



# **!nBev AmBev**

INVESTOR **DAY** 2005

Felipe Dutra  
CFO

# Today's Agenda

- InBev Overview
- AmBev in Brazil
- Beer Marketing in Brazil

Break (30 minutes)

- Beer Sales in Brazil
- Soft Drinks
- Q&A session

Beers & food

FELIPE Dutra

LUIZ FERNANDO Edmond

CARLOS Lisboa

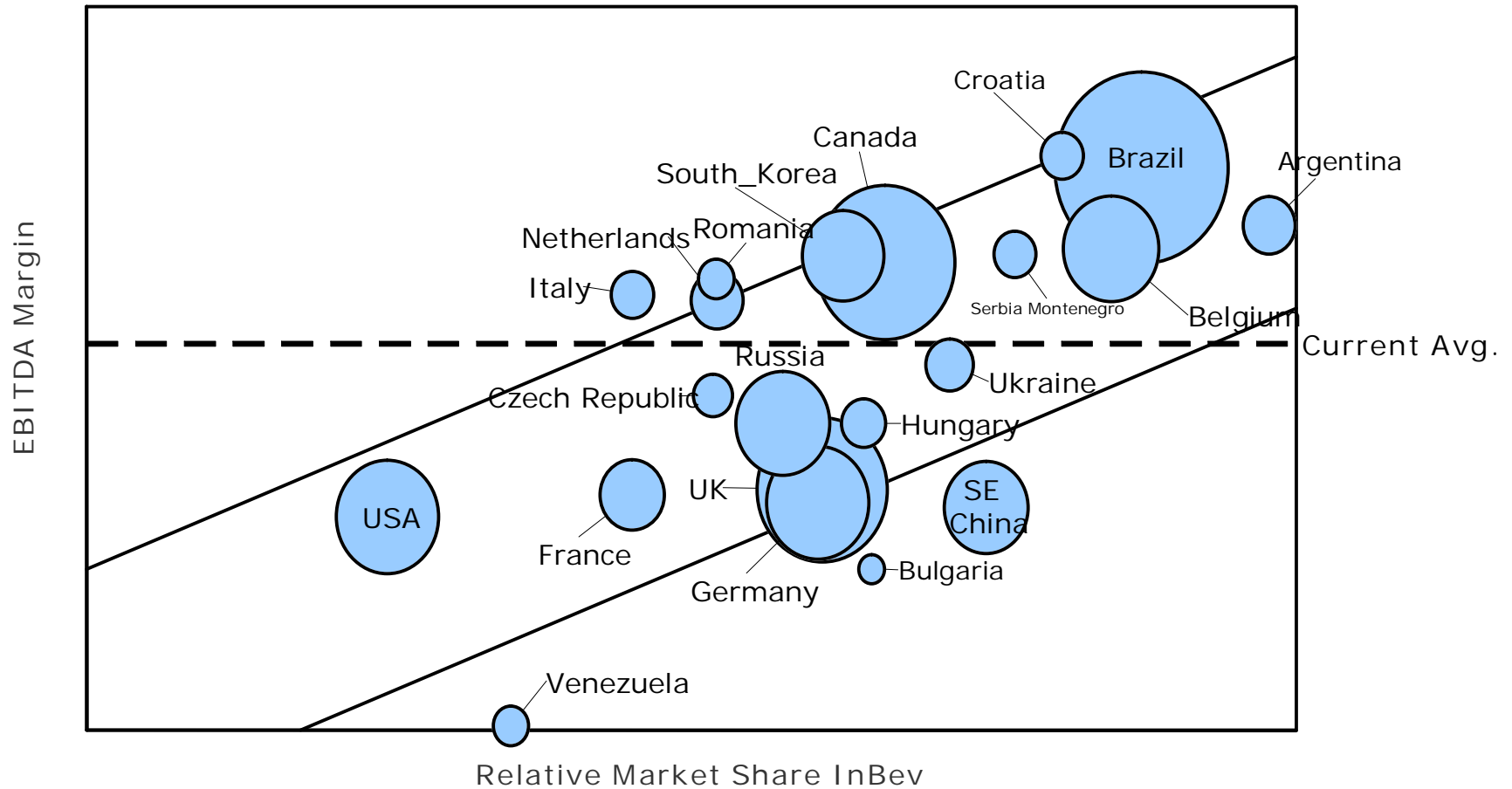
BERNARDO Paiva

FRANCISCO Sá



140 Markets  
Leader in 20 major markets  
A clear strategy

# Market leadership is key for profitability...



# Objectives differentiated by country type

Reach full potential  
in key current  
leadership markets

- Fully exploit available economies of scale
- Invest for growth

Make selective  
'big bets' where strong  
leadership can be achieved

- Select which 'big bet' to place according to risk/return, available capabilities/skills and available funds

Focus the rest of the  
portfolio on sustainable  
positions

- Focus on defensible and sustainable positions
- Manage costs and assets very aggressively
- Invest very selectively to defend/grow top-line
- Or exit/swap

