

## IMPORTANT NOTICE

**NOT FOR DISTRIBUTION TO ANY PERSON OR ADDRESS IN THE U.S. OR TO U.S. PERSONS EXCEPT AS DESCRIBED BELOW.**

**IMPORTANT:** You must read the following before continuing. The following applies to the Base Prospectus following this page and you are therefore advised to read this carefully before reading, accessing or making any other use of the Base Prospectus. In accessing the Base Prospectus, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION OF THE DOCUMENT CONSTITUTES AN OFFER OF SECURITIES FOR SALE OR A SOLICITATION OF AN OFFER TO BUY IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO OR TO U.S. PERSONS. THE SECURITIES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933 (THE "**SECURITIES ACT**"). SUBJECT TO CERTAIN EXCEPTIONS, SECURITIES MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO U.S. PERSONS. TERMS USED IN THIS PARAGRAPH HAVE THE MEANING GIVEN TO THEM IN REGULATION S UNDER THE SECURITIES ACT.

THE FOLLOWING BASE PROSPECTUS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE FORWARDED TO ANY U.S. ADDRESS OR TO U.S. PERSONS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

**Confirmation of your Representation:** This Base Prospectus is being sent at your request and by accepting the e-mail and accessing the Base Prospectus, you shall be deemed to have represented to us that you consent to delivery of this Base Prospectus by electronic transmission and that the electronic mail address that you gave us and to which this e-mail has been delivered is not located in the U.S., its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any State of the United States or the District of Columbia and that you are not a U.S. person.

You are reminded that this Base Prospectus has been delivered to you on the basis that you are a person into whose possession the Base Prospectus may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not, nor are you authorised to, deliver this Base Prospectus to any other person.

The Base Prospectus does not constitute, and may not be used in conjunction with, an offer or solicitation in any place where offers or solicitations are not permitted by law.

This Base Prospectus has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of the Issuer nor the Guarantors nor the Dealers accept any liability or responsibility whatsoever in respect of any difference between the Base Prospectus distributed to you in electronic format and the hard copy version available to you on request from the Issuer.

This Base Prospectus is being distributed only to and directed only at (i) persons who are outside the United Kingdom, (ii) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, or (iii) those persons to whom it may otherwise lawfully be distributed (all such persons together being referred to as "**relevant persons**"). This Base Prospectus is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this Base Prospectus relates is available only to relevant persons and will be engaged in only with relevant persons.



**ANHEUSER-BUSCH INBEV SA/NV**

*(a public limited liability company  
with registered office at Grand-Place/Grote Markt 1, 1000 Brussels, Belgium)*

**as Issuer on the basis set out below**

**€40,000,000,000**

**Euro Medium Term Note Programme**

**unconditionally and irrevocably guaranteed by**

**ANHEUSER-BUSCH COMPANIES, LLC**

*(a limited liability company incorporated in the State of Delaware  
with registered office at 1209 Orange Street, Wilmington, Delaware 19801 United States of America)*

**ANHEUSER-BUSCH INBEV FINANCE INC.**

*(a company incorporated in the State of Delaware  
with registered office at 1209 Orange Street, Wilmington, Delaware 19801 United States of America)*

**ANHEUSER-BUSCH INBEV WORLDWIDE INC.**

*(a company incorporated in the State of Delaware  
with registered office at 1209 Orange Street, Wilmington, Delaware 19801 United States of America)*

**BRANDBEV S.À R.L.**

*(a company incorporated under the laws of the Grand Duchy of Luxembourg  
with registered office at Zone Industrielle Breedewues No. 15, L-1259 Senningerberg, Grand Duchy of Luxembourg,  
registered with the Luxembourg Register of Commerce and Companies under number B 80.984)*

**BRANDBREW S.A.**

*(a company incorporated under the laws of the Grand Duchy of Luxembourg  
with registered office at Zone Industrielle Breedewues No. 15, L-1259 Senningerberg, Grand Duchy of Luxembourg,  
registered with the Luxembourg Register of Commerce and Companies under number B-75696)*

**COBREW NV**

*(a Belgian public limited liability company  
with registered office at Brouwerijplein 1, 3000 Leuven, Belgium)*

**An investment in Notes issued under the Programme involves certain risks.**

***You should have regard to the risk factors described in Section 2 (Risk Factors) of this Base Prospectus.***

**Arranger**

**DEUTSCHE BANK**

**Dealers**

**Barclays  
BNP PARIBAS  
BNP Paribas Fortis  
Deutsche Bank  
ING**

**J.P. Morgan  
Mizuho Securities  
MUFG  
NatWest Markets  
Santander Global Corporate Banking**

The date of this Base Prospectus is 6 December 2016

## CONTENTS

### Page

IMPORTANT NOTICES .....	4
HOW DO I USE THIS BASE PROSPECTUS?.....	11
1. SUMMARY.....	13
2. RISK FACTORS .....	31
3. INFORMATION ABOUT THE PROGRAMME .....	60
4. HOW THE RETURN ON YOUR INVESTMENT IS CALCULATED.....	65
5. DESCRIPTION OF THE ISSUER.....	70
6. PRO FORMA FINANCIAL INFORMATION.....	124
7. AUDITOR'S REPORT ON THE COMPILATION OF PRO FORMA FINANCIAL INFORMATION .....	145
8. SELECTED FINANCIAL INFORMATION .....	149
9. DESCRIPTION OF GUARANTORS .....	157
10. DOCUMENTS INCORPORATED BY REFERENCE .....	167
11. SUBSCRIPTION AND SALE .....	170
12. TAXATION.....	174
13. IMPORTANT INFORMATION RELATING TO PUBLIC OFFERS OF NOTES .....	182
14. GENERAL CONSENT – THE AUTHORISED OFFER TERMS.....	186
15. USE OF PROCEEDS .....	190
16. FORM OF FINAL TERMS.....	192
17. ADDITIONAL INFORMATION.....	204
APPENDIX A - DEFINED TERMS .....	208
APPENDIX B - TERMS AND CONDITIONS OF THE NOTES.....	212
APPENDIX C - FORM OF THE NOTES.....	240

## ABOUT THIS DOCUMENT

### What is this document?

This document (the "**Base Prospectus**") relates to the €40,000,000,000 Euro Medium Term Note Programme (the "**Programme**") of Anheuser-Busch InBev SA/NV (the "**Issuer**") under which the Issuer may from time to time issue notes (the "**Notes**").

The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed €40,000,000,000 (or its equivalent in other currencies calculated as described in the Programme Agreement described herein), subject to increase as described herein.

The Notes may be issued on a continuing basis to one or more of the Dealers specified under Section 1 (*Summary*) and any additional Dealer appointed under the Programme from time to time by the Issuer (each a "**Dealer**" and together the "**Dealers**"), which appointment may be for a specific issue or on an ongoing basis. References in this Base Prospectus to the "**relevant Dealer**" shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to subscribe such Notes. Notes may be denominated in any currency as agreed between the Issuer and the relevant Dealer.

The payments of all amounts due in respect of the Notes will, subject to Condition 2.2 (*Status of the Guarantees*), be unconditionally and irrevocably guaranteed on a joint and several basis (in certain cases up to a maximum statutory amount) by whichever of Anheuser-Busch Companies, LLC ("**Anheuser-Busch Companies**"), Anheuser-Busch InBev Finance Inc. ("**ABIFI**"), Anheuser-Busch InBev Worldwide Inc. ("**ABIWW**"), Brandbev S.à r.l. ("**Brandbev**"), Brandbrew S.A. ("**Brandbrew**") and Cobrew NV ("**Cobrew**") are specified as Guarantors in the applicable final terms document (the "**Final Terms**") (together the "**Guarantors**" and each a "**Guarantor**" and, together with the Issuer, the "**Obligors**").

This Base Prospectus contains information describing business activities of the Issuer and the Guarantors, as well as certain financial information and material risks faced by the Issuer and the Guarantors, and is intended to provide investors with the information necessary to enable them to make an informed investment decision before purchasing any Notes.

This Base Prospectus is valid for one year from the date hereof and may be supplemented from time to time to reflect any significant new factor, material mistake or inaccuracy relating to the information included in it.

### What types of Notes does this Base Prospectus relate to?

This Base Prospectus relates to the issuance of three different types of Notes:

1. Fixed Rate Notes, on which the Issuer will pay interest at a fixed rate;
2. Floating Rate Notes, on which the Issuer will pay interest at a floating rate; and
3. Zero Coupon Notes, which do not bear interest.

Notes may also be issued as a combination of these options.

### How do I use this Base Prospectus?

The contractual terms of any particular issuance of Notes will comprise the terms and conditions set out in Appendix B (*Terms and Conditions of the Notes*) at pages 216 to 242 of this Base Prospectus (the "**Conditions**"), as completed by a separate final terms document, which is specific to that issuance of Notes (the "**Final Terms**").

The Conditions comprise numbered provisions (1-16) including generic provisions that are applicable to Notes generally and certain optional provisions that will only apply to certain issuances of Notes.

The following provisions within the Conditions (together with the introductory wording appearing before Condition 1 on page 217) apply to Notes generally:

- Condition 1 (*Form, Denomination and Title*)
- Condition 2 (*Status of the Notes and the Guarantees*)
- Condition 3 (*Covenants*)

- Condition 7 (*Taxation*)
- Condition 8 (*Prescription*)
- Condition 9 (*Events of Default*)
- Condition 10 (*Domiciliary Agent and Paying Agent*)
- Condition 11 (*Notices*)
- Condition 12 (*Substitution*)
- Condition 13 (*Meetings of Noteholders and Modification*)
- Condition 14 (*Further Issues*)
- Condition 15 (*Contracts (Rights of Third Parties) Act 1999*)
- Condition 16 (*Governing Law and Submission to Jurisdiction*)

The following Conditions contain certain optional provisions that will only apply to certain issuances of Notes:

- Condition 4 (*Interest*)
- Condition 5 (*Payments*)
- Condition 6 (*Redemption and Purchase*)

The applicable Final Terms will specify which optional provisions apply to any particular issuance of Notes.

#### **What other documents should I read?**

This Base Prospectus contains all information which is necessary to enable investors to make an informed decision regarding the financial position and prospects of each of the Issuer and the Guarantors and the rights attaching to the Notes. Some of this information (such as the latest publicly available financial information relating to each of the Issuer and the Guarantors) is incorporated by reference into this Base Prospectus and some of this information is completed in the Final Terms.

**Before making any investment decision in respect of any Notes, you should read this Base Prospectus, together with the documents incorporated by reference, as well as the Final Terms relating to such Notes.**

This Base Prospectus and the Final Terms relating to any Notes will be made available at the registered office of the Issuer and will be published at:

[www.londonstockexchange.com/exchange/news/market-news/market-news-home.html](http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html).

#### **What information is included in the Final Terms?**

While this Base Prospectus includes general information about all Notes, the Final Terms is the document that sets out the specific details of each particular issuance of Notes.

The Final Terms will contain the relevant economic terms applicable to any particular issuance of Notes. The Final Terms will contain, for example:

- the issue date;
- the currency;
- the interest basis (i.e. fixed rate, floating rate or zero coupon) and (if applicable) the interest rate;
- the interest payment dates (if any);
- the scheduled maturity date and redemption amount; and

- any other information needed to complete the Conditions (identified in the Conditions by the words or "as specified in the applicable Final Terms" or other equivalent wording).

Wherever the Conditions provide optional provisions, the Final Terms will specify which of those provisions apply to a specific issuance of Notes.

**Is any part of this Base Prospectus relevant to particular types of Note only?**

This Base Prospectus includes information that is relevant to all types of Notes that may be issued under the Programme, however, certain sections of this Base Prospectus are relevant to particular types of Notes only.

The information in Section 13 (*Important Information Relating to Public Offers of Notes*) on pages 186 to 189 applies only to Notes with a denomination of less than €100,000 (or its equivalent in any other currency) which may be resold, placed or otherwise offered by financial intermediaries, subject to the conditions described therein.

As described above, certain of the Conditions provide optional provisions that will only apply to certain issuances of Notes. The Final Terms will specify which optional provisions within the Conditions will apply to a specific issuance of Notes.

**What if I have further queries relating to this Base Prospectus and the Notes?**

Please refer to the section below starting on page 11 entitled "*How do I use this Base Prospectus?*". If you have any questions regarding the content of this Base Prospectus, any Final Terms, any Notes or the actions you should take, it is recommended that you seek professional advice from your broker, solicitor, accountant or other independent financial adviser before deciding whether or not to invest.

## IMPORTANT NOTICES

This Base Prospectus comprises a base prospectus for the purposes of Article 5.4 of the Prospectus Directive. When used in this Base Prospectus, "**Prospectus Directive**" means Directive 2003/71/EC as amended, including by Directive 2010/73/EU, and includes any relevant implementing measure in a relevant Member State of the European Economic Area.

This Base Prospectus has been approved by the United Kingdom Financial Conduct Authority (the "**FCA**"), which is the United Kingdom competent authority for the purposes of the Prospectus Directive and relevant implementing measures in the United Kingdom, as a base prospectus issued in compliance with the Prospectus Directive and relevant implementing measures in the United Kingdom for the purpose of giving information with regard to the issue of Notes under the Programme during the period of twelve months after the date hereof.

Applications have been made for such Notes to be admitted during the period of twelve months after the date hereof to listing on the Official List of the FCA and to trading on the Regulated Market of the London Stock Exchange plc (the "**London Stock Exchange**"). The Regulated Market of the London Stock Exchange is a regulated market for the purposes of Directive 2004/39/EC on markets in financial instruments. References in this Base Prospectus to Notes being "listed" (and all related references) shall mean that such Notes have been admitted to the Official List and have been admitted to trading on the Market.

The Issuer and the Guarantors may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which event a new Base Prospectus or drawdown prospectus, if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

### ***Credit Rating Agency Regulation Notice***

The Programme has been rated "A3" (Senior Unsecured) and "P-2" (Short-Term) by Moody's Investors Service, Inc. ("**Moody's**") and "A-" (Senior Unsecured) and "A-2" (Short-Term) by Standard & Poor's Credit Market Services Europe Limited ("**S&P**"). S&P is established in the European Union ("**EU**") and is registered under Regulation (EC) No. 1060/2009 (as amended) of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (the "**CRA Regulation**"). As such, S&P is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation. Moody's is not established in the EU but its ratings are endorsed by Moody's Investors Service Limited which is established in the EU and registered under the CRA Regulation.

Notes to be issued under the Programme will be rated or unrated. Fitch Ratings Ltd ("**Fitch**") may in the future rate Notes issued under the Programme. Fitch is established in the EU and registered under the CRA Regulation. As such, Fitch is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with the CRA Regulation. Where a tranche of Notes is to be rated, such rating will not necessarily be the same as the rating assigned to the Notes already issued. Please also refer to "*Ratings assigned to the Issuer or its Debt Securities*" and "*Ratings assigned to each Guarantor or its Debt Securities*" in Section 1 (*Summary*) of this Base Prospectus and to "*Credit ratings may not reflect all risks*" in Section 2 (*Risk Factors*) of this Base Prospectus.

***A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.***

### ***Responsibility for this Base Prospectus***

The Issuer accepts responsibility for the information contained in this Base Prospectus and the Final Terms for each Tranche of Notes issued under the Programme. Each Guarantor accepts responsibility in respect of information in relation to itself and its Guarantee contained in this Base Prospectus and in the Final Terms for each Tranche of Notes issued under the Programme of which it is a Guarantor. The information contained in this Base Prospectus, to the best of the knowledge of the Issuer, and the information in relation to each Guarantor and its Guarantee contained in this Base Prospectus, to the best of the knowledge of each Guarantor, is in accordance with the facts and does not omit anything likely to affect the import of such information (each having taken all reasonable care to ensure that such is the case).

### ***Final Terms***

Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes and certain other information which is applicable to each Tranche (as defined under "*Terms and*

Conditions of the Notes") of Notes will be set out in the applicable Final Terms which will be filed with the FCA and the London Stock Exchange.

Copies of Final Terms will be available for viewing on the website of the Regulatory News Service operated by the London Stock Exchange (at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>) and from the specified office set out below of the Domiciliary Agent (as defined below) and copies may be obtained from that office.

