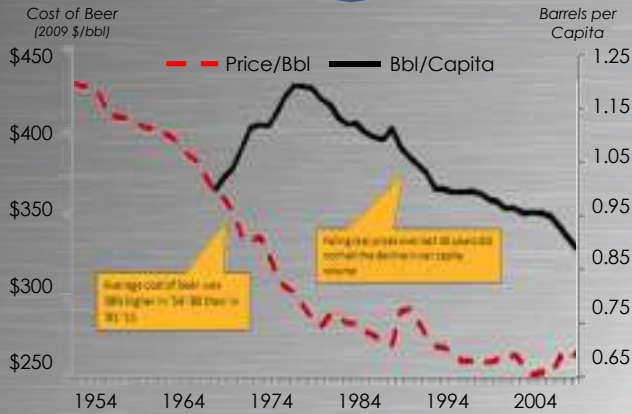
ABI Mix Was Shifting in a Less Profitable Way



- ABI Mix shifting to Value, mainly due to price gap vs Premium

Key Research Insights

US Beer Industry Has Low Elasticity



Source: Bureau of Labor Statistics; IRI; IMPACT Databank; Team analysis

- Low link between cost and per capita consumption

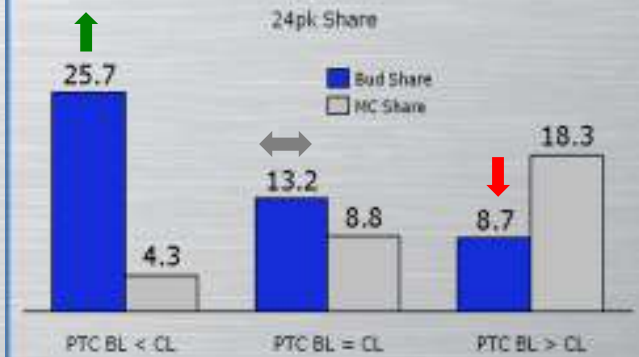
Beer In the US Was Very Affordable



Source: Organization for Economic Co-operation and Development, Comparative Price Levels, Team Analysis

- Beer in US was affordable vs other developed Countries

Cross Price Elasticity Is Very High



Source: IRI Key Grocery Account 24pack 12oz Can Weekly YTD 9/29/13

- Price gaps to key competitors impact volume in a big way

Key Accomplishments Since Merger (1/2)

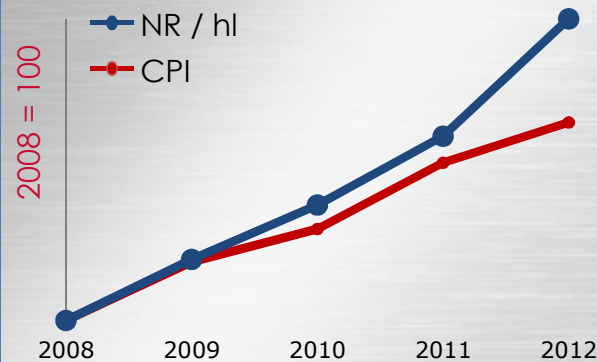
ABI Pricing Strategy Centralized

ABI	Competition	Recommendation
BECK'S		95
		95
		100
		100
		100
		100

Source: Team Analysis

- Strategy leveraging insights & our long term objectives

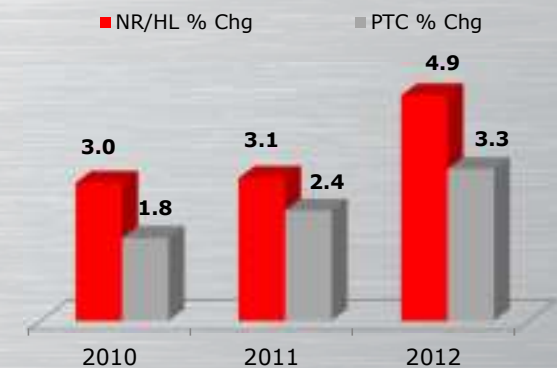
NR/hl grew above CPI



Source: Internal company financials

- ABI caught up with CPI, impacting favorable Beer

ABI PTC Increased Less Than Net Revenue



Source: NR/ HL Shipments; TT US IRI MULC AB

- Lower PTC increase minimizing volume impact

Key Accomplishments Since Merger (2/2)

ABI Mix Shifting in a Favorable Way



Source: ABI Sales to Retailer

- Stopped our Premium decline, stabilized our Value & doubled our HE

ABI Leading in Innovation for Above Premium



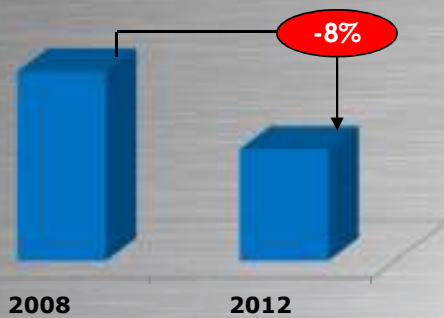
Source: IRI Mulc FY 12, Team Analysis

- ABI innovations support revenue strategy and improve mix

Top Line Results

Despite Volume Industry Pressure ...

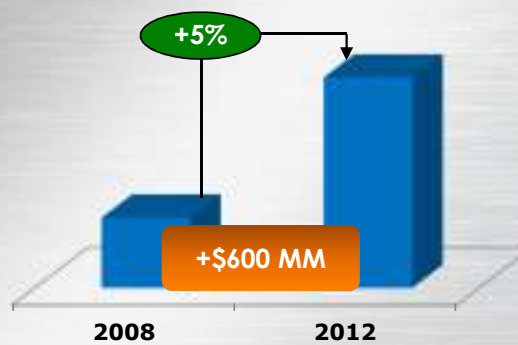
ABI Volume (MM HL)



- ABI volume down driven by Industry and Share Pressure

... ABI Net Revenue Dollars Increased ...