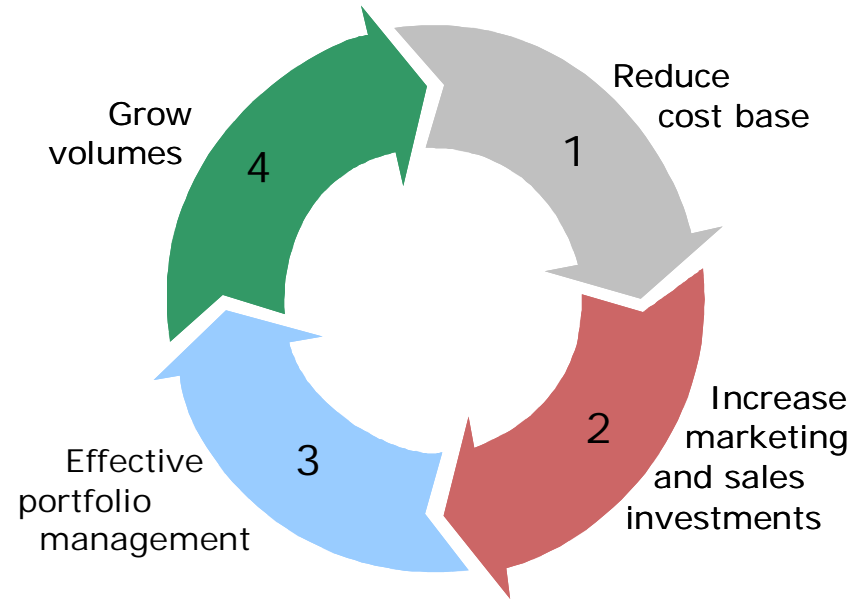
# AmBev and Interbrew coming together

AmBev
Cost focus Military execution Sales / distribution process

Interbrew
Global Brands Brand Portfolio Mgmt Innovations Geographic reach



## New operating model



# InBev Strategy

## Strategic Pillars and Enablers

Winning Brand  
Portfolio

Winning at the  
Point of  
Connection

World Class  
Efficiency

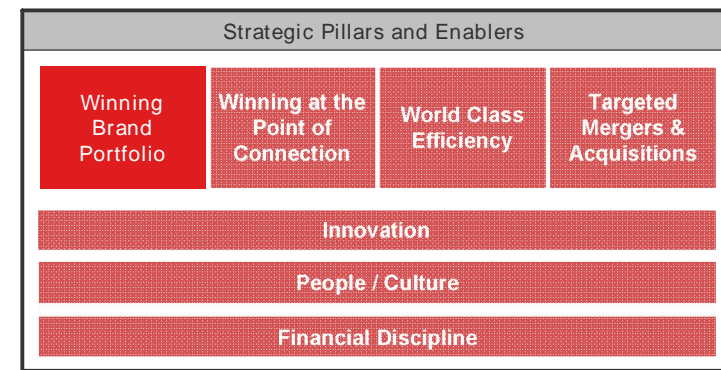
Targeted  