### ***Notice to Potential Investors***

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

This Base Prospectus is to be read and construed together with any Supplements hereto and with all documents which are deemed to be incorporated herein by reference (see Section 10 (*Documents Incorporated by Reference*)) and in relation to any Tranche of Notes must be read and construed together with the relevant Final Terms.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments for it, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

### ***Unauthorised Information***

Save for the Issuer (and, in respect of information in relation to itself and its Guarantee, each Guarantor), no other party has separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by the Dealers as to the accuracy or completeness of the information contained or incorporated in this Base Prospectus or any other information provided by the Obligors (or any of them) in connection with the Programme. No Dealer accepts any liability in relation to the information contained or incorporated by reference in this Base Prospectus or any other information provided by the Obligors (or any of them) in connection with the Programme. No person is or has been authorised by the Obligors (or any of them) to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other document entered into in relation to the Programme or any information supplied by the Obligors in connection with the Programme or the Notes or such other information as is in the public domain and, if given or made, such information or representation must not be relied upon as having been authorised by the Obligors (or any of them) or any of the Dealers.

### ***Restrictions on distribution***

Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Notes (a) is intended to provide the basis of any credit or other evaluation or (b) should be considered as a recommendation by any of the Obligors or any of the Dealers that any recipient of this Base Prospectus or any



other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition and affairs, and its own appraisal of the creditworthiness, of the Obligors. Neither this Base Prospectus nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of any of the Obligors or any of the Dealers to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Base Prospectus or any Final Terms nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning the Obligors is correct at any time subsequent to the date hereof or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of any of the Obligors during the life of the Programme or to advise any investor in the Notes of any information coming to their attention.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended, (the "**Securities Act**") and are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (see Section 11 (*Subscription and Sale*)).

This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Obligors and the Dealers do not represent that this Base Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, unless specifically indicated to the contrary in the applicable Final Terms, no action has been taken by the Obligors or the Dealers which is intended to permit a public offering of any Notes or distribution of this Base Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in the United States, the European Economic Area (including the United Kingdom and Belgium) and Japan (see Section 11 (*Subscription and Sale*)).

### ***Stabilisation***

**In connection with the issue of any Tranche of Notes, one or more relevant Dealers (if any) named as the Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation may not occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or persons acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.**

### ***Certain definitions***

All references in this Base Prospectus to (i) "**euro**", "**EUR**" and "**€**" refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended, (ii) "**Sterling**" and "**£**" refer to pounds sterling, (iii) "**U.S. dollars**", "**U.S.\$**", "**USD**" and "**\$**" refer to United States dollars, (iv) "**CAD**" refer to the lawful currency for the time being of Canada, (v) "**real**", "**BRL**" and "**reais**" refer to the lawful currency for the time being of Brazil, (vi) "**yen**", refer to the lawful currency for the time being of Japan, (vii) "**CHF**" and "**Swiss francs**" refer to the lawful currency for the time being of Switzerland, (viii) "**MXN**" and "**Mexican Pesos**" refer to the lawful currency for the time being of Mexico, (ix) "**UAH**" refer to the lawful currency for the time being of Ukraine, (x) "**RUB**" refer to the lawful currency for the time being of the Russian Federation, and (xi) "**ZAR**" refer to the lawful currency for the time being of South Africa.

In this Base Prospectus references to:

- **"the Issuer"** or **"AB InBev"** are to Anheuser-Busch InBev SA/NV;
- **"Group"** or **"Combined Group"** are to Anheuser-Busch InBev SA/NV and the group of companies owned and/or controlled by Anheuser-Busch InBev SA/NV;
- **"Former AB InBev Group"** or **"Former AB InBev"** are to Anheuser-Busch InBev SA/NV or Anheuser-Busch InBev SA/NV and the group of companies owned and/or controlled by Anheuser-Busch InBev SA/NV, as existing prior to the completion of the Transaction;
- **"Anheuser-Busch Companies"** are to Anheuser-Busch Companies, LLC, a Delaware limited liability company (formerly Anheuser-Busch Companies, Inc., a Delaware corporation, converted to Anheuser-Busch Companies, LLC, pursuant to Section 266 of the Delaware General Corporation Law and Section 18-214 of the Delaware Limited Liability Company Act; such conversion became effective on 1 October 2011) and the group of companies owned and/or controlled by Anheuser-Busch Companies, LLC, as the context requires;
- **"Ambev"** are to AmBev S.A., a Brazilian company listed on the New York Stock Exchange and on the São Paulo Stock Exchange, and successor of Companhia de Bebidas das Américas – Ambev;
- **"SABMiller"** or the **"SABMiller Group"** are to SABMiller plc or SABMiller Limited (formerly known as SABMiller plc) and the group of companies owned and/or controlled by SABMiller Limited as existing prior to the completion of the Transaction;
- **"Transaction"** means the business combination between AB InBev and SABMiller; and
- **"Completion"** means the completion of the Transaction.

### ***Forward-Looking Statements***

There are statements in this Base Prospectus, such as statements that include the words or phrases *"will likely result"*, *"are expected to"*, *"will continue"*, *"is anticipated"*, *"anticipate"*, *"estimate"*, *"project"*, *"may"*, *"might"*, *"could"*, *"believe"*, *"expect"*, *"plan"*, *"potential"* or similar expressions that are forward-looking statements. These statements are subject to certain risks and uncertainties. Actual results may differ materially from those suggested by these statements due to, among others, the risks or uncertainties listed below. See also Section 2 (*Risk Factors*) for further discussion of risks and uncertainties that could impact the business of the Group.

These forward-looking statements are not guarantees of future performance. Rather, they are based on current views and assumptions and involve known and unknown risks, uncertainties and other factors, many of which are outside AB InBev's or the Group's control and are difficult to predict, that may cause actual results or developments to differ materially from any future results or developments expressed or implied by the forward-looking statements. Factors that could cause actual results to differ materially from those contemplated by the forward-looking statements include, among others:

- local, regional, national and international economic conditions, including the risks of a global recession or a recession in one or more of the Group's key markets, and the impact they may have on the Group and the Group's customers, and the Group's assessment of that impact;
- financial risks, such as interest rate risk, foreign exchange rate risk (in particular as against the U.S. dollar, the Group's reporting currency), commodity risk, asset price risk, equity market risk, counterparty risk, sovereign risk, liquidity risk, inflation or deflation;
- continued geopolitical instability, which may result in, among other things, economic and political sanctions and currency exchange rate volatility, and which may have a substantial impact on the economies of one or more of the Group's key markets;
- changes in government policies and currency controls;
- continued availability of financing and the Group's ability to achieve its targeted coverage and debt levels and terms, including the risk of constraints on financing in the event of a credit rating downgrade;
- the monetary and interest rate policies of central banks, in particular the European Central Bank, the Board of Governors of the U.S. Federal Reserve System, the Bank of England, *Banco Central do Brasil*,

*Banco Central de la República Argentina*, the Central Bank of China, the South African Reserve Bank, *Banco de la República* in Colombia and other central banks;

- changes in applicable laws, regulations and taxes in jurisdictions in which the Group operates, including the laws and regulations governing the Group's operations and changes to tax benefit programs, as well as actions or decisions of courts and regulators;
- limitations on the Group's ability to contain costs and expenses;
- the Group's expectations with respect to expansion plans, premium growth, accretion to reported earnings, working capital improvements and investment income or cash flow projections;
- the Group's ability to continue to introduce competitive new products and services on a timely, cost-effective basis;
- the effects of competition and consolidation in the markets in which the Group operates, which may be influenced by regulation, deregulation or enforcement policies;
- changes in consumer spending;
- changes in pricing environments;
- volatility in the prices of raw materials, commodities and energy;
- difficulties in maintaining relationships with employees;
- regional or general changes in asset valuations;
- greater than expected costs (including taxes) and expenses;
- the risk of unexpected consequences resulting from acquisitions, joint ventures, strategic alliances, corporate reorganisations or divestiture plans, and the Group's ability to successfully and cost-effectively implement these transactions and integrate the operations of businesses or other assets the Group have acquired;
- the outcome of pending and future litigation, investigations and governmental proceedings;
- natural and other disasters;
- any inability to economically hedge certain risks;
- inadequate impairment provisions and loss reserves;
- technological changes and threats to cybersecurity;
- other statements included in this Base Prospectus that are not historical; and
- the Group's success in managing the risks involved in the foregoing.

The forward-looking statements contained in this Base Prospectus, including in documents that are incorporated by reference herein, include statements relating to the expected effects of the Transaction on the Group. These forward-looking statements may include statements relating to: the expected customer reach of the Group; the expected benefits of the Transaction; and the financing of the Transaction and the Group.

Investors should not place undue reliance on these forward-looking statements, which reflect the current views of the Group's management, are subject to numerous risks and uncertainties about the Group and are dependent on many factors, some of which are outside the Group's control. There are important factors, risks and uncertainties that could cause actual outcomes and results to be materially different, including the satisfaction of the conditions to the Transaction; the ability to realise the anticipated benefits and synergies of the Transaction, including as a result of difficulty in integrating the businesses of the companies involved; any disruption to the businesses of the Group resulting from management's focus on the Transaction; the ability to satisfy any conditions required to obtain regulatory approvals and the impact of any conditions imposed by various regulatory authorities on the Group; the financial and operational risks in refinancing the Transaction and resulting from the Group's increased level of debt; the impact of foreign exchange rates; the performance of the

global economy; the capacity for growth in beer markets, alcoholic beverage markets and non-alcoholic beverage markets; the consolidation and convergence of the industry, its suppliers and its customers; the effect of changes in governmental regulations; disruption from the Transaction making it more difficult to maintain relationships with customers, employees, suppliers, associates or joint venture partners as well as governments in the territories in which the Group operates; the impact of any potential impairments of goodwill or other intangible assets on the financial condition and results of operations of the Group; the impact that the size of the Group, contractual limitations to which it is subject and its position in the markets in which it operates may have on its ability to successfully carry out further acquisitions and business integrations and the success of the Group in managing the risks involved in the foregoing.

Statements regarding financial risks, including interest rate risk, foreign exchange rate risk, commodity risk, asset price risk, equity market risk, counterparty risk, sovereign risk, inflation and deflation, are subject to uncertainty. For example, certain market and financial risk disclosures are dependent on choices about key model characteristics and assumptions and are subject to various limitations. By their nature, certain of the market or financial risk disclosures are only estimates and, as a result, actual future gains and losses could differ materially from those that have been estimated.

AB InBev cautions that the forward-looking statements in this Base Prospectus are further qualified by the risk factors disclosed in Section 2 (*Risk Factors*) that could cause actual results to differ materially from those in the forward-looking statements. Subject to its obligations under applicable law in relation to disclosure and ongoing information, AB InBev disclaims any intent or obligation to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise.

### ***Presentation of Financial Information***

The audited consolidated financial statements of the Former AB InBev Group as of 31 December 2014 and 2015, and for the three years ended 31 December 2015, have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and in conformity with International Financial Reporting Standards as adopted by the European Union ("**IFRS**"). SABMiller's audited consolidated financial statements for the year ended 31 March 2016 have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. The financial information and related discussion and analysis are presented in U.S. dollars except as otherwise specified. Unless otherwise specified, the financial information analysis in this Base Prospectus is based on the audited consolidated financial statements of the Group as of 31 December 2014 and 2015, and for the three years ended 31 December 2015.

Certain monetary amounts and other figures included in this Base Prospectus have been subject to rounding adjustments. Accordingly, any discrepancies in any tables between the totals and the sums of amounts listed are due to rounding.

The Group defines "EBITDA" as profit from operations before amortisation, depreciation and impairment. EBITDA is a supplemental measure of the Group's performance and liquidity that is not required by or presented in accordance with IFRS. EBITDA should not be considered as an alternative to IFRS measures, such as profit before tax and profit. The Group uses EBITDA to facilitate operating performance comparisons and because it believes it is frequently used by securities analysts. EBITDA has limitations as an analytical tool, and prospective purchasers should not consider it in isolation from, or as a substitute analysis for, the Group's results of operations.

### ***Presentation of Market Information***

Market information (including market share, market position and industry data for the Group's operating activities and those of its subsidiaries or of companies acquired by it) or other statements presented in this Base Prospectus regarding the Group's position (or that of companies acquired by it) relative to its competitors largely reflect the best estimates of AB InBev's management. These estimates are based upon information obtained from customers, trade or business organisations and associations, other contacts within the industries in which the Group operates and, in some cases, upon published statistical data or information from independent third parties.

Except as otherwise stated, the Group's market share data, as well as its management's assessment of its comparative competitive position, has been derived by comparing the Group's sales figures for the relevant period to its management's estimates of its competitors' sales figures for such period, as well as upon published statistical data and information from independent third parties, and, in particular, the reports published and the information made available by, among others, the local brewers' associations and the national statistics bureaus in the various countries in which the Group sells its products. The principal sources generally used include Plato Logic Limited and AC Nielsen, as well as internal estimations based on data from the Beer Institute and IRI (for

the United States), the Brewers Association of Canada (for Canada), CIES (for Bolivia), AC Nielsen (for Argentina, Brazil, Chile, Dominican Republic, Guatemala, Paraguay, Russia, Ukraine and Uruguay), Cámara Nacional de la Industria de la Cerveza y de la Malta (for Mexico), Belgian Brewers Association (for Belgium), German Brewers Association (for Germany), Seema International Limited (for China), the British Beer and Pub Association (for the United Kingdom), Centraal Brouwerij Kantoor—CBK (for the Netherlands), Association des Brasseurs de France and IRI (for France), Plato Logic Limited (for Italy), the Korean International Trade Association (for South Korea) and other local brewers' associations. Prospective investors should not rely on the market share and other market information presented herein as precise measures of market share or of other actual conditions. All information contained herein which has been sourced from a third party has been accurately reproduced and, insofar as the Group is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

### ***Volume measurements***

Unless otherwise specified, volumes, as used in this Base Prospectus in relation to AB InBev, the Former AB InBev Group or SABMiller (as the case may be) include beer (including near beer) and non-beer (primarily carbonated soft drinks) volumes. In addition, unless otherwise specified, AB InBev's volumes include not only brands that it owns or licenses, but also third-party brands that it brews or otherwise produces as a subcontractor, and third-party products that it sells through its distribution network, particularly in Western Europe. Volume figures in this Base Prospectus reflect 100 per cent. of the volumes of entities that the Former AB InBev Group has fully consolidated in its financial reporting and a proportionate share of the volumes of entities that it has proportionately consolidated in its financial reporting, but do not include volumes of its associates or non-consolidated entities.

### ***Worked Examples***

Section 4 (*How the Return on Your Investment is Calculated*) of this Base Prospectus contains worked examples of how the interest amounts are calculated under a variety of scenarios and how the redemption provisions will affect the Notes. These worked examples are provided for illustrative purposes only and are in no way representative of actual pricing. The actual amounts payable (if any) in respect of any Notes will be calculated in accordance with the terms and conditions as set out in Appendix B (*Terms and Conditions of the Notes*) and the Final Terms relating to the relevant Notes. The National Bank of Belgium (the "NBB") has not verified or validated the worked examples set out in Section 4 (*How the Return on Your Investment is Calculated*) and, as they are provided for illustrative purposes only as described above, such worked examples are not binding on the NBB.

## HOW DO I USE THIS BASE PROSPECTUS?

You should read and understand fully the contents of this Base Prospectus, including any documents incorporated by reference, and the relevant Final Terms before making any investment decision in respect of any Notes. This Base Prospectus contains important information about the Issuer, the Guarantors, the Group, the terms of the Notes and the terms of the Guarantees; as well as describing certain risks relating to the Issuer, the Guarantors, the Group and their businesses and also other risks relating to an investment in the Notes generally. An overview of the various sections comprising this Base Prospectus is set out below.

**Section 1 (Summary)** sets out in tabular format standard information which is arranged under standard headings and which the Issuer and the Guarantors are required, for legal and regulatory reasons, to include in a prospectus summary for a base prospectus of this type. This section also provides the form of the "issue specific summary" information, which will be completed and attached to the Final Terms relating to any Notes which are to be offered under the Programme.

**Section 2 (Risk Factors)** describes the principal risks and uncertainties which may affect the ability of the Issuer and/or any of the Guarantors to fulfil their respective obligations under the Notes and/or the Guarantees.

**Section 3 (Information About the Programme)** provides an overview of the Programme.

**Section 4 (How the Return on Your Investment is Calculated)** sets out worked examples of how the interest amounts are calculated under a variety of scenarios and how the redemption provisions will affect the Notes.

**Section 5 (Description of the Issuer)** provides certain information about the Issuer and the nature of the Group's business.

**Section 6 (Pro Forma Financial Information)** sets out historical financial information of the Issuer, adjusted to reflect the Transaction with SABMiller as if it had occurred on 1 January 2015. The pro forma financial information is presented for illustrative purposes only and does not necessarily reflect the results of operations or the financial position of the Issuer that would have resulted had the proposed combination occurred at the dates indicated, or project the results of operations or financial position of the Issuer for any future date or period.