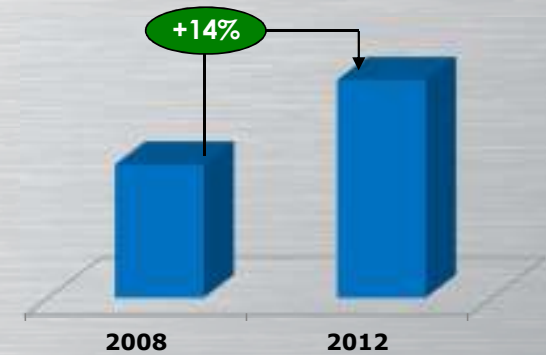
ABI Net Revenue (B\$)



- ABI Net Revenue dollars up since ABI Revenue Strategy in 2009

... Due to Strong NR/HL Growth

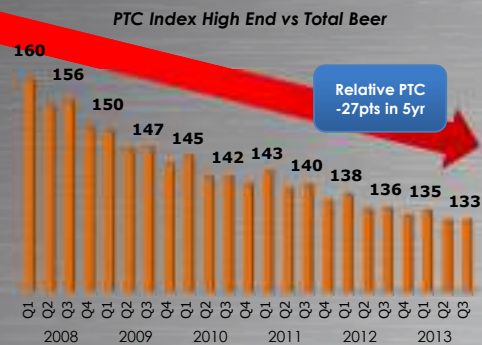
ABI Net Revenue (NR/HL)



- Better rate and mix improving Net Revenue per hl

Key Revenue Challenges Moving Forward

Relative Price Compression to High End



Source: IRI Food C-Store Crown+HUSA vs Beer

- Reduced Index impacting ABI Share

Lack of PTC Visibility and Local Recommendations



Source: IRI Store Level Data

- Need Store Level Visibility and Recommendations

Sub-optimal Promotion Execution



Source: Feature Vision 3M ending in June/13

- Substantial Promo Spend with Limited Differentiation

Price Point Matters for Market Share



Source: IRI Total US, Last 4 wk, ABI 24oz Share

- Key Price Points are critical for share

2014 Share Growth will be Supported by One Simple Revenue Program

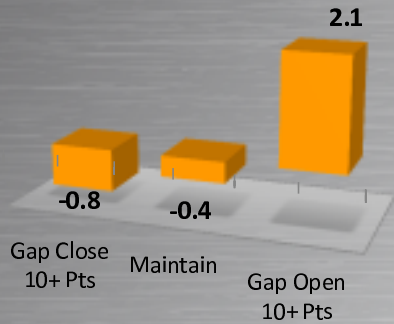




PTC Excellence will be a Key Element of '14

Relative Price Compression Matters to ABI

ABI YOY Share Change by PTC Index Prem to High End

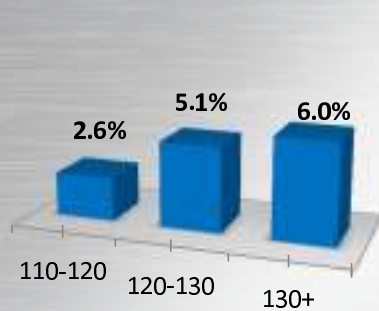


Source: IRI FL Store Level - 12 WK Ending 8-04-13 vs YA

- As the price gap closes, ABI loses share

Relative Price Compression Matters to Retailers

Retailer YOY Dollar Growth by PTC Index Prem to HE



Source: IRI US Store Level, 52 Wks Ending 10-06-13 vs YA

- Retailers also perform better above 130 index

Joint Business Plan will use IRI data for Chains Sell-in



Source: Team Analysis

- Recommended Price Gap part of JBP

RTP Turbo will use PTC Surveys for Independents Sell-in

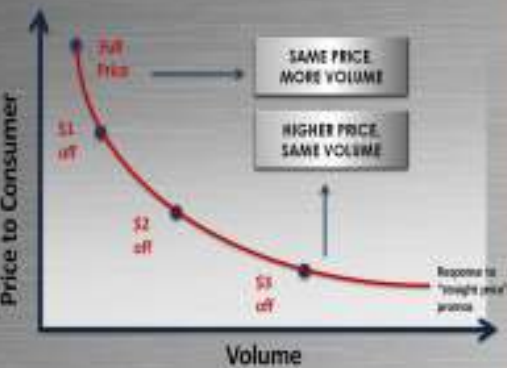


Source: Team Analysis

- Recommended Price Gap part of RTP Turbo

Promo Optimization Focus for 2014

Improve Promo Lift Through Better Communication



Source: Team Analysis

- We will improve promo offer communications

Real Test vs Control Proved Concept



Source: Test vs Control Pilot in MO Local Chain

- Tests performed better than standard promo

Plan to accelerate Better Communication



Source: Team Analysis

- Implemented through National Trade Programs

Leveraging Partnership with Frito/Pepsi



Source: : Team Analysis

- Leverage top concepts in cross merch programs

Pack Price Big Bets for 2014

New Recloseable Aluminum Bottle



Source: Team Analysis

- Better out of pocket, big distribution opportunity

Convert 24oz to the New 25oz Can



Source: apt Test vs Control Analysis

- Competitive advantage, APT proven 9% lift

Implement Big Bets through Strong Media and Trade



Source: Team Analysis

- Strong Trade and Media activation

Summary

Key Accomplishments To Date

- ✓ Grew Net Rev/HL by \$1.7B
- ✓ Closed Gap to CPI
- ✓ Improved Mix
- ✓ Led in Innovations