Mergers &  
Acquisitions

Innovation

People / Culture

Financial Discipline

# InBev Strategy

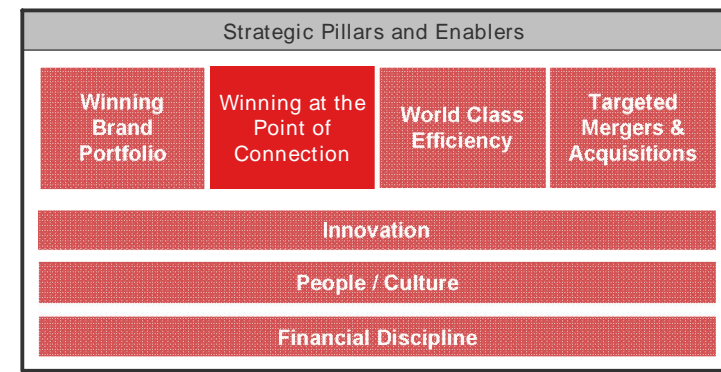


- Optimal brand portfolio by country
  - Develop sustainable core domestic brands
  - Drive global premium brands
- Revenue Management
- Global roll-out of Brahma
- Broaden consumer appeal for InBev portfolio





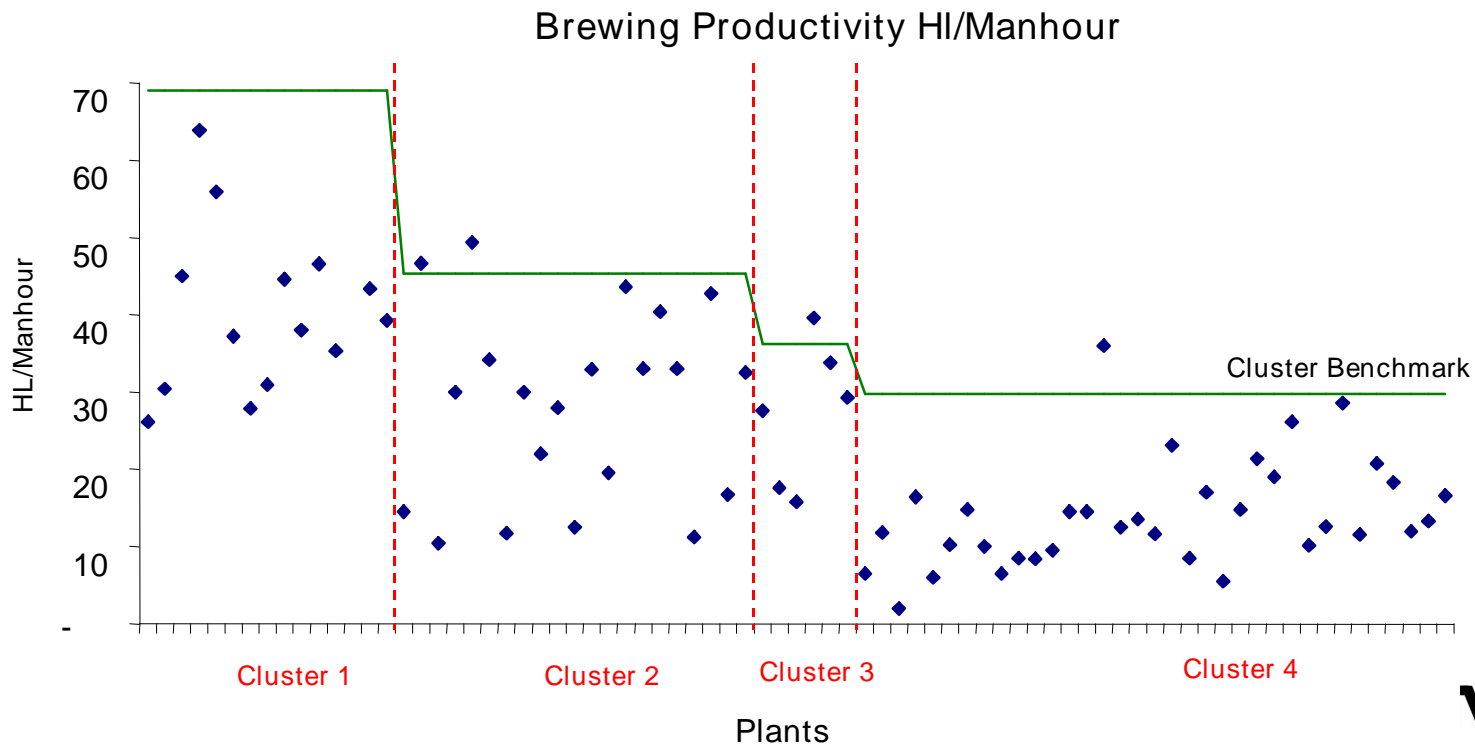
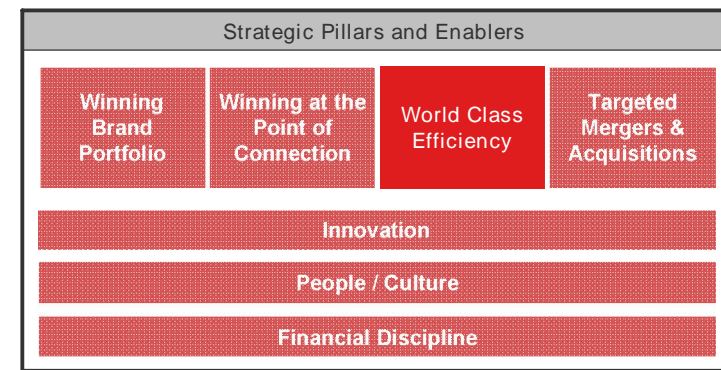
# InBev Strategy