**Section 7 (Auditor's Report on the Compilation of the Pro Forma Financial Information)** provides a report prepared by the Issuer's auditors in connection with the preparation of the pro forma financial information and confirms that the pro forma financial information has been properly compiled on the basis stated and is consistent with the Issuer's accounting policies.

**Section 8 (Selected Financial Information)** provides highlights of the financial information of the Group.

**Section 9 (Description of the Guarantors)** provides certain information about the Guarantors and the nature of their respective businesses.

**Section 10 (Documents Incorporated by Reference)** sets out the information that is deemed to be incorporated by reference into this Base Prospectus. This Base Prospectus should be read together with all information which is deemed to be incorporated into this Base Prospectus by reference.

**Section 11 (Subscription and Sale)** contains an overview of certain restrictions around who can purchase the Notes in certain jurisdictions.

**Section 12 (Taxation)** provides a brief outline of certain Luxembourg, Belgian and US taxation implications regarding Notes that may be issued under the Programme, as well as certain other taxation considerations which may be relevant to the Notes.

**Section 13 (Important Information Relating to Public Offers of Notes)** contains important information regarding the basis on which this Base Prospectus may be used for the purpose of making public offers of Notes.

**Section 14 (General Consent – The Authorised Offer Terms)** contains the terms applicable to authorised offers of Notes. These terms will be referred to in the "Acceptance Statement" to be published on the website of any financial intermediary which (a) is authorised to make such offers and (b) accepts such offer by publishing an Acceptance Statement on its website.

**Section 15 (Use of Proceeds)** describes the manner in which the Issuer intends to use the proceeds from issues of Notes under the Programme.

**Section 16 (*Form of Final Terms*)** sets out the template for the Final Terms that the Issuer will complete when offering any Notes under the Programme. Any such completed Final Terms will detail the relevant information applicable to each respective offer, amended to be relevant only to the specific Notes being offered.

**Section 17 (*Additional Information*)** sets out further information on the Issuer, the Guarantors and the Programme which the Issuer and the Guarantors are required to include under applicable rules. This includes the availability for inspection of certain documents relating to the Programme and certain confirmations from the Issuer and the Guarantors.

The section "**Appendix A (*Defined Terms*)**" provides an index of defined terms identifying the locations in this Base Prospectus where such terms are defined.

The section "**Appendix B (*Terms and Conditions of the Notes*)**" sets out the terms and conditions which apply to any Notes that may be issued under the Programme. The relevant Final Terms relating to any offer of Notes will complete the terms and conditions of those Notes and should be read in conjunction with this section.

The section "**Appendix C (*Form of the Notes*)**" provides a description of the form of the Notes that may be issued by the Issuer under the Programme and briefly sets out certain information relating to the X/N Clearing System, whose authorised participants include Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**").

A "**Table of Contents**" identifying each section of this Base Prospectus with corresponding page references is included at the beginning of this Base Prospectus.

## **1. SUMMARY**

The following is a summary of information relating to the Issuer, the Guarantors and the Programme.



## SUMMARY

Summaries are made up of disclosure requirements known as "Elements". These elements are numbered in Sections A – E (A.1 – E.7).

This summary contains all the Elements required to be included in a summary for this type of securities and Issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in the summary because of the type of securities and Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of "Not Applicable".

Words and expressions defined in the "Terms and Conditions of the Notes" below or elsewhere in this Base Prospectus have the same meanings in this summary.

Section A – Introduction and Warnings		
A.1	<b>Introduction:</b>	<p>This summary must be read as an introduction to this Base Prospectus and any decision to invest in the Notes should be based on a consideration of the Base Prospectus as a whole, including any information incorporated by reference. Following the implementation of the Prospectus Directive (Directive 2003/71/EC) in each Member State of the European Economic Area ("EEA"), no civil liability will attach to the Responsible Persons in any such Member State solely on the basis of this summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Base Prospectus, including any information incorporated by reference or it does not provide, when read together with the other parts of this Base Prospectus, key information in order to aid investors when considering whether to invest in the Notes.</p> <p>Where a claim relating to the information contained in this Base Prospectus is brought before a court in a Member State of the EEA, the plaintiff may, under the national legislation of the Member States, be required to bear the costs of translating the Base Prospectus before the legal proceedings are initiated.</p>
A.2	<b>Consent:</b>	<p><b>[General Consent:</b> The Issuer and the Guarantors consent to the use of this Base Prospectus in connection with a Public Offer of the Notes by the Dealers specified in the relevant Final Terms and any financial intermediary which is authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC) on the following basis:</p> <ul style="list-style-type: none"> <li>(a) the relevant Public Offer is only made in [Austria] [Belgium] [Germany] [Ireland] [Luxembourg] [the Netherlands] [and] [the United Kingdom];</li> <li>(b) the relevant Public Offer must occur during the period from and including [●] to but excluding [●];</li> <li>(c) the relevant Authorised Offeror must publish an Acceptance Statement, as contained in the Base Prospectus, on its website [and satisfy the following additional conditions: [●]].]</li> </ul> <p><b>[Specific Consent:</b> The Issuer and the Guarantors consent to the use of this Base Prospectus in connection with a Public Offer of the Notes by [●] on the following basis:</p> <ul style="list-style-type: none"> <li>(a) the relevant Public Offer is only made in [Austria] [Belgium] [Germany] [Ireland] [Luxembourg] [the Netherlands] [and] [the United Kingdom];</li> <li>(b) the relevant Public Offer must occur during the period from and including [●] to but excluding [●];</li> <li>(c) the relevant Authorised Offeror must satisfy the following conditions: [●].</li> </ul> <p><b>Authorised Offerors will provide information to Investors on the terms and conditions of the Public Offer of the relevant Notes at the time such Public Offer is made by the Authorised Offeror to the Investor.]</b></p>
Section B – Issuer and Guarantors		
B.1	<b>Legal name of the Issuer: Commercial name of the Issuer:</b>	<p>Anheuser-Busch InBev SA/NV (the "Issuer" or "AB InBev")</p> <p>Anheuser-Busch InBev</p>

B.2	Domicile and legal form of the Issuer:	<p>The Issuer was incorporated on 3 March 2016 for an unlimited duration under the laws of Belgium under the original name Newbelco SA/NV ("<b>Newbelco</b>"), and is the successor entity to Anheuser-Busch InBev SA/NV which was incorporated on 2 August 1977 for an unlimited duration under the laws of Belgium under the original name BEMES ("<b>Former AB InBev</b>"). It has the legal form of a public limited liability company (<i>naamloze vennootschap/société anonyme</i>).</p> <p>Registered office: Grand Place/Grote Markt 1, 1000 Brussels, Belgium</p> <p>Register of Legal Entities of Brussels number: 0417.497.106.</p> <p>The Issuer's global headquarters are located at Brouwerijplein 1 3000 Leuven, Belgium (tel.: +32 16 27 61 11). The Issuer's agent in the United States is Anheuser-Busch InBev Services LLC, 250 Park Avenue, 2nd Floor, New York, NY, 10177.</p>																							
B.4b	Trends:	<p>The Issuer expects that the following trends may negatively affect its results of operations in 2016: the Issuer expects distribution expenses per hectolitre to increase organically by mid-single to high-single digits; with respect to net finance costs, the Issuer expects the average coupon on net debt to be in the range of 3.5 per cent. to 4.0 per cent. in the financial year 2016. Net pension interest expense and accretion expenses are expected to be approximately USD 30 million and USD 120 million per quarter, respectively. Finally, the Issuer expects that other financial results will continue to be impacted by any future gains and losses related to the hedging of its share-based payment programmes.</p>																							
B.5	The Group:	<p>The Issuer's most significant subsidiaries as at 10 October 2016 were:</p> <table><thead><tr><th>Subsidiary Name</th><th>Jurisdiction of incorporation or residence</th><th>Proportion of ownership interest</th><th>Proportion of voting rights held</th></tr></thead><tbody><tr><td><b>Ambev S.A.</b> Rua Dr. Renato Paes de Barros 1017 3º Andar Itaim Bibi São Paulo</td><td>Brazil</td><td>62 per cent.</td><td>62 per cent.</td></tr><tr><td><b>Anheuser-Busch Companies, LLC</b> One Busch Place St. Louis, MO 63118</td><td>Delaware, U.S.A.</td><td>100 per cent.</td><td>100 per cent.</td></tr><tr><td><b>Grupo Modelo, S.A.B. de C.V.</b> Javier Barros Sierra No. 555 Piso 3 Zedec Santa Fe, 01210 Mexico, DF</td><td>Mexico</td><td>100 per cent.</td><td>100 per cent.</td></tr><tr><td><b>SABMiller Ltd.</b> AB InBev House, Church Street West, Woking, Surrey, GU21 6HT.....</td><td>United Kingdom</td><td>100 per cent.</td><td>100 per cent.</td></tr></tbody></table> <p>For more detail see note 33 of the audited consolidated financial statements of the Former AB InBev Group as of 31 December 2014 and 2015, and for the three years ended 31 December 2015.</p>				Subsidiary Name	Jurisdiction of incorporation or residence	Proportion of ownership interest	Proportion of voting rights held	<b>Ambev S.A.</b> Rua Dr. Renato Paes de Barros 1017 3º Andar Itaim Bibi São Paulo	Brazil	62 per cent.	62 per cent.	<b>Anheuser-Busch Companies, LLC</b> One Busch Place St. Louis, MO 63118	Delaware, U.S.A.	100 per cent.	100 per cent.	<b>Grupo Modelo, S.A.B. de C.V.</b> Javier Barros Sierra No. 555 Piso 3 Zedec Santa Fe, 01210 Mexico, DF	Mexico	100 per cent.	100 per cent.	<b>SABMiller Ltd.</b> AB InBev House, Church Street West, Woking, Surrey, GU21 6HT.....	United Kingdom	100 per cent.	100 per cent.
Subsidiary Name	Jurisdiction of incorporation or residence	Proportion of ownership interest	Proportion of voting rights held																						
<b>Ambev S.A.</b> Rua Dr. Renato Paes de Barros 1017 3º Andar Itaim Bibi São Paulo	Brazil	62 per cent.	62 per cent.																						
<b>Anheuser-Busch Companies, LLC</b> One Busch Place St. Louis, MO 63118	Delaware, U.S.A.	100 per cent.	100 per cent.																						
<b>Grupo Modelo, S.A.B. de C.V.</b> Javier Barros Sierra No. 555 Piso 3 Zedec Santa Fe, 01210 Mexico, DF	Mexico	100 per cent.	100 per cent.																						
<b>SABMiller Ltd.</b> AB InBev House, Church Street West, Woking, Surrey, GU21 6HT.....	United Kingdom	100 per cent.	100 per cent.																						
B.8	Selected Key Pro Forma Financial Information:	<p>The pro forma financial information is based on the historical consolidated financial statements of the Issuer and the historical consolidated financial statements of SABMiller. The pro forma financial information is presented for illustrative purposes only in connection with the Issuer's combination with SABMiller and does not necessarily reflect the results of operations or the financial position of the Issuer that would have resulted had the proposed combination occurred at the dates indicated, or project the results of operations or financial position of the Issuer for any future date or period.</p> <p>The pro forma financial information should be read in conjunction with (i) the Issuer's audited consolidated financial statements and related notes contained in the Issuer's Annual Report on Form 20-F as of and for the fiscal year ended 31 December 2015; the Issuer's unaudited condensed consolidated financial statements and related notes contained in the Issuer's unaudited interim report on Form 6-K as of and for the six months ended 30 June 2016; and (ii) SABMiller's audited consolidated historical financial statements and related notes as of and for the fiscal year ended 31 March 2016 and SABMiller's unaudited condensed consolidated financial statements and related notes as of and for the six months ended 30 September 2015.</p> <p>Adjustments have been made to SABMiller's financial statements to conform to Former AB InBev's financial statement presentation and to reflect alignment of SABMiller's accounting policies to those of Former AB InBev, and were based on limited information available related to the above mentioned periods. The unaudited pro forma financial information also includes adjustments to reflect certain divestitures relating to Former AB InBev's combination with SABMiller and the financing structure to fund such business combination. These adjustments reflect AB InBev's best estimates based upon the information available to date and are preliminary and subject to change once more detailed information is obtained.</p>																							

The selected key pro forma financial information should be read in conjunction with the pro forma financial information set out in Section 6 (*Pro Forma Financial Information*).

# **Unaudited Pro Forma Condensed Combined Income Statement for the year ended 31 December 2015**

	Pro forma adjustments (US\$m)					
	Historical AB InBev for the fiscal year ended 31 December 2015	Adjusted SABMiller for the fiscal year ended 31 March 2016	Acquisition adjustments	Financing adjustments	Divestitures adjustments	Total pro forma combined
	US\$m	US\$m				US\$m
<b>Revenue</b>	<b>43,604</b>	<b>14,895</b>	-	-	<b>(3,043)</b>	<b>55,456</b>
Cost of sales	(17,137)	(5,588)	(106)	-	1,306	(21,525)
<b>Gross profit</b>	<b>26,467</b>	<b>9,307</b>	<b>(106)</b>	-	<b>(1,737)</b>	<b>33,931</b>
Distribution expenses	(4,259)	(1,421)	(6)	-	236	(5,450)
Sales and marketing expenses	(6,913)	(2,211)	265	-	659	(8,200)
Administrative expenses	(2,560)	(1,798)	(8)	-	240	(4,126)
Other operating income/(expenses)	1,032	133	-	-	(68)	1,097
Restructuring	(171)	(17)	-	-	7	(181)
Business and asset disposal	524	-	-	-	-	524
Acquisition costs business combinations	(55)	(160)	194	-	-	(21)
Impairment of assets	(82)	(379)	-	-	-	(461)
Judicial settlement	(80)	-	-	-	-	(80)
<b>Profit from operations</b>	<b>13,904</b>	<b>3,454</b>	<b>339</b>	-	<b>(663)</b>	<b>17,033</b>
Finance cost	(3,142)	(763)	725	(2,052)	-	(5,232)
Finance income	1,689	257	-	-	-	1,946
<b>Net finance cost</b>	<b>(1,453)</b>	<b>(506)</b>	<b>725</b>	<b>(2,052)</b>	-	<b>(3,286)</b>
Share of result of associates and joint ventures	10	1,126	66	-	(952)	250
<b>Profit before tax</b>	<b>12,461</b>	<b>4,074</b>	<b>1,130</b>	<b>(2,052)</b>	<b>(1,615)</b>	<b>13,997</b>
Income tax expense	(2,594)	(1,152)	(51)	-	304	(3,493)
<b>Profit</b>	<b>9,867</b>	<b>2,922</b>	<b>1,079</b>	<b>(2,052)</b>	<b>(1,311)</b>	<b>10,504</b>
Attributable to:						
Equity holders of AB InBev ("parent")	8,273	2,699	1,072	(2,052)	(1,311)	8,680
Non-controlling interest	1,594	223	7	-	-	1,824
<b>Earnings per share</b>						
Basic	5.05					4.42
Diluted	4.96					4.35
Basic weighted average number of ordinary shares	1,638		326			1,964
Diluted weighted average number of ordinary shares	1,668		326			1,994

# **Unaudited Pro Forma Condensed Combined Income Statement for the six months ended 30 June 2016**

			Pro forma adjustments (US\$m)			
	Historical AB InBev for the six months ended 30 June 2016	Adjusted SABMiller for the six months ended 31 March 2016	Acquisition adjustments	Financing adjustments	Divestitures adjustments	Total pro forma combined
	US\$m	US\$m				US\$m
Revenue	20,206	7,410	-	-	(1,332)	26,284
Cost of sales	(8,002)	(2,760)	(60)	-	591	(10,231)
Gross profit	12,204	4,650	(60)	-	(741)	16,053
Distribution expenses	(1,964)	(718)	(4)	-	106	(2,580)
Sales and marketing expenses	(3,568)	(1,013)	127	-	288	(4,166)
Administrative expenses	(1,179)	(830)	(5)	-	116	(1,898)
Other operating income/(expenses)	422	108	(1)	-	(55)	474
Restructuring (including impairment losses)	(62)	(32)	-	-	6	(88)
Business and asset disposal (including impairment losses)	2	-	-	-	-	2
Acquisition costs business combinations	(79)	(160)	239	-	-	-
Impairment of assets	-	(379)	-	-	-	(379)
Profit from operations	5,775	1,626	296	-	(280)	7,418
Finance cost	(4,918)	(392)	2,607	(184)	-	(2,887)
Finance income	805	124	(268)	-	-	661
Net finance cost	(4,113)	(268)	2,339	(184)	-	(2,226)
Share of result of associates and joint ventures	3	389	34	-	(325)	101
Profit before tax	1,664	1,747	2,669	(184)	(605)	5,293
Income tax expense	(835)	(582)	(20)	-	125	(1,312)
Profit	829	1,165	2,649	(184)	(480)	3,981
Attributable to:						
Equity holders of AB InBev ("parent")	285	1,059	2,646	(184)	(480)	3,328
Non-controlling interest	544	106	3	-	-	653
Earnings per share						
Basic	0.17					1.69
Diluted	0.17					1.66
Basic weighted average number of ordinary shares	1,641		326			1,967
Diluted weighted average number of ordinary shares	1,673		326			1,999

# **Unaudited Pro Forma Condensed Combined Balance Sheet as of 30 June 2016**

				Pro forma adjustments (US\$m)			
	Historical AB InBev as of 30 June 2016	Adjusted SABMiller as of 31 March 2016	Re- classifications to assets held for sale	Acquisition adjustments	Financing adjustments	Divestiture adjustments	Total pro forma combined
	US\$m	US\$m					US\$m
<b>Assets</b>							
<b>Non-current assets</b>							
Property, plant and equipment	19,309	7,750	(1,777)	907	-	-	26,189
Goodwill	65,210	14,268	-	68,783	-	-	148,261
Intangible assets	29,634	6,526	(634)	11,424	-	-	46,950
Investments in associates	286	4,114	(1,665)	2,251	-	-	4,986
Investments in joint ventures	-	5,512	(5,512)	-	-	-	-
Investment securities	49	19	(1)	-	-	-	67
Deferred tax assets	1,201	209	-	-	-	-	1,410
Employee benefits	5	-	-	-	-	-	5
Derivatives	213	565	-	-	--	-	778
Trade and other receivables	789	121	(61)	-	-	-	849
	<b>116,696</b>	<b>39,084</b>	<b>(9,650)</b>	<b>83,365</b>	<b>-</b>	<b>-</b>	<b>229,495</b>
<b>Current Assets</b>							
Investment securities	55,982	-	-	-	(54,506)	-	1,476
Inventories	3,282	993	(202)	-	-	-	4,073
Income tax receivable	994	59	(1)	-	-	-	1,052
Derivatives	1,544	281	-	-	-	-	1,825
Trade and other receivables	6,534	1,742	(486)	-	-	-	7,790
Cash and cash equivalents	6,050	1,430	-	(67,157)	67,915	6,441	14,679
Assets held for sale	47	-	9,491	8,830	-	(16,441)	1,927
	<b>74,433</b>	<b>4,505</b>	<b>8,802</b>	<b>(58,327)</b>	<b>13,409</b>	<b>(10,000)</b>	<b>32,822</b>
<b>Total assets</b>	<b>191,129</b>	<b>43,589</b>	<b>(848)</b>	<b>25,038</b>	<b>13,409</b>	<b>(10,000)</b>	<b>262,317</b>

# **Unaudited Pro Forma Condensed Combined Balance Sheet as of 30 June 2016**

	Pro forma adjustments (US\$m)						
	Historical AB InBev as of 30 June 2016	Adjusted SABMiller as of 31 March 2016	Reclassifications to assets held for sale	Acquisition adjustments	Financing adjustments	Divestiture adjustments	Total pro forma combined
	US\$m	US\$m	US\$m				US\$m
<b>Equity</b>							
Issued capital	1,736	168	-	(168)	-	-	1,736
Share premium	17,620	6,849	-	(6,849)	-	-	17,620
Reserves	(18,053)	(3,130)	-	39,902	5,924	-	24,643
Retained earnings	32,587	19,005	-	(19,805)	(1,403)	-	30,384
<b>Equity attributable to equity holders of AB InBev</b>	<b>33,890</b>	<b>22,892</b>	-	<b>13,080</b>	<b>4,521</b>	-	<b>74,383</b>
Non-controlling interest	3,847	1,196	-	3,820	-	-	8,863
	<b>37,737</b>	<b>24,088</b>	-	<b>16,900</b>	<b>4,521</b>	-	<b>83,246</b>
<b>Liabilities</b>							
<b>Non-current liabilities</b>							
Interest-bearing loans and borrowings	101,045	8,814	-	322	7,865	-	118,046
Employee benefits	2,678	179	(20)	-	-	-	2,837
Deferred tax liabilities	11,890	2,250	-	7,826	-	(4,915)	17,051
Derivatives	338	26	-	-	-	-	364
Trade and other payables	1,389	28	-	-	-	-	1,417
Provisions	705	95	(4)	-	-	-	796
	<b>118,045</b>	<b>11,392</b>	<b>(24)</b>	<b>8,148</b>	<b>7,865</b>	<b>(4,915)</b>	<b>140,511</b>
<b>Current liabilities</b>							
Bank overdrafts	55	159	-	-	-	-	214
Interest-bearing loans and borrowings	7,586	2,767	-	(10)	10,000	(10,000)	10,343
Income tax payable	430	830	(11)	-	-	4,915	6,164
Derivatives	9,547	213	(2)	-	(8,977)	-	781
Trade and other payables	17,601	3,870	(794)	-	-	-	20,677
Provisions	128	270	(17)	-	-	-	381
	<b>35,347</b>	<b>8,109</b>	<b>(824)</b>	<b>(10)</b>	<b>1,023</b>	<b>(5,085)</b>	<b>38,560</b>
<b>Total equity and liabilities</b>	<b>191,129</b>	<b>43,589</b>	<b>(848)</b>	<b>25,038</b>	<b>13,409</b>	<b>(10,000)</b>	<b>262,317</b>

**B.9 Profit Forecast:** Not Applicable.

**B.10 Audit Report Qualifications:** Not Applicable.

**B.12 Key Financial Information:** The information below is extracted from the consolidated audited financial statements of the Former AB InBev Group for the years ended 31 December 2014 and 2015, the unaudited interim report for the six month period ended 30 June 2016 and the unaudited condensed consolidated interim financial statements for the nine-month period ended 30 September 2016.

## **Condensed Consolidated Income Statement for the years ended 31 December 2015 and 2014**

	2015				2014			
	Guarantors				Guarantors			
	Group	AB InBev Worldwide Inc	AB InBev Finance Inc	Subsidiary Guarantors	Group	AB InBev Worldwide Inc	AB InBev Finance Inc	Subsidiary Guarantors
	(million US dollar)							
<b>Revenue</b>	<b>43,604</b>			<b>14,097</b>	<b>47,063</b>	-	-	<b>14,345</b>
Cost of sales	(17,137)			(6,179)	(18,756)	-	-	(6,312)
<b>Gross profit</b>	<b>26,467</b>			<b>7,918</b>	<b>28,307</b>	-	-	<b>8,033</b>
Distribution expenses	(4,259)			(1,009)	(4,558)	-	-	(969)
Sales and marketing expenses	(6,913)			(2,065)	(7,036)	-	-	(1,888)
Administrative expenses	(2,560)			(258)	(2,791)	-	-	(235)
Other operating income/(expenses)	1,168	701	-	(1,210)	1,189	815	-	(1,115)
<b>Profit from operations</b>	<b>13,904</b>	<b>701</b>	-	<b>3,376</b>	<b>15,111</b>	<b>815</b>	-	<b>3,826</b>
<b>Net finance cost</b>	<b>(1,453)</b>	<b>(1,791)</b>	<b>41</b>	<b>(311)</b>	<b>(1,319)</b>	<b>(2,181)</b>	<b>(35)</b>	<b>2,175</b>
Share of result of associates	10	-	-	2	9	-	-	3
<b>Profit before tax</b>	<b>12,461</b>	<b>(1,090)</b>	<b>41</b>	<b>3,067</b>	<b>13,801</b>	<b>(1,366)</b>	<b>(35)</b>	<b>6,004</b>
Income tax expense	(2,594)	659	(36)	(1,068)	(2,499)	597	17	(1,303)
<b>Profit</b>	<b>9,867</b>	<b>(431)</b>	<b>5</b>	<b>1,999</b>	<b>11,302</b>	<b>(769)</b>	<b>(18)</b>	<b>4,701</b>
Income from subsidiaries	-	1,374	-	3,484	-	1,797	-	2,327
<b>Profit</b>	<b>9,867</b>	<b>943</b>	<b>5</b>	<b>5,483</b>	<b>11,302</b>	<b>1,028</b>	<b>(18)</b>	<b>7,028</b>
Attributable to:								
Equity holders of AB InBev	8,273	943	5	5,483	9,216	1,028	(18)	7,028
Non-controlling interest	1,594	-	-	-	2,086	-	-	-

# Condensed Consolidated Statement of Financial Position as at 31 December 2015 and 2014

	2015				2014			
	Guarantors				Guarantors			
Group	AB InBev Worldwide Inc	AB InBev Finance Inc	Subsidiary Guarantors	Group	AB InBev Worldwide Inc	AB InBev Finance Inc	Subsidiary Guarantors	
	(million US dollar)							
ASSETS								
Non-current assets								
Property, plant and equipment	18,952	-	-	4,895	20,263	-	-	4,959
Goodwill	65,061	-	-	32,831	70,758	-	-	32,718
Intangible assets	29,677	-	-	21,983	29,923	-	-	21,677
Investments in subsidiaries	-	56,214	-	44,555	-	58,087	-	33,351
Investments in associates	212	-	-	31	110	-	-	38
Deferred tax assets	1,181	456	-	-	1,058	-	3	-
Other non-current assets	1,258	13,745	9,680	38,555	1,897	391	10,286	44,329
	116,341	70,415	9,680	142,850	124,009	58,478	10,289	137,072
Current assets								
Inventories	2,862	-	-	581	2,974	-	-	579
Trade and other receivables	7,719	574	1,087	17,035	6,449	-	75	10,526
Cash and cash equivalents	6,923	739	525	10,042	8,357	4	460	6,727
Investment securities	55	-	-	-	301	-	-	-
Other current assets	735	526	-	(433)	460	551	-	-
	18,294	1,839	1,612	27,225	18,541	555	535	17,832
Total assets	134,635	72,254	11,292	170,075	142,550	59,033	10,824	154,904
EQUITY AND LIABILITIES								
Equity								
Equity attributable to equity holders of AB InBev	42,137	34,401	526	116,127	49,972	19,947	494	105,372
Minority interest	3,582	-	-	-	4,285	-	-	-
	45,719	34,401	526	116,127	54,257	19,947	494	105,372
Non-current liabilities								
Interest-bearing loans and borrowings	43,541	33,626	9,621	11,947	43,630	33,025	10,221	15,127
Employee benefits	2,725	-	-	1,404	3,050	-	-	1,596
Deferred tax liabilities	11,961	-	12	10,014	12,701	-	-	10,263
Other non-current liabilities	2,233	-	-	950	1,704	-	-	492
	60,460	33,626	9,633	24,315	61,085	33,025	10,221	27,478
Current liabilities								
Interest-bearing loans and borrowings	5,912	3,830	1,000	12,468	7,451	5,379	-	5,999
Income tax payable	669	-	15	2	629	-	-	404
Trade and other payables	21,642	397	118	6,009	18,922	438	109	3,123
Other current liabilities	233	-	-	11,154	206	244	-	12,528
	28,456	4,227	1,133	29,633	27,208	6,061	109	22,054
Total equity and liabilities	134,635	72,254	11,292	170,075	142,550	59,033	10,824	154,904

# Condensed Consolidated Cash Flow Statement for the years ended 31 December 2015 and 2014

	2015				2014			
	Group	Guarantors			Group	Guarantors		
		AB InBev Worldwide Inc	AB InBev Finance Inc	Subsidiary Guarantors		AB InBev Worldwide Inc	AB InBev Finance Inc	Subsidiary Guarantors
	(million US dollar)							
<b>OPERATING ACTIVITIES</b>								
Profit	9,867	943	5	5,483	11,302	1,028	(18)	7,028
Depreciation, amortisation and impairment	3,153	-	-	727	3,353	-	-	688
Net finance cost	1,453	1,791	(41)	311	1,319	2,181	35	(2,177)
Income tax expense	2,594	(659)	36	1,068	2,499	(597)	(17)	1,303
Investment income	-	(1,374)	-	(3,484)	-	(1,797)	-	(2,327)
Revaluation of initial investment in Grupo Modelo					-	-	-	-
Other items	(341)	-	-	85	(142)	1	-	(158)
<b>Cash flow from operating activities before changes in working capital and use of provisions</b>	<b>16,726</b>	<b>701</b>	<b>-</b>	<b>4,190</b>	<b>18,331</b>	<b>816</b>	<b>-</b>	<b>4,357</b>
Working capital and provisions	1,337	550	(2)	(630)	357	873	2	(1,527)
<b>Cash generated from operations</b>	<b>18,063</b>	<b>1,251</b>	<b>(2)</b>	<b>3,560</b>	<b>18,688</b>	<b>1,689</b>	<b>2</b>	<b>2,830</b>
Interest paid, net	(1,609)	(1,845)	48	1,820	(2,203)	(2,176)	29	2,267
Dividends received	22	1,891	-	19	30	4,100	-	2,826
Income tax paid	(2,355)	-	-	(846)	(2,371)	-	-	(667)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>14,121</b>	<b>1,297</b>	<b>46</b>	<b>4,553</b>	<b>14,144</b>	<b>3,613</b>	<b>31</b>	<b>7,256</b>
<b>INVESTING ACTIVITIES</b>								
Acquisition and sale of subsidiaries, net of cash acquired/disposed of	(918)	(2)	-	(312)	(6,700)	(3)	-	(146)
Acquisition of property, plant and equipment and of intangible assets	(4,749)	-	-	(646)	(4,395)	-	-	(468)
Proceeds from the sale of assets held for sale	397	-	-	244	(65)	-	-	-
Net proceeds from sale/(acquisition) of investment in short-term securities					(187)	-	-	-
Net proceeds/(acquisition) of other assets	386	-	-	44	196	-	-	54
Net repayments/(payments) of loans granted	(46)	508	(565)	598	(1)	-	(5,250)	(1,945)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(4,930)</b>	<b>506</b>	<b>(565)</b>	<b>(72)</b>	<b>(11,152)</b>	<b>(3)</b>	<b>(5,250)</b>	<b>(2,505)</b>
<b>FINANCING ACTIVITIES</b>								
Intra-group capital reimbursements	-	-	22	3,294	-	-	250	(135)
Proceeds from borrowings	16,237	24,078	565	6,933	18,382	6,657	5,250	2,095
Payments on borrowings	(15,780)	(24,869)	(3)	(3,845)	(15,159)	(7,966)	(30)	(967)
Cash received for deferred shares instrument	-	-	-	-	-	-	-	-
Other financing activities	(1,772)	(33)	(1)	(2,353)	322	-	(7)	(1,004)
Dividends paid	(7,966)	-	-	(3,370)	(7,400)	(2,510)	-	(6,600)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>(9,281)</b>	<b>(824)</b>	<b>583</b>	<b>659</b>	<b>(3,855)</b>	<b>(3,819)</b>	<b>(5,463)</b>	<b>(6,611)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(90)</b>	<b>979</b>	<b>64</b>	<b>5,140</b>	<b>(863)</b>	<b>(209)</b>	<b>244</b>	<b>(1,860)</b>
Cash and cash equivalents less bank overdrafts at beginning of year	8,316	(240)	460	(5,789)	9,833	(31)	216	(3,449)
Effect of exchange rate fluctuations	(1,316)	-	1	(451)	(654)	-	-	(480)
<b>Cash and cash equivalents less bank overdrafts at end of year</b>	<b>6,910</b>	<b>739</b>	<b>525</b>	<b>(1,100)</b>	<b>8,316</b>	<b>(240)</b>	<b>460</b>	<b>(5,789)</b>