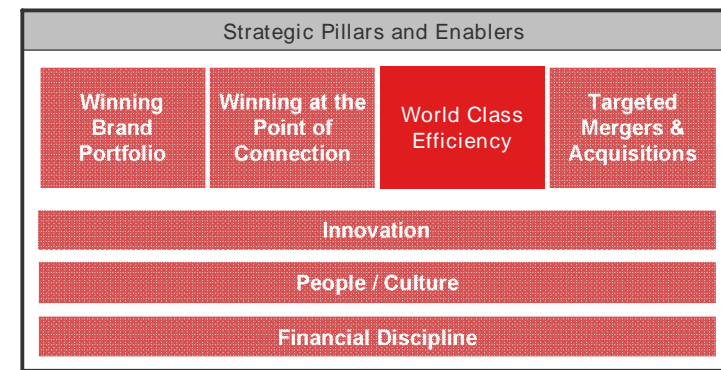
- World Class Commercial Program:
  - Wholesaler Management
  - Field Sales Management + Field Sales University
  - Customer Management
  - Occasion based activation
  - ...
  
- Secure and customize route-to-market
  
- Optimize Margin Pool Split

# InBev Strategy

- Rationalize footprint
- Develop world-class operating productivity
- Plant Optimization



# InBev Strategy



## Zero Based Budgeting

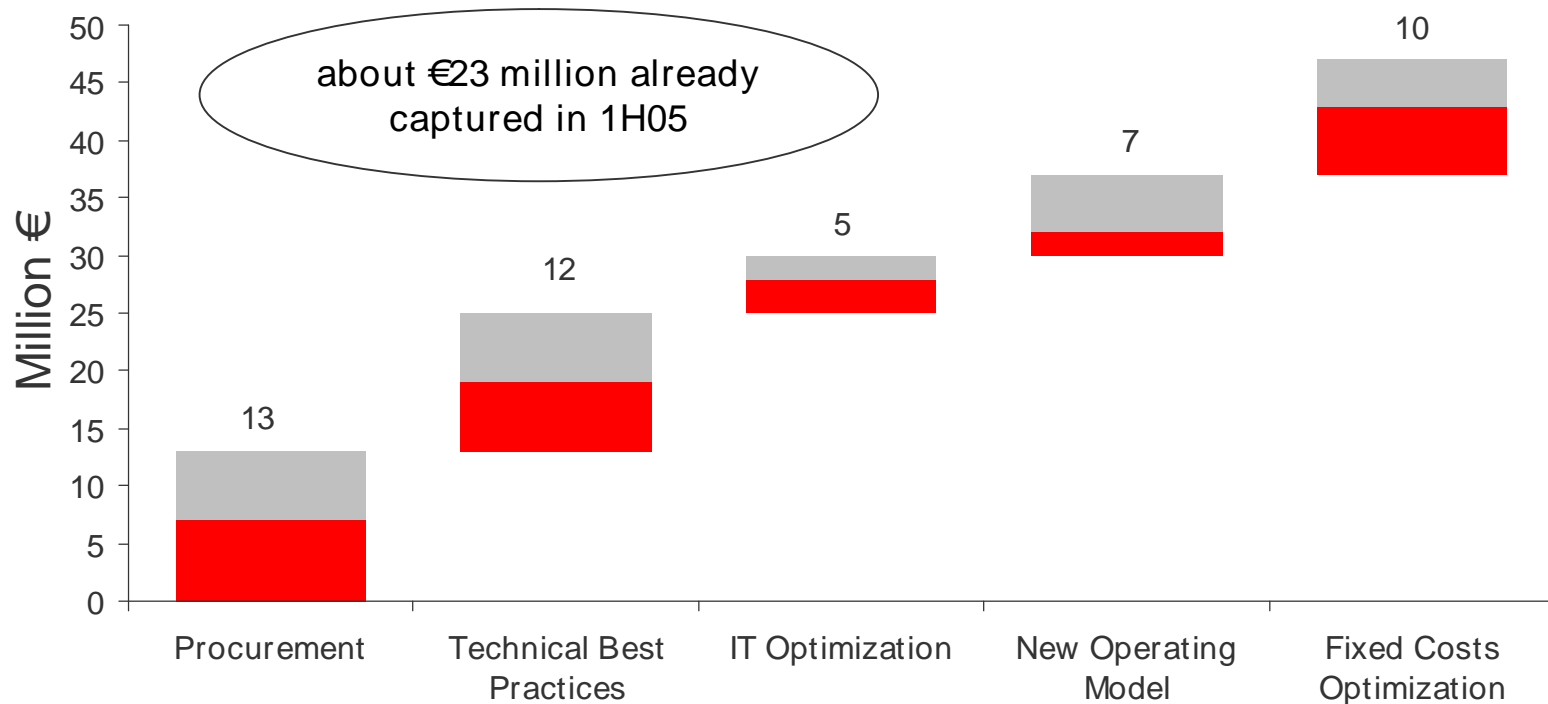
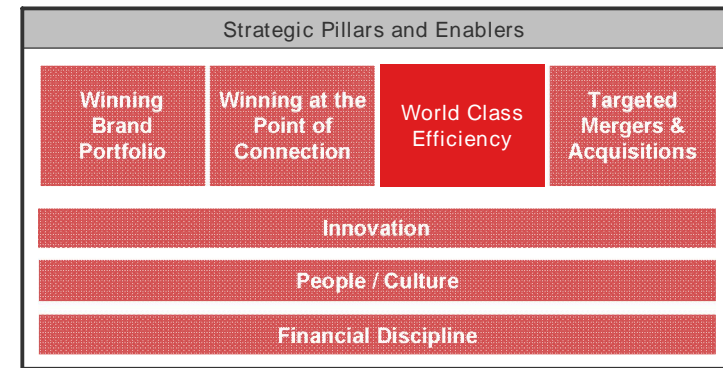
- Requires total support of Leadership
- Drives immediate behavior change
- Deeper understanding of cost drivers and consistency of spend across all functions/locations
- Inclusion in target setting and full alignment with culture and compensation system is a must – as is the ability to track and monitor