**Condensed Consolidated Income Statement for the six-month periods ended 30 June 2016 and 2015**

	2016				2015			
	Guarantors				Guarantors			
	Group	AB InBev Worldwide Inc	AB InBev Finance Inc	Subsidiary Guarantors	Group	AB InBev Worldwide Inc	AB InBev Finance Inc	Subsidiary Guarantors
	<i>(million US dollar)</i>							
<b>Revenue</b>	<b>20,206</b>	-	-	<b>7,034</b>	<b>21,505</b>	-	-	<b>6,976</b>
Cost of sales	(8,002)	-	-	(2,924)	(8,662)	-	-	(3,096)
<b>Gross profit</b>	<b>12,204</b>	-	-	<b>4,110</b>	<b>12,843</b>	-	-	<b>3,880</b>
Distribution expenses	(1,964)	-	-	(477)	(2,125)	-	-	(495)
Sales and marketing expenses	(3,568)	-	-	(1,156)	(3,343)	-	-	(956)
Administrative expenses	(1,179)	-	-	(191)	(1,263)	-	-	(139)
Other operating income/(expenses)	283	313	-	(610)	494	346	-	(484)
<b>Profit from operations</b>	<b>5,775</b>	<b>313</b>	-	<b>1,676</b>	<b>6,606</b>	<b>346</b>	-	<b>1,806</b>
<b>Net finance cost</b>	<b>(4,113)</b>	<b>(637)</b>	<b>14</b>	<b>(3,353)</b>	<b>(128)</b>	<b>(1,106)</b>	<b>(3)</b>	<b>1,897</b>
Share of result of associates	3	-	-	-	8	-	-	1
<b>Profit before tax</b>	<b>1,664</b>	<b>(324)</b>	<b>14</b>	<b>(1,677)</b>	<b>6,486</b>	<b>(760)</b>	<b>(3)</b>	<b>3,704</b>
Income tax expense	(835)	158	10	(657)	(1,125)	326	1	(613)
<b>Profit</b>	<b>829</b>	<b>(166)</b>	<b>24</b>	<b>(2,334)</b>	<b>5,361</b>	<b>(434)</b>	<b>(2)</b>	<b>3,091</b>
Income from subsidiaries	-	716	-	2,472	-	860	-	560
<b>Profit</b>	<b>829</b>	<b>550</b>	<b>24</b>	<b>138</b>	<b>5,361</b>	<b>426</b>	<b>(2)</b>	<b>3,651</b>
Attributable to:								
Equity holders of AB InBev	285	550	24	138	4,610	426	(2)	3,651
Non-controlling interest	544	-	-	-	751	-	-	-

**Condensed Consolidated Balance Sheet as at 30 June 2016 and 2015**

	2016				2015			
	Guarantors				Guarantors			
	Group	AB InBev Worldwide Inc	AB InBev Finance Inc	Subsidiary Guarantors	Group	AB InBev Worldwide Inc	AB InBev Finance Inc	Subsidiary Guarantors
	<i>(million US dollar)</i>							
<b>ASSETS</b>								
<b>Non-current assets</b>								
Property, plant and equipment	19,309	-	-	4,858	19,295	-	-	4,854
Goodwill	65,210	-	-	32,919	68,465	-	-	32,734
Intangible assets	29,634	-	-	22,048	29,535	-	-	21,587
Investments in subsidiaries	-	56,896	-	56,968	-	58,907	-	35,010
Investments in associates and joint ventures	286	-	-	31	139	-	-	34
Deferred tax assets	1,201	539	-	-	1,497	-	3	-
Other non-current assets	1,056	13,745	55,292	41,778	1,811	383	9,220	40,356
	<b>116,696</b>	<b>71,180</b>	<b>55,292</b>	<b>158,809</b>	<b>120,742</b>	<b>59,290</b>	<b>9,223</b>	<b>134,575</b>
<b>Current assets</b>								
Inventories	3,282	-	-	662	3,112	-	-	568
Trade and other receivables	6,534	1,472	2,340	17,578	7,395	-	1,073	12,832
Cash and cash equivalents	6,050	225	567	11,580	6,453	4	485	8,051
Investment securities	55,982	270	-	(247)	331	-	-	-
Other current assets	2,585	-	-	11,668	322	305	-	-
	<b>74,433</b>	<b>1,967</b>	<b>2,907</b>	<b>41,241</b>	<b>17,613</b>	<b>309</b>	<b>1,558</b>	<b>21,451</b>
<b>Total assets</b>	<b>191,129</b>	<b>73,147</b>	<b>58,199</b>	<b>200,050</b>	<b>138,355</b>	<b>59,599</b>	<b>10,781</b>	<b>156,026</b>
<b>EQUITY AND LIABILITIES</b>								
<b>Equity</b>								
Equity attributable to equity holders of AB InBev	33,890	35,130	550	134,729	47,501	20,378	511	106,774
Minority interest	3,847	-	-	-	3,942	-	-	-
	<b>37,737</b>	<b>35,130</b>	<b>550</b>	<b>134,729</b>	<b>51,443</b>	<b>20,378</b>	<b>511</b>	<b>106,774</b>
<b>Non-current liabilities</b>								
Interest-bearing loans and borrowings	101,045	35,720	55,257	10,410	44,067	32,014	9,160	14,072
Employee benefits	2,678	-	-	1,359	2,965	-	-	1,588
Deferred tax liabilities	11,890	-	17	10,062	12,179	-	-	9,933
Other non-current liabilities	2,432	-	-	1,084	1,835	-	-	549
	<b>118,045</b>	<b>35,720</b>	<b>55,274</b>	<b>22,915</b>	<b>61,046</b>	<b>32,014</b>	<b>9,160</b>	<b>26,142</b>
<b>Current liabilities</b>								
Interest-bearing loans and borrowings	7,586	1,810	1,499	19,380	7,375	6,194	998	6,825
Income tax payable	430	-	-	6	759	-	4	514
Trade and other payables	17,601	487	876	3,395	17,522	516	108	3,305
Other current liabilities	9,730	-	-	19,625	210	497	-	12,466
	<b>35,347</b>	<b>2,297</b>	<b>2,375</b>	<b>42,406</b>	<b>25,866</b>	<b>7,207</b>	<b>1,110</b>	<b>23,110</b>
<b>Total equity and liabilities</b>	<b>191,129</b>	<b>73,147</b>	<b>58,199</b>	<b>200,050</b>	<b>138,355</b>	<b>59,599</b>	<b>10,781</b>	<b>156,026</b>



# Condensed Consolidated Cash Flow Statement for the six-month periods ended 30 June 2016 and 2015

	2016				2015			
	Guarantors				Guarantors			
	Group	AB InBev Worldwide Inc	AB InBev Finance Inc	Subsidiary Guarantors	Group	AB InBev Worldwide Inc	AB InBev Finance Inc	Subsidiary Guarantors
	<i>(million US dollar)</i>							
<b>OPERATING ACTIVITIES</b>								
Profit	829	752	24	138	5,361	426	(2)	3 651
Depreciation, amortisation and impairment	1,559	-	-	365	1,527	-	-	338
Net finance cost	4,113	637	(14)	3,353	128	1,106	3	(1,897)
Income tax expense	835	(360)	(10)	657	1,125	(326)	(1)	613
Investment income	-	(716)	-	(2,472)	-	(860)	-	(560)
Revaluation of initial investment in Grupo Modelo					-	-	-	-
Other items	57	-	-	146	49	-	-	(36)
<b>Cash flow from operating activities before changes in working capital and use of provisions</b>	<b>7,393</b>	<b>313</b>	<b>-</b>	<b>2,187</b>	<b>8,190</b>	<b>346</b>	<b>-</b>	<b>2,109</b>
Working capital and provisions	(1,938)	637	-	(776)	(1,159)	662	-	(596)
<b>Cash generated from operations</b>	<b>5,455</b>	<b>950</b>	<b>-</b>	<b>1,411</b>	<b>7,031</b>	<b>1,008</b>	<b>-</b>	<b>1,513</b>
Interest paid, net	(834)	(586)	42	614	(904)	(1,131)	24	1,010
Dividends received	6	-	-	2	19	-	-	15
Income tax paid	(2,174)	-	-	(314)	(1,432)	-	-	(341)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>2,453</b>	<b>364</b>	<b>42</b>	<b>1,713</b>	<b>4,714</b>	<b>(123)</b>	<b>24</b>	<b>2,197</b>
<b>INVESTING ACTIVITIES</b>								
Acquisition and sale of subsidiaries, net of cash acquired/disposed of	(1,035)	-	-	(196)	(220)	-	-	(39)
Acquisition of property, plant and equipment and of intangible assets	(1,528)	-	-	(297)	(1,675)	-	-	(257)
Proceeds from the sale of assets held for sale	58	-	-	-	228	-	-	211
Net proceeds from sale/(acquisition) of investment in short-term securities	109	-	-	6	(71)	-	-	-
Net proceeds from sale/(acquisition) of other assets	(55,905)	-	-	(10,225)	(160)	-	-	11
Net repayments/(payments) of loans granted	2	(900)	(46,052)	(926)	(46)	-	-	3,715
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(58,299)</b>	<b>(900)</b>	<b>(46,052)</b>	<b>(11,638)</b>	<b>(1,944)</b>	<b>-</b>	<b>-</b>	<b>3,641</b>
<b>FINANCING ACTIVITIES</b>								
Intra-group capital reimbursements	-	-	-	2	-	-	-	-
Proceeds from borrowings	65,257	2,805	47,055	14,394	9,645	4,229	-	919
Payments on borrowings	(6,456)	(2,719)	(1,000)	(987)	(8,138)	(4,359)	-	(5,220)
Share buyback	-	-	-	-	(1,000)	-	-	-
Other financing activities	75	(65)	(3)	(1,612)	(193)	-	-	(60)
Dividends paid	(3,929)	-	-	1	(4,556)	-	-	-
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>54,947</b>	<b>21</b>	<b>46,052</b>	<b>11,798</b>	<b>(4,242)</b>	<b>(130)</b>	<b>-</b>	<b>(4,361)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(899)</b>	<b>(515)</b>	<b>42</b>	<b>1,873</b>	<b>(1,472)</b>	<b>(253)</b>	<b>24</b>	<b>1,477</b>
Cash and cash equivalents less bank overdrafts at beginning of year	6,910	739	525	(1,100)	8,316	(240)	460	(5,789)
Effect of exchange rate fluctuations	(16)	1	-	358	(453)	-	1	(97)
<b>Cash and cash equivalents less bank overdrafts at end of year</b>	<b>5,995</b>	<b>225</b>	<b>567</b>	<b>1,131</b>	<b>6,391</b>	<b>(493)</b>	<b>485</b>	<b>(4,409)</b>

<b>Condensed Consolidated Income Statement for the nine-month periods ended 30 September 2016 and 2015</b>		
	<b>2016</b>	<b>2015</b>
	<b>Group</b>	<b>Group</b>
	<i>(million US dollar)</i>	
<b>Revenue</b>	31,315	32,881
Cost of sales	-12,395	-13,106
<b>Gross profit</b>	18,920	19,775
Distribution expenses	-3,059	-3,214
Sales and marketing expenses	-5,525	-5,166
Administrative expenses	-1,776	-1,878
Other operating income/(expenses)	569	712
<b>Normalised Profit from operations</b>	<b>9,129</b>	<b>10,229</b>
Non-recurring items above		
EBIT	-276	77
Net finance income / (cost)	-3,171	-1,273
Non-recurring net finance income / (cost)	-2,846	8
Share of result of associates	5	12
Income tax expense	-1,059	-1,920
<b>Profit</b>	<b>1,780</b>	<b>7,133</b>
Attributable to:		
Non-controlling interest	938	1,148
Equity holders of AB InBev	842	5,985
<b>Normalised EBITDA</b>	<b>11,505</b>	<b>12,526</b>
<b>Normalised profit attributable to equity holders of AB InBev</b>	<b>3,934</b>	<b>5,952</b>

  

	<b>Statements of no significant or material adverse change:</b>	There has been no material adverse change in the prospects of the Issuer or the Group since 31 December 2015, nor any significant change in the financial or trading position of the Issuer or the Group since 30 June 2016.
<b>B.13</b>	<b>Recent Events:</b>	<p>On 11 November 2015, Former AB InBev announced that an agreement had been reached with the board of SABMiller on the terms of a recommended acquisition of the entire issued share capital of SABMiller by Former AB InBev. The final step of this business combination was completed on 10 October 2016 pursuant to a Belgian law merger by absorption under the Belgian Companies Code (the "<b>Belgian Merger</b>") whereby Former AB InBev was merged into Newbelco, with Newbelco being the surviving company ("<b>Completion</b>").</p> <p>As a result of the Belgian Merger, Newbelco became the holding company for the combined Former AB InBev Group and SABMiller Limited (formerly known as SABMiller plc) and the group of companies owned and/or controlled by SABMiller Limited prior to Completion. All assets and liabilities of Former AB InBev were transferred to Newbelco and Newbelco was automatically substituted for Former AB InBev in all its rights and obligations by operation of Belgian law. Newbelco was renamed Anheuser-Busch InBev SA/NV, and Former AB InBev was dissolved by operation of Belgian law.</p>
<b>B.14</b>	<b>Dependence upon other entities within the Group:</b>	The Issuer is a holding company and its operations are carried out through subsidiaries. The ability of such subsidiaries to upstream or distribute cash to the Issuer through dividends, intercompany advances, management fees or other payments is dependent on the availability of cash flows and may be restricted by applicable laws and accounting principles.
<b>B.15</b>	<b>The Issuer's Principal Activities:</b>	<p>The Group produces, markets, distributes and sells a strong and balanced portfolio of well over 400 beer and other malt beverage brands and has a global footprint with an exposure to both mature and emerging markets and production facilities spread across multiple geographic regions.</p> <p>The production facilities and other assets of the Group are predominantly located in the same geographical areas as its customers. The Group sets up local production when it believes that there is substantial potential for local sales that cannot be addressed in a cost efficient manner through exports or third party distribution.</p> <p>Local production also helps to reduce, but not eliminate, exposure to currency movements.</p>
<b>B.16</b>	<b>Controlling Persons:</b>	<p>The Group's controlling shareholder is the Stichting, a foundation (<i>stichting</i>) organised under the laws of the Netherlands which represents an important part of the interests of the founding Belgian families of Interbrew (mainly represented by Eugénie Patri Sébastien S.A.) and the Brazilian families that were previously the controlling shareholders of Ambev (represented by BRC S.à.R.L.).</p> <p>As of 11 October 2016, the Stichting represented a 34.29 per cent. voting interest in the Issuer (and, if taken with those shares of the Issuer certain other entities acting in concert via a Shareholder's Agreement, an aggregate of 43.84 per cent.) based on the number of its shares outstanding as of 11 October 2016. The Stichting is governed by its bylaws and its conditions of administration.</p>

<b>B.17</b>	<b>Ratings assigned to the Issuer or its Debt Securities:</b>	<p>The Programme has been rated "A3" (Senior Unsecured) and "P-2" (Short Term) by Moody's Investors Service, Inc. ("<b>Moody's</b>") and "A-" (Senior Unsecured) and "A-2" (Short Term)] by Standard &amp; Poor's Credit Market Services Europe Limited ("<b>S&amp;P</b>").</p> <p>S&amp;P is established in the EU and is registered under Regulation (EC) No. 1060/2009 (as amended) of the European Parliament and of the Council of 16 September 2009 on credit rating agencies (the "<b>CRA Regulation</b>"). Moody's is not established in the EU but its ratings are endorsed by Moody's Investors Service Limited which is established in the EU and registered under the CRA Regulation.</p> <p>Notes issued under the Programme will be rated or unrated. Where Notes are rated, such rating will not necessarily be the same as the rating(s) of the Issuer described above or the rating(s) assigned to Notes already issued.</p> <p>Where Notes are rated, the applicable rating(s) will be specified in the relevant Final Terms. Whether or not each credit rating applied for will be (1) issued by a credit rating agency established in the EEA and registered under the CRA Regulation, or (2) issued by a credit rating agency which is not established in the EU but will be endorsed by a CRA which is established in the EU and registered under the CRA Regulation or (3) issued by a credit rating agency which is not established in the EEA but which is certified under the CRA Regulation, will be disclosed in the Final Terms.</p> <p><i>[The Notes [have been]/[are expected to be] rated [ ] by [ ]. A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.]</i></p>
<b>B.18</b>	<b>The Guarantee:</b>	The payments of all amounts due in respect of the Notes will, subject to Condition 2.2 ( <i>Status of the Guarantees</i> ), be jointly and severally, unconditionally and irrevocably guaranteed, in certain cases up to a maximum statutory amount.
<b>B.19</b>	<b>Legal and Commercial names of the Guarantors:</b>	Anheuser-Busch Companies, LLC, Anheuser-Busch InBev Finance Inc., Anheuser-Busch InBev Worldwide Inc., Brandbev S.à r.l., Brandbrew S.A. and Cobrew NV.
<b>B.19</b>	<b>Domicile and legal form of the Guarantors:</b>	<p>Anheuser-Busch Companies, LLC ("<b>Anheuser-Busch Companies</b>") is a Delaware limited liability company that was organised in 2011 by statutory conversion of Anheuser-Busch Companies, Inc., which was originally incorporated in 1979. Its address is One Busch Place, St. Louis, MO 63118, and telephone number +1 314 577 2000. It complies with the laws and regulations of the State of Delaware regarding corporate governance.</p> <p>Anheuser-Busch InBev Finance Inc. ("<b>ABIFI</b>") was incorporated on 17 December 2012 in the State of Delaware under Section 106 of the Delaware General Corporation Law. Its registered office is 1209 Orange Street, Wilmington, Delaware 19801. It complies with the laws and regulations of the State of Delaware regarding corporate governance.</p> <p>Anheuser-Busch InBev Worldwide Inc. ("<b>ABIWW</b>"), under the name InBev Worldwide S.à r.l., was incorporated on 9 July 2008 as a private limited liability company (<i>société à responsabilité limitée</i>) under the Luxembourg Companies Act. On 19 November 2008, ABIWW was domesticated as a corporation in the State of Delaware and changed its name to Anheuser-Busch InBev Worldwide Inc. Its principal place of business is One Busch Place, St. Louis, MO 63118. It complies with the laws and regulations of the State of Delaware regarding corporate governance.</p> <p>Brandbev S.à r.l. ("<b>Brandbev</b>") was incorporated, established for an unlimited period, on 27 February 2001 as a <i>société à responsabilité limitée</i> (private limited liability company) under the Luxembourg Companies Act. Its registered office is located at Zone Industrielle Breedewues No. 15, L-1259 Senningerberg, Grand Duchy of Luxembourg (tel.: +352 261 596 23). The articles of association were published in the Memorial C n°861 on 9 October 2001. It is registered with the Luxembourg Register of Commerce and Companies under number B 80.984.</p> <p>Brandbrew S.A. ("<b>Brandbrew</b>") was incorporated, established for an unlimited period, on 15 May 2000 as a public limited liability company (<i>société anonyme</i>) under the Luxembourg Companies Act. Its registered office is located at Zone Industrielle Breedewues No. 15, L-1259 Senningerberg, Grand Duchy of Luxembourg (tel.: +352 261 596 23). It is registered with the Luxembourg Register of Commerce and Companies under number B 75696.</p>
		Cobrew NV (" <b>Cobrew</b> ") was incorporated, established for an unlimited period, on 21 May 1986 as a public limited liability company ( <i>naamloze vennootschap</i> ) under Belgian law. Its registered office is located at Brouwerijplein 1, 3000 Leuven, Belgium. It is established for an unlimited period. It is registered with the Register for Legal Entities under number 0428.975.372.
<b>B.19</b>	<b>Trends:</b>	See Section 1 ( <i>Summary – Section B (Issuer and Guarantors) – B.4b (Trends)</i> ) above.
<b>B.19</b>	<b>The Group:</b>	See Section 1 ( <i>Summary – Section B (Issuer and Guarantors) – B.5 (The Group)</i> ) above.
<b>B.19</b>	<b>Profit Forecast:</b>	Not applicable.

<b>B.19</b>	<b>Audit Report Qualifications:</b>	Not Applicable.
<b>B.19</b>	<b>Key Financial Information:</b>	For the Guarantors' Key Financial Information, please see Section 1 ( <i>Summary – Section B (Issuer and Guarantors) – B.12 (Key Financial Information)</i> ) above.
<b>B.19</b>	<b>Recent Events:</b>	For Recent Events relating to the Guarantors, please see Section 1 ( <i>Summary – Section B (Issuer and Guarantors) – B.13 (Recent Events)</i> ) above.
<b>B.19</b>	<b>Dependence upon other entities within the Group:</b>	See Section 1 ( <i>Summary – Section B (Issuer and Guarantors) – B.14 (Dependence upon other entities within the Group)</i> ) above.
<b>B.19</b>	<b>The Guarantors' Principal Activities:</b>	<p>Following the Issuer's acquisition of Anheuser-Busch Companies in November 2008, Anheuser-Busch Companies is a holding company within the Group for various business operations, including, brewing operations within the United States, a major manufacturer of aluminium cans and one of the largest recyclers of aluminium cans in the United States by weight.</p> <p>ABIFI acts as a financing vehicle of the Group.</p> <p>ABIWW acts as a financing vehicle of the Group and the holding company of Anheuser-Busch Companies.</p> <p>The business objectives of Brandbev are the holding of participations, in any form whatsoever, in other Luxembourg or foreign companies, the control, the management, as well as the development of these participations, and the holding of trademarks.</p> <p>The business objectives of Brandbrew are to undertake, in Luxembourg and abroad, financing operations by granting loans to companies which are part of the Group. These loans will be refinanced by financial means and instruments such as, <i>inter alia</i>, loans from shareholders or group companies or bank loans.</p> <p>The business activities of Cobrew are publicity, providing and collecting of information, insurance and reinsurance, scientific research, relations with national and international authorities, centralisation of bookkeeping, administration, information technology and general services, centralisation of financial transactions and covering of risks resulting from fluctuations in exchange rates, financial management, invoicing, re-invoicing and factoring, finance lease of movable and immovable property, market studies, management and legal studies, fiscal advice, audits as well as all activities of a preparatory or auxiliary nature for the companies of the group. Within the framework of its objects, Cobrew can acquire, manufacture, hire and let out all movable and immovable goods and, in general, perform all civil, commercial, industrial and financial transactions, including the operation of all intellectual rights and all industrial and commercial properties relating to them.</p>
<b>B.19</b>	<b>Controlling Persons:</b>	Each Guarantor is, directly or indirectly, owned and controlled by the Issuer.
<b>B.19</b>	<b>Ratings assigned to each Guarantor or its Debt Securities:</b>	Not Applicable

Section C – The Notes		
C.1	Description of Type and Class of Securities:	<p><b>Issuance in Series:</b> Notes will be issued in Series. Each Series may comprise one or more Tranches issued on different issue dates. The Notes of each Series will all be subject to identical terms, except that the issue date and the amount of the first payment of interest may be different in respect of different Tranches. The Notes of each Tranche will all be subject to identical terms in all respects save that a Tranche may comprise Notes of different denominations.</p>
		<p><b>Issue-specific summary</b></p> <p>[The Notes are issued as Series number [●], Tranche number [●].]</p> <p>[The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [insert description of the Series] on [insert date/the Issue Date].]</p>
		<p><b>Forms of Notes:</b> Each Note will be issued in dematerialised form in accordance with the Belgian Companies Code and be represented by a book entry in the name of its owner or holder, or the owner's or holder's intermediary, in a securities account maintained by the X/N Clearing System or by a participant in the X/N Clearing System established in Belgium which has been approved as an account holder by Royal Decree.</p> <p>The X/N Clearing System maintains securities accounts in the name of authorised participants only. Noteholders therefore will not normally hold their Notes directly in the X/N Clearing System, but will hold them in a securities account with a financial institution which is an authorised participant in the X/N Clearing System, or which holds them through another financial institution which is such an authorised participant.</p> <p>Most credit institutions established in Belgium, including Euroclear Bank SA/NV ("<b>Euroclear</b>"), are participants in the X/N Clearing System. Clearstream Banking S.A. ("<b>Clearstream, Luxembourg</b>") is also a participant in the X/N System. Investors can thus hold their Notes in securities accounts in Euroclear and Clearstream, Luxembourg in the same way as they would for any other types of securities. The Notes held in Euroclear and Clearstream, Luxembourg shall be cleared in accordance with their usual procedures.</p> <p>The clearing and settlement systems of The National Bank of Belgium, Euroclear and Clearstream, Luxembourg function under the responsibility of their respective operators. The Issuer, the Guarantors and the Domiciliary Agent shall have no responsibility in this respect.</p> <p><b>Security Identification Number(s):</b> In respect of each Tranche of Notes, the relevant security identification number(s) will be specified in the relevant Final Terms.</p> <p><b>Issue-specific summary</b></p> <p>[ISIN Code: [●]]</p> <p>Common Code: [●]</p>
C.2	Currency of the Securities Issue:	<p>Notes may be denominated in any currency or currencies, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. Payments in respect of Notes may, subject to such compliance, be made in and/or linked to, any currency or currencies other than the currency in which such Notes are denominated.</p> <p><b>Issue-specific summary</b></p> <p>[The Notes are denominated in [●].]</p>
C.5	Free Transferability:	<p>Subject to the below, the Notes will be freely transferable.</p> <p>The Issuer, the Guarantors and the Dealers have agreed restrictions on offers, sales and deliveries of Notes and on the distribution of offering material in the United States of America, the European Economic Area, the United Kingdom, Belgium, Luxembourg and Japan.</p>
C.8	The Rights Attaching to the Securities, including Ranking and Limitations to those Rights:	<p><b>Status of the Notes:</b> The Notes will constitute direct, unconditional, unsubordinated and (subject to the provisions of Condition 3.1 (<i>Covenants - Negative Pledge</i>)) unsecured obligations of the Issuer and will rank <i>pari passu</i> (i.e. equally in right of payment) among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding.</p> <p><b>Issue-specific summary:</b></p> <p>[Status of the Notes: [The Notes constitute direct, general and unconditional obligations of the Issuer which rank at least <i>pari passu</i> (i.e., equally in right of payment) with all other present and future unsecured obligations of the Issuer, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.]</p>

		<p><b>Status of the Guarantees:</b> Notes will be unconditionally and irrevocably guaranteed by the relevant Guarantor(s), in certain cases up to a maximum statutory amount, on an unsubordinated basis.</p> <p><b>Issue-specific summary:</b>  <i>[Status of the Guarantee: [The Guarantee of the Notes constitute direct, general and unconditional obligations of the Guarantors which rank at least pari passu (i.e., equally in right of payment) with all other present and future unsecured obligations of the Guarantors, save for such obligations as may be preferred by provisions of law that are both mandatory and of general application.]/[insert summary of subordination provisions.]]</i></p>
		<p><b>Denominations:</b> No Notes may be issued under the Programme which (a) have a minimum denomination of less than EUR1,000 (or nearly equivalent in another currency), or (b) carry the right to acquire shares (or transferable securities equivalent to shares) issued by the Issuer or by any entity to whose group the Issuer belongs. Subject thereto, Notes will be issued in such denominations as may be specified in the relevant Final Terms, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.</p> <p><b>Negative Pledge:</b> The Notes contain a negative pledge provision with respect to the Issuer, each Guarantor and certain of the Issuer's subsidiaries. In general terms, a negative pledge provision restricts an issuer of unsecured notes from granting security over assets for other comparable debt securities without granting similar security to the notes containing the negative pledge provision. Under the negative pledge provision in Condition 3.1 (<i>Covenants - Negative Pledge</i>), the Notes will have the benefit of a negative pledge in respect of Relevant Indebtedness which is in the form of or represented by any bond, note, debenture, loan stock or other security which is, or is intended to be, quoted, listed or dealt in or traded, in each case with the agreement of the Issuer, on any stock exchange or over-the-counter or other securities market.</p> <p><b>Cross Acceleration:</b> The Notes contain a cross acceleration provision in Condition 9(c) (<i>Events of Default - cross-acceleration</i>) which provides that the Issuer will default under the Notes if the Issuer or any Guarantor defaults under any other indebtedness and/or specified liabilities and, in the case of security or guarantees and/or indemnities, steps are taken to enforce such security or guarantee and/or indemnity (subject to a EUR200,000,000 threshold).</p> <p><b>Taxation:</b> All payments in respect of Notes will be made free and clear of withholding taxes of the United States of America or Belgium, as the case may be, unless the withholding is required by law.</p> <p><b>Governing Law:</b> English law, except for any matter relating to title to, and the dematerialised form of, the Notes, and Condition 13 (<i>Meetings of Noteholders and Modification</i>) with respect to the rules laid down in the Belgian Companies Code. The Domiciliary Agency Agreement and any matter relating to title to, and the dematerialised form of, the Notes, and Condition 13 (<i>Meetings of Noteholders and Modification</i>) with respect to the rules laid down in the Belgian Companies Code, and any non contractual obligations arising out of or in connection with the Domiciliary Agency Agreement and any matter relating to title to, and the dematerialised form of, the Notes and Condition 13 (<i>Meetings of Noteholders and Modification</i>) with respect to the rules laid down in the Belgian Companies Code, are governed by, and shall be construed in accordance with, Belgian law.</p> <p><b>Enforcement of Notes:</b> Individual investors' rights against the Issuer will be supported by a Deed of Covenant dated 6 December 2016 (the "<b>Deed of Covenant</b>"), a copy of which will be available for inspection at the specified office of the Domiciliary Agent.</p>
C.9	<b>The Rights Attaching to the Securities (Continued), Including Information as to Interest, Maturity, Yield and the Representative of the Holders:</b>	<p><b>Interest:</b> Notes may be interest-bearing or non-interest bearing. Interest (if any) may accrue at a fixed rate or a floating rate. Where applicable, interest on floating rate notes is calculated by reference to a fluctuating benchmark rate, either (i) at a rate of interest determined in accordance with market standard definitions, published by the International Swaps and Derivatives Association, Inc. ("<b>ISDA Definitions</b>"), such determination referred to herein as "<b>ISDA Determination</b>" or (ii) an interest rate benchmark, such as the London inter-bank offered rate ("<b>LIBOR</b>") or the Euro-zone inter-bank offered rate ("<b>EURIBOR</b>"), in each case, determined by reference to the rate appearing at the relevant time on a specified screen service, which may be plus or minus, in each case, a margin and subject, in certain cases to a maximum or minimum rate of interest. In respect of each Tranche of Notes, the date from which interest becomes payable and the due dates for interest, the maturity date the repayment procedures and an indication of yield will be specified in the relevant Final Terms.</p> <p><b>Issue-specific summary:</b>  <i>[Interest: The Notes bear interest from [●] at a fixed rate of [●] per cent. per annum payable in arrear on [●].]</i>  <i>[Interest: The Notes bear interest from [●] at a rate equal to the sum of [●] per cent. per annum and [period]/[currency][EURIBOR/LIBOR] determined in respect of each Interest Period on the day which is [●] [London business days] before] the first day of the interest period and payable in arrear on [●].]</i></p>

	<p><i>EURIBOR in respect of a specified currency and a specified period is the interest rate benchmark known as the Euro zone interbank offered rate which is calculated and published by a designated distributor (currently Thomson Reuters) in accordance with the requirements from time to time of the European Banking Federation]/[LIBOR in respect of a specified currency and a specified period is the interest rate benchmark known as the London interbank offered rate which is calculated and published by a designated distributor (currently Thomson Reuters) in accordance with the requirements from time to time of ICE Benchmark Administration Limited (or any other person which takes over administration of that rate).]]</i></p> <p><i>[Interest: The Notes bear interest from [●] payable in arrear on [●] in each year on the same basis as the floating rate under a notional rate of interest on a swap transaction calculated by the domiciliary agent in accordance with ISDA Determination using the ISDA Definitions and for which the floating rate option is [●], the Designated Maturity is [●], the margin is [+/-][●] per cent., the [maximum]/[minimum] interest rate is [●] per cent., and the relevant reset date is [●]. [The Rate of Interest is subject to a [Rating step-up/step-down] and the [step-up/step-down margin is [●] per cent.].</i></p>
	<p><i>ISDA Determination is the manner in which the rate of interest is to be determined, and will be the relevant ISDA Rate plus or minus (as indicated in the applicable final terms) the margin (if any). "ISDA Rate" for an interest period means a rate equal to the floating rate that would be determined by the domiciliary agent under an interest rate swap transaction if the domiciliary agent is acting as the calculation agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the issue date of the first tranche of the Notes (the "ISDA Definitions").]</i></p> <p><i>[Interest: The Notes do not bear interest.]</i></p> <p><b>Maturities:</b> Any maturity, subject, in relation to specific currencies, to compliance with all applicable legal and/or regulatory and/or central bank requirements.</p> <p>Where Notes have a maturity of less than one year and either (a) the issue proceeds are received by the Issuer in the United Kingdom or (b) the activity of issuing the Notes is carried on from an establishment maintained by the Issuer in the United Kingdom, such Notes must: (i) have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses; or (ii) be issued in other circumstances which do not constitute a contravention of section 19 of the Financial Services and Markets Act 2000 by the Issuer.</p> <p><b>Issue-specific summary:</b></p> <p><i>[Maturity Date: Unless previously redeemed, or purchased and cancelled, the Notes will be redeemed on [●].]</i></p> <p><b>Redemption:</b>Notes may be redeemable at par or at such other Redemption Amount as may be specified in the relevant Final Terms.</p> <p><b>Issue-specific summary:</b></p> <p><i>[Final Redemption Amount: Unless previously redeemed, or purchased and cancelled, each Note will be redeemed at its final redemption amount of [●].]</i></p> <p><b>Optional Redemption:</b>Notes may be redeemed before their stated maturity at the option of the Issuer (either in whole or in part) and/or the Noteholders to the extent (if at all) specified in the relevant final terms.</p> <p><b>Issue-specific summary:</b></p> <p><i>[Redemption at the option of the Issuer: The Notes may be redeemed at the option of the Issuer in whole or in part on [●] at [●], plus accrued interest (if any) to such date, on the Issuer's giving not less than 15 nor more than 30 days' notice to the Noteholders or such other period(s) as may be specified in the relevant final terms.]</i></p> <p><i>[Redemption at the Option of the Noteholders: The Issuer shall, at the option of the holder of any Note redeem such Note on [●] at [●] together with interest (if any) accrued to such date.]</i></p> <p><b>Tax Redemption:</b>Except as described in "Optional Redemption" above, early redemption will only be permitted if the Issuer or the Guarantors have or will become obliged to pay certain additional amounts in respect of the Notes as a result of any change in the tax laws of the United States of America, Luxembourg or Belgium.</p> <p><b>Yield:</b> The yield of each Tranche of Notes will be calculated on an annual or semi-annual basis using the relevant Issue Price at the relevant Issue Date.</p>