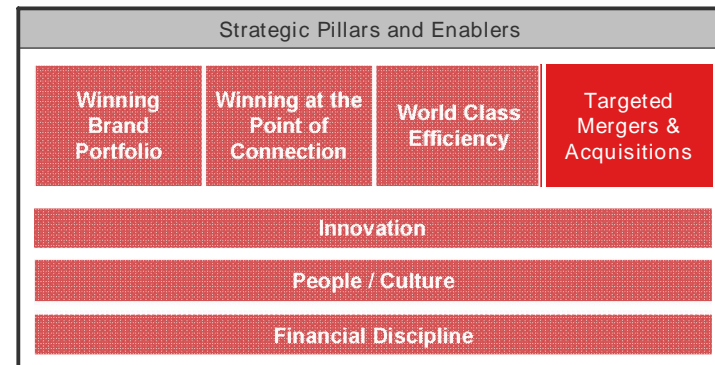
# InBev Strategy

## Cost Synergies from the combination

€47 million synergies expected in 2005  
out of the €140 million announced by 2007



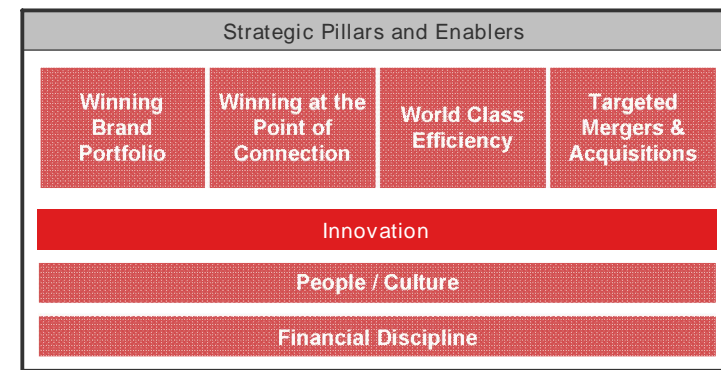
# InBev Strategy



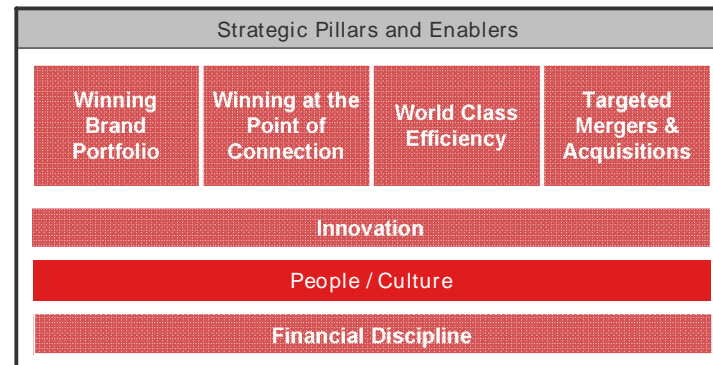
- Strengthen existing market positions
- Expand into new, attractive markets
- Divest non-core assets and pursue initiatives to optimize capital employed
- EVA approach as the key decision metric

# Key Enablers

- Revitalize Beer Category
- Increase Share of Throat
- Drive Revenue Enhancement



# Key Enablers



Our **consumers** come first



Our **people** make the difference



We **lead** the way



We **make things happen**

# Monitor execution through business cycle