		<p><b>Issue-specific summary:</b></p> <p>[Yield: Based upon the Issue Price of [●], at the Issue Date the anticipated yield of the Notes is [●] per cent. per annum.]</p> <p><b>Representative of the Noteholders:</b>Not Applicable</p>
<b>C.10</b>	<b>Derivative Components:</b>	Not Applicable.
<b>C.11</b> <b>C.21</b>	<b>Listing and Trading:</b>	<p>Applications have been made for Notes to be admitted during the period of twelve months after the date hereof to listing on the Official List of the United Kingdom Financial Conduct Authority ("FCA") and to trading on the Regulated Market of the London Stock Exchange.</p> <p><b>Issue-specific summary:</b></p> <p>[Application has been made for the Notes to be admitted to listing on the Official List of the FCA and to trading on the Regulated Market of the London Stock Exchange.]</p>
<b>Section D – Risks</b>		
<b>D.2</b>	<b>Key Risks Specific to the Issuer and the Group:</b>	<p><i>The following are the key risks that the Issuer and the Group are subject to, any of which may have an adverse impact on the operations, financial condition, prospects of the Group and ability to make payments due under the Notes:</i></p> <ul style="list-style-type: none"> <li>• Changes in the availability or price of raw materials, commodities and energy.</li> <li>• The Group may not be able to obtain the necessary funding for its future capital or refinancing needs and it faces financial risks due to its level of debt and uncertain market conditions.</li> <li>• Certain of the Group's operations depend on independent distributors or wholesalers to sell its products.</li> <li>• There may be changes in legislation or interpretation of legislation by regulators or courts that may prohibit or reduce the ability of brewers to own wholesalers and distributors.</li> <li>• If the Group does not successfully comply with laws and regulations designed to combat governmental corruption in countries in which it sells its products, it could become subject to fines, penalties or other regulatory sanctions and its profitability could suffer. The Group may also incur significant costs in relation to compliance with applicable regulatory requirements.</li> <li>• The Group may not be able to successfully realise the anticipated benefits and synergies of the Transaction, including as a result of difficulty in integrating the businesses of the companies involved, and any such benefits and synergies will be offset by the significant transaction fees and other costs of the Group has incurred in connection with the Transaction.</li> <li>• Competition could lead to a reduction of the Group's margins, increase costs and adversely affect its profitability.</li> <li>• An inability to reduce costs could affect profitability.</li> <li>• The Group is exposed to developing market risks, including the risks of devaluation, nationalisation and inflation.</li> <li>• The Group may not be able to successfully carry out further acquisitions and business integrations or restructuring.</li> <li>• The Group's combination with Grupo Modelo has exposed the Group to significant costs. There may be potential difficulties in integrating Grupo Modelo into the Group's existing operations as well as the extraction of synergies from the transaction.</li> <li>• An impairment of goodwill or other intangible assets would adversely affect the Group's financial condition and results of operations.</li> <li>• Demand for the Group's products may be adversely affected by changes in consumer preferences and tastes.</li> <li>• Seasonal consumption cycles and adverse weather conditions may result in fluctuations in demand for the Group's products.</li> <li>• If any of the Group's products are defective or found to contain contaminants, the Group may be subject to product recalls or other liabilities.</li> <li>• The Group may not be able to protect its intellectual property rights.</li> <li>• The beer and beverage industry may be subject to adverse changes in taxation.</li> </ul>



		<ul style="list-style-type: none"> <li>The Group is exposed to labour strikes and disputes that could lead to a negative impact on its costs and production level.</li> <li>The Group relies on the reputation of its brands. The image and reputation of the Group's products may be reduced in the future and concerns about product quality, even when unfounded, could tarnish the image and reputation of its products. Any damage to, restriction on the ability to promote, or inability to promote the image or reputation of the Group may have a material adverse effect on the Group.</li> <li>The Group is exposed to the risk of litigation. Members of the Group are now and may in the future be party to legal proceedings and claims and significant damages may be asserted against them.</li> </ul>
<b>D.3</b>	<b>Key Risks Specific to the Notes:</b>	<p>The Guarantees provided by the Guarantors may be released in certain circumstances. Each Guarantor may terminate its Guarantee if: (A) (i) the relevant Guarantor is released under the 2010 Senior Facilities Agreement and (ii) the relevant Guarantor is released under the 2015 Senior Facilities Agreement and (iii) the aggregate amount of indebtedness for which the relevant Guarantor is an obligor (as a guarantor or borrower) does not exceed 10 per cent. of the consolidated gross assets of the Group (in the balance sheet of the most recent publicly released interim or annual consolidated financial statements); or (B) the relevant Guarantor ceases to be a Subsidiary of the Issuer or disposes of all or substantially all of its assets to a Person who is not a Subsidiary of the Issuer. If the Guarantees by the Guarantors are released, the Issuer is not required to replace them, and the relevant Notes will have the benefit of fewer or no Guarantees for the remaining maturity of the relevant Notes.</p> <p>Should the Guarantors default on their Guarantees, a holder's right to receive payments on the Guarantees may be adversely affected by the insolvency laws of the jurisdiction of organisation of the defaulting Guarantors.</p>
<b>Section E - Offer</b>		
<b>E.2b</b>	<b>Reasons for the Offer and Use of Proceeds:</b>	The net proceeds from each issue of Notes will be used to repay short-term and/or long-term debt of the Group and to fund the general corporate purposes of the Issuer. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.
<b>E.3</b>	<b>Terms and Conditions of the Offer:</b>	Notes may be issued at any price as specified in the relevant Final Terms. The price and amount of Notes to be issued under the Programme will be determined by the Issuer, the relevant Guarantor(s) and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions. The Terms and Conditions of any Authorised Offer shall be published by the relevant Authorised Offeror on its website at the relevant time.
		<p><b>Issue-specific summary:</b></p> <p>[The Issue Price of the Notes is [●] per cent. of their principal amount.]</p>
<b>E.4</b>	<b>Interests Material to the Issue:</b>	<p>The Issuer and the Guarantors have appointed Banco Santander, S.A., Barclays Bank PLC, BNP Paribas, BNP Paribas Fortis SA/NV, Deutsche Bank AG, London Branch, ING Bank NV, Belgian Branch, J.P. Morgan Securities plc, Mizuho International plc, MUFG Securities EMEA plc and The Royal Bank of Scotland plc (trading as NatWest Markets) (the "<b>Dealers</b>") as Dealers for the Programme. The arrangements under which Notes may from time to time be agreed to be sold by the Issuer to, and purchased by, Dealers are set out in the Programme Agreement made between the Issuer, the Guarantors and the Dealers.</p> <p><b>Issue-specific summary:</b></p> <p>[Syndicated Issue: The Issuer and the Guarantors have appointed [●], [●] and [●] (the "<b>Managers</b>") as Managers of the issue of the Notes. The arrangements under which the Notes are sold by the Issuer to, and purchased by, Managers are set out in the Subscription Agreement made between the Issuer, the Guarantors and the Managers]</p> <p>[Non-Syndicated Issue: The Issuer and the Guarantors have appointed [●] (the "<b>Dealer</b>") as Dealer in respect of the issue of the Notes. The arrangements under which the Notes are sold by the Issuer to, and purchased by, Dealer are set out in the Programme Agreement made between, amongst others, the Issuer, the Guarantors and the Dealer]</p>
<b>E.7</b>	<b>Estimated Expenses:</b>	No expenses will be chargeable by the Issuer to an Investor in connection with any offer of Notes. Any expenses chargeable by an Authorised Offeror to an Investor shall be charged in accordance with any contractual arrangements agreed between the Investor and such Authorised Offeror at the time of the relevant offer.

## **2. RISK FACTORS**

Before applying for the Notes, you should consider whether the Notes are a suitable investment for you.

The following is a description of the principal risks and uncertainties which may affect the ability of the Issuer and/or the Guarantors to fulfil their respective obligations under the Notes and/or the Guarantees.

## RISK FACTORS

### Introduction

*Any investment in the Notes issued under the Programme will involve risks including those described in this section. Each of the Obligors believes that the following factors may affect its ability to fulfil its obligations under Notes issued under the Programme. In particular, the Obligors expect to be exposed to some or all of the risks described below with respect to the Issuer, the Group and their future operations. All of these factors are contingencies which may or may not occur and no Obligor is in a position to express a view on the likelihood of any such contingency occurring. Words and expressions defined in the "Terms and Conditions of the Notes" below or elsewhere in this Base Prospectus have the same meanings in this section.*

*In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.*

*Prospective investors should note that the risks relating to the Obligors, the industries in which each of them operates and the Notes summarised in Section 1 (Summary) of this Base Prospectus are the risks that the Obligors believe to be the most essential to an assessment by a prospective investor of whether to consider an investment in the Notes. However, as the risks which the Obligors face relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in Section 1 (Summary) of this Base Prospectus but also, among other things, the risks and uncertainties described below.*

*The following is not an exhaustive list or explanation of all risks which investors may face when making an investment in the Notes and should be used as guidance only. Additional risks and uncertainties relating to the Obligors that are not currently known to them, or that are either currently deemed immaterial, may individually or cumulatively also have a material adverse effect on the business, prospects, results of operations and/or financial position of the Obligors and, if any such risk should occur, the price of the Notes may decline and investors could lose all or part of their investment. Investors should consider carefully whether an investment in the Notes is suitable for them in light of the information in this Base Prospectus and their personal circumstances.*

*If any of the following factors actually occurs, the trading price of the Notes could decline and an investor could lose all or part of its investment. These factors are contingencies that may or may not occur and the Issuer is not in a position to express a view on the likelihood of any such contingency occurring.*

*Words and expressions defined in the "Terms and Conditions of the Notes" below or elsewhere in this Base Prospectus have the same meanings in this section.*

#### **Organisation of the Risk Factors**

- 1. Risks relating to the Obligors and their activities**
- 2. Factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme**
- 3. Risks related to the structure of a particular issue of Notes**
- 4. Risks related to Notes generally**
- 5. Risks related to the market generally**

## **Risks relating to the Obligors and their activities**

***The Group is exposed to the risks of an economic recession, credit and capital market volatility and economic and financial crisis, which could adversely affect the demand for its products and adversely affect the value of the Notes.***

The Group is exposed to the risk of a global recession or a recession in one or more of its key markets, credit and capital market volatility and an economic or financial crisis, which could result in lower revenue and reduced profit.

Beer, other alcoholic beverage and soft drink consumption in many of the jurisdictions in which the Group operates is closely linked to general economic conditions, with levels of consumption tending to rise during periods of rising per capita income and fall during periods of declining per capita income. Additionally, per capita consumption is inversely related to the sale price of its products.

Besides moving in concert with changes in per capita income, beer and other alcoholic beverage consumption also increases or decreases in accordance with changes in disposable income.

Currently, disposable income is low in many of the developing countries in which the Group operates compared to disposable income in more developed countries. Any decrease in disposable income resulting from an increase in inflation, income taxes, the cost of living, unemployment levels, political or economic instability or other factors would likely adversely affect demand for beer. Moreover, because a significant portion of the Group's brand portfolio consists of premium beers, its volumes and revenue may be impacted to a greater degree than those of some of its competitors, as some consumers may choose to purchase value or discount brands rather than premium or core brands. For additional information on the categorisation of the beer market and the Group's positioning, see Section 5 (*Description of the Issuer – Principal Activities and Products – Beer*).

Capital and credit market volatility, such as that experienced recently (for example, resulting from the June 2016 referendum in favour of the United Kingdom leaving the European Union (the "EU")), may result in downward pressure on stock prices and the credit capacity of issuers. A continuation or worsening of the levels of market disruption and volatility seen in the recent past could have an adverse effect on the Group's ability to access capital, on its business, results of operations and financial condition, and on the market value of the Notes.

***The Group's results of operations are affected by fluctuations in exchange rates.***

Although Former AB InBev reported its consolidated results in U.S. dollars, in 2015, it derived approximately 66 per cent. of its revenue from operating companies that have non-U.S. dollar functional currencies (in most cases, in the local currency of the respective operating company). After taking into account the effects of the Transaction-related Divestitures (as defined below), the SABMiller Group derived the vast majority of its revenues from operating companies that have non-U.S. dollar functional currencies (in most cases, in the local currency of the respective operating company).

The Group reports its consolidated results in U.S. dollars. Over 70 per cent. of the revenues of the Group (not accounting for any possible divestitures other than the Transaction-related Divestitures) are expected to be derived from operating companies that have non-U.S. dollar functional currencies. Consequently, any change in exchange rates between such operating companies' functional currencies and the U.S. dollar will affect the consolidated income statement and balance sheet when the results of those operating companies are translated into U.S. dollars for reporting purposes of the Group, as translational exposures cannot be hedged. Decreases in the value of the Group's operating companies' functional currencies against the U.S. dollar will tend to reduce those operating companies' contributions in dollar terms to the Group's financial condition and results of operations.

During 2014 and 2015, several currencies, such as the Argentine peso, Mexican peso, the Brazilian real, the Canadian dollar, the Russian ruble, the euro and the South African rand, underwent significant depreciations compared to the U.S. dollar. Significant changes in the value of foreign currencies relative to the U.S. dollar could adversely affect the amounts the Group records for its foreign assets, liabilities, revenues and expenses, and could have a negative effect on its results of operations and profitability.

For example, Former AB InBev's total consolidated revenue was USD 43.6 billion for the year ended 31 December 2015, a decrease of USD 3.5 billion compared to the year ended 31 December 2014. The negative impact of unfavourable currency translation effects on its consolidated revenue in the year ended 31 December 2015 was USD 6.0 billion, primarily as a result of the impact of the currencies listed above (other than the South African rand). In the six-month period ended 30 June 2016, currency translation effects negatively impacted

Former AB InBev's consolidated revenue by USD 2.0 billion, mainly arising from currency translation effects in Latin America North, Latin America South, Mexico and Asia Pacific.

More than half of the unfavourable currency translation impact described above resulted from negative currency translation effects in Former AB InBev's then Latin America North zone, predominately as the result of a depreciation in the Brazilian real relative to the U.S. dollar. Former AB InBev's 2015 annual results in Brazilian real were translated at an average rate of 3.26 Brazilian real per U.S. dollar, compared to its 2014 results, which were translated at a rate of 2.35 Brazilian real per U.S. dollar, representing a devaluation of 27.9 per cent. year over year.

Several currencies continue to undergo further significant depreciations. As an example, the Brazilian real reached an exchange rate of 3.90 Brazilian real per U.S. dollar on 31 December 2015, though by 30 June 2016 this rate had improved somewhat to 3.21 Brazilian real per U.S. dollar, and in December 2015, the Argentine peso underwent a severe depreciation and reached 13.00 Argentine pesos per U.S. dollar by 31 December 2015 (compared to an average translation rate of 9.11 Argentine pesos per U.S. dollar in 2015 and 8.12 Argentine pesos per U.S. dollar in 2014). In the first half of 2016, the Argentine peso continued to depreciate against the U.S. dollar. Consequently, Former AB InBev's results in Argentine pesos for the six-month period ended 30 June 2016 were translated at an average rate of 14.13 Argentine pesos per U.S. dollar. In addition, there has been considerable volatility in the exchange rate between Sterling and the U.S. dollar (and to a lesser extent, between the euro and the U.S. dollar) following the June 2016 referendum in favour of the United Kingdom leaving the EU.

In addition to currency translation risk, the Group incurs currency transaction risks whenever one of its operating companies enters into transactions using currencies other than their respective functional currencies, including purchase or sale transactions and the issuance or incurrence of debt. Although the Group has hedging policies in place to manage commodity price and foreign currency risks to protect its exposure to currencies other than its operating companies' functional currencies, there can be no assurance that such policies will be able to successfully hedge against the effects of such foreign exchange exposure, particularly over the long term.

As of 30 June 2016, Former AB InBev had economically hedged £46.0 billion of the purchase price for the Transaction at an average fixed exchange rate of USD 1.5276 per pound Sterling. Although these derivative contracts are considered to be economic hedges, only a portion of such derivatives qualifies for hedge accounting under IFRS rules, as AB InBev's functional currency is the euro. As of 30 June 2016, a cumulative USD 9.0 billion negative mark-to-market adjustment related to such hedging has been recognised since the inception of the derivative contracts in 2015 (of which USD 5.9 billion has been recognised in changes in equity and USD 3.1 billion in the income statement), in part as a result of the movement in the exchange rate between Sterling and the U.S. dollar following the June 2016 referendum in favour of the United Kingdom leaving the EU. Furthermore, the resulting currency mismatch between the Group's U.S. dollar denominated debt and its euro functional currency may result in a material exchange impact on the Group's results of operations.

Moreover, much of the Group's debt is denominated in U.S. dollars, while a significant portion of its cash flows are denominated in currencies other than the U.S. dollar. From time to time the Group enters into financial instruments to mitigate currency risk, but these transactions and any other efforts taken to better match the effective currencies of its liabilities to its cash flows could result in increased costs.

See note 27 to Former AB InBev's audited financial information as of 31 December 2014 and 2015, and for the three years ended 31 December 2015, as set out in the Form 20-F filed with the Securities and Exchange Commission on 14 March 2016 (the "**Form 20-F**") for further details on AB InBev's approach to hedging commodity price and foreign currency risk.

***Changes in the availability or price of raw materials, commodities and energy could have an adverse effect on the Group's results of operations.***

A significant portion of the Group's operating expenses are related to raw materials and commodities, such as malted barley, wheat, corn grits, corn syrup, rice, hops, flavoured concentrate, fruit concentrate, sugar, sweetener, water, glass, polyethylene terephthalate ("**PET**") and aluminium bottles, aluminium or steel cans and kegs, aluminium can stock, labels, plastic crates, metal and plastic closures, folding cartons, cardboard products and plastic films.

The supply and price of raw materials and commodities used for the production of the Group's products can be affected by a number of factors beyond its control, including the level of crop production around the world, export demand, quality and availability of supply, speculative movements in the raw materials or commodities markets, currency fluctuations, governmental regulations and legislation affecting agriculture, trade agreements

among producing and consuming nations, adverse weather conditions, natural disasters, economic factors affecting growth decisions, political developments, various plant diseases and pests.

It is not possible to predict future availability or prices of the raw materials or commodities required for the Group's products. The markets in certain raw materials or commodities have experienced and may in the future experience shortages and significant price fluctuations. The foregoing may affect the price and availability of ingredients that the Group uses to manufacture its products, as well as the cans and bottles in which its products are packaged. The Group may not be able to increase its prices to offset these increased costs or increase its prices without suffering reduced volume, revenue and operating income. To some extent, derivative financial instruments and the terms of supply agreements can protect against increases in materials and commodities costs in the short term. However, derivatives and supply agreements expire and upon expiry are subject to renegotiation and therefore cannot provide complete protection over the medium or longer term. To the extent the Group fails to adequately manage the risks inherent in such volatility, including if its hedging and derivative arrangements do not effectively or completely hedge against changes in commodity prices, its results of operations may be adversely impacted. In addition, it is possible that the hedging and derivative instruments the Group uses to establish the purchase price for commodities in advance of the time of delivery may lock the Group into prices that are ultimately higher than actual market prices at the time of delivery.

The production and distribution of the Group's products require material amounts of energy, including the consumption of oil-based products, natural gas, biomass, coal and electricity. Energy prices have been subject to significant price volatility in the recent past and may be again in the future. High energy prices over an extended period of time, as well as changes in energy taxation and regulation in certain geographies, may result in a negative effect on operating income and could potentially challenge the Group's profitability in certain markets. There is no guarantee that the Group will be able to pass along increased energy costs to its customers in every case.

The production of the Group's products also requires large amounts of water, including water consumption in the agricultural supply chain. Changes in precipitation patterns and the frequency of extreme weather events may affect the Group's water supply and, as a result, its physical operations. Water may also be subject to price increases in certain areas and changes in water taxation and regulation in certain geographies may result in a negative effect on operating income which could potentially challenge the Group's profitability in certain markets. There is no guarantee that the Group will be able to pass along increased water costs to its customers in every case.

***The Group relies on key third parties, including key suppliers, and the termination or modification of the arrangements with such third parties could negatively affect the Group's business.***

The Group relies on third-party suppliers for a range of raw materials for its beer and non-beer products, such as malted barley, corn grits, corn syrup, rice, hops, water, flavoured concentrate, fruit concentrate, sugar and sweeteners, and for packaging material, such as glass, PET and aluminium bottles, aluminium or steel cans and kegs, labels, plastic crates, metal and plastic closures, folding cartons, cardboard products and plastic films.

The Group may seek to limit its exposure to market fluctuations in the supply of these raw materials by entering into medium- and long-term fixed-price arrangements. The Group may have a limited number of suppliers of aluminium cans and glass bottles. Consolidation of the aluminium can industry and glass bottle industry in certain markets in which the Group operates has reduced local supply alternatives and increased the risk of disruption to aluminium can and glass bottle supplies. Although the Group generally has other suppliers of raw materials and packaging materials, the termination of or material change to arrangements with certain key suppliers, disagreements with suppliers as to payment or other terms, or the failure of a key supplier to meet the contractual obligations it owes to the Group or otherwise deliver materials consistent with current usage would or may require the Group to make purchases from alternative suppliers, in each case at potentially higher prices than those agreed with that supplier and this could have a material impact on its production, distribution and sale of beer, other alcoholic beverages and soft drinks and have a material adverse effect on its business, results of operations, cash flows or financial condition.

A number of the Group's key brand names are both licenced to third-party brewers and used by companies over which the Group does not have control. If the Group is unable to maintain these arrangements on favourable terms, this could have a material adverse effect on its business, results of operations, cash flows or financial condition. The Group monitors brewing quality to ensure its high standards, but, to the extent that one of these key licenced brand names is subject to negative publicity, it could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

For certain packaging supplies and raw materials, the Group relies on a small number of important suppliers. In addition, certain companies within the Group may purchase nearly all of their key packaging materials from sole

suppliers under multi-year contracts. The loss of, or temporary discontinuity of, supply from any of these suppliers without sufficient time to develop an alternative source could cause the Group to spend increased amounts on such supplies in the future. If these suppliers became unable to continue to meet the Group's requirements, and the Group is unable to develop alternative sources of supply, the Group's operations and financial results could be adversely affected.

***The Group may not be able to obtain the necessary funding for its future capital or refinancing needs and it faces financial risks due to its level of debt (including as a result of the Transaction), uncertain market conditions and as a result of the potential downgrading of its credit ratings.***

The Group may be required to raise additional funds for its future capital needs or refinance its current indebtedness through public or private financing, strategic relationships or other arrangements. There can be no assurance that the funding, if needed, will be available on attractive terms, or at all.

Former AB InBev obtained financing for the Transaction under a USD 75.0 billion senior facilities agreement (the **"2015 Senior Facilities Agreement"**). These facilities comprised a USD 10.0 billion **"Disposals Bridge Facility"**, a USD 15.0 billion **"Cash/DCM Bridge Facility A"**, a USD 15.0 billion **"Cash/DCM Bridge Facility B"**, a USD 25.0 billion **"Term Facility A"** and a USD 10.0 billion **"Term Facility B"**.

In January 2016, AB InBev's subsidiary ABIFI issued bonds in debt capital markets offerings resulting in aggregate net proceeds of approximately USD 47.0 billion. As a result, Former AB InBev was required to cancel the two USD 15.0 billion bridge facilities under the 2015 Senior Facilities Agreement and in addition, Former AB InBev elected to cancel USD 12.5 billion of Term Facility A.

In March 2016, Former AB InBev issued bonds in a debt capital markets offering under the Programme resulting in aggregate net proceeds of approximately EUR 13.1 billion. As a result, Former AB InBev elected to cancel the remaining USD 12.5 billion of Term Facility A.

On 6 October 2016, Former AB InBev (i) utilised USD 10.0 billion of the Disposal Bridge Facility and USD 8.0 billion of Term Facility B and (ii) cancelled the remaining USD 2.0 billion of Term Facility B. On 20 October 2016, AB InBev was required to prepay the utilisation under the Disposals Bridge Facility following the receipt of proceeds from certain Transaction-related Divestitures in accordance with the mandatory cancellation and prepayment provisions in the 2015 Senior Facilities Agreement.

Accordingly, as of the date of this Base Prospectus, the total committed amount under the 2015 Senior Facilities Agreement is USD 8.0 billion under Term Facility B.

See Section 5 (*Description of the Issuer – Material Contracts and arrangements of AB InBev – 2015 Senior Facilities Agreement*) for more information about the terms of the 2015 Senior Facilities Agreement.

AB InBev expects the portion of its consolidated balance sheet represented by debt to remain significantly higher as compared to its historical position. A continued increased level of debt could have significant consequences, including:

- increasing the Group's vulnerability to general adverse economic and industry conditions;
- limiting the Group's ability to fund future working capital and capital expenditures, to engage in future acquisitions or development activities or to otherwise realise the value of its assets and opportunities fully;
- limiting the Group's flexibility in planning for, or reacting to, changes in its business and the industry in which it operates;
- impairing the Group's ability to obtain additional financing in the future, or requiring it to obtain financing involving restrictive covenants;
- requiring the Group to issue additional equity (possibly under unfavourable conditions), which could dilute its existing shareholders' equity; and
- placing the Group at a competitive disadvantage compared to its competitors that have less debt.

In addition, ratings agencies may downgrade the Group's credit ratings below Former AB InBev's previous levels, including as a result of the incurrence of the financial indebtedness related to the Transaction. Prior to 15

September 2015, the date on which renewed public speculation relating to the possible business combination between Former AB InBev and SABMiller began, Former AB InBev had been assigned a rating of A (stable outlook) by Standard & Poor's Ratings Services ("**S&P**") and A2 (positive outlook) by Moody's Investors Service ("**Moody's**"). Since 15 September 2015, S&P downgraded its rating for Former AB InBev's long-term debt obligations to A- with stable outlook.

In September 2015, Moody's changed Former AB InBev's outlook to "Developing", citing downward rating pressure following completion of the Transaction due to higher leverage and certain integration risks. In May 2016, Moody's concluded its ratings review and assigned a definitive rating of A3 (stable outlook) to Former AB InBev's long-term debt obligations. As of the date of this Base Prospectus, AB InBev's credit rating from S&P was A- for long-term obligations and A-2 for short-term obligations, with a stable outlook, and its credit rating from Moody's was A3 for long-term obligations and P-2 for short-term obligations, with a stable outlook. Any further downgrading of AB InBev's credit ratings would result in an increase to the interest rate applicable to the outstanding facility under the 2015 Senior Facilities Agreement. A downgrading of SABMiller's credit rating may result in an increase to the rates of interest and commitment fees applicable to its core bank facilities and/or result in the need to refinance some of the outstanding debt capital markets indebtedness of SABMiller which provides holders with redemption rights at a premium when a change of control is accompanied by a rating downgrade below investment grade. Any credit rating downgrade could materially adversely affect the Group's ability to finance its ongoing operations and its ability to refinance the debt incurred to fund the Transaction, including by increasing the Group's cost of borrowing and significantly harming its financial condition, results of operations and profitability, including its ability to refinance its other existing indebtedness.

The Group's ability to repay and renegotiate its outstanding indebtedness will depend upon market conditions. In recent years, the global credit markets experienced significant price volatility, dislocations and liquidity disruptions that caused the cost of debt financing to fluctuate considerably. The markets also put downward pressure on stock prices and credit capacity for certain issuers without regard to those issuers' underlying financial strength. Reflecting concern about the stability of the financial markets generally and the strength of counterparties, many lenders and institutional investors reduced and, in some cases, ceased to provide funding to borrowers. If such uncertain conditions persist, the Group's costs could increase beyond what is anticipated. Such costs could have a material adverse impact on the Group's cash flows, results of operations or both. In addition, an inability to refinance all or a substantial amount of its debt obligations when they become due, or more generally a failure to raise additional equity capital or debt financing or to realise proceeds from asset sales when needed, would have a material adverse effect on the Group's financial condition and results of operations.

***The Group's results could be negatively affected by increasing interest rates.***

The Group uses issuances of debt and bank borrowings as a source of funding and the Group carries a significant level of debt. Some of the debt instruments that the Group has issued or incurred were issued or incurred at variable interest rates, which exposes the Group to changes in such interest rates. As of 31 December 2015, after certain hedging and fair value adjustments, USD 6.1 billion, or 12.4 per cent., of the Former AB InBev Group's interest-bearing financial liabilities (which include loans, borrowings and bank overdrafts) bore a variable interest rate, while USD 43.3 billion, or 87.6 per cent., bore a fixed interest rate. As at 31 March 2016, after taking into account interest rate derivatives, 40 per cent. of the SABMiller Group's net debt bore a fixed rate and the remainder bore a variable rate. Moreover, a significant part of the Group's external debt is denominated in non-U.S. dollar currencies, including the euro, Sterling, the Brazilian real, the Canadian dollar, and the South African rand. Although the Group enters into interest rate swap agreements to manage its interest rate risk, and also enters into cross-currency interest rate swap agreements to manage both its foreign currency risk and interest-rate risk on interest-bearing financial liabilities, there can be no assurance that such instruments will be successful in reducing the risks inherent in exposures to interest rate fluctuations. See note 27 to Former AB InBev's audited financial statements as of 31 December 2014 and 2015, and for the three years ended 31 December 2015 as set out in the Form 20-F for further details on AB InBev's approach to foreign currency and interest rate risk.

***Certain of the Group's operations depend on independent distributors or wholesalers to sell its products.***

Certain of the Group's operations are dependent on government-controlled or privately owned but independent wholesale distributors for distribution of its products for resale to retail outlets. See Section 5 (*Description of the Issuer – Distribution of Products*) and Section 5 (*Description of the Issuer – Regulations Affecting the Issuer's Business*) for further information in this respect. There can be no assurance as to the financial affairs of such distributors or that these distributors, who often act both for the Group and its competitors, will not give the Group's competitors' products higher priority, thereby reducing their efforts to sell the Group's products.

In the United States, for instance, the Group sells substantially all of its beer to independent wholesalers for distribution to retailers and ultimately consumers. As independent companies, wholesalers make their own



business decisions that may not always align themselves with the Group's, interests. If the Group's wholesalers do not effectively distribute its products, its financial results could be adversely affected.

In addition, contractual restrictions and the regulatory environment of many markets may make it very difficult to change distributors in a number of markets. In certain cases, poor performance by a distributor or wholesaler is not a sufficient reason for replacement. The Group's consequent inability to replace unproductive or inefficient distributors could adversely impact its business, results of operations and financial condition.

***There may be changes in legislation or interpretation of legislation by regulators or courts that may prohibit or reduce the ability of brewers to own wholesalers and distributors.***

In certain countries the Group has interests in wholesalers and distributors, and such interests may be prohibited if legislation or interpretation of legislation changes. As a condition to receiving regulatory clearance for the Transaction in the U.S., Former AB InBev and the U.S. Department of Justice entered into a consent decree on 20 July 2016, pursuant to which AB InBev's U.S. subsidiary, Anheuser-Busch Companies LLC, agreed not to acquire control of a distributor if doing so would result in more than 10 per cent. of its annual volume being distributed through AB InBev-controlled distributorships in the U.S. This and any other such limitation imposed on the Group's ability to purchase or own any interest in distributors could adversely impact its business, results of operations and financial condition.

***If the Group does not successfully comply with laws and regulations designed to combat governmental corruption in countries in which it sells its products, it could become subject to fines, penalties or other regulatory sanctions, as well as to adverse press coverage, which could cause its reputation, its sales or its profitability to suffer.***

The Group operates its business and markets its products in emerging markets that, as a result of political and economic instability, a lack of well-developed legal systems and potentially corrupt business environments, present it with political, economic and operational risks. Although the Group is committed to conducting business in a legal and ethical manner in compliance with local and international statutory requirements and standards applicable to its business, there is a risk that the employees or representatives of the Group's subsidiaries, affiliates, associates, joint ventures or other business interests may take actions that violate applicable laws and regulations that generally prohibit the making of improper payments to foreign government officials for the purpose of obtaining or keeping business, including laws relating to the 1997 OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, such as the U.S. Foreign Corrupt Practices Act, the UK Bribery Act and Brazilian Law No. 12,846/13 (an anti-bribery statute that was enacted in January 2014). Such actions could expose the Group to potential liability and the costs associated with investigating potential misconduct. In addition, any press coverage associated with misconduct under these laws and regulations, even if unwarranted or baseless, could damage the Group's reputation and sales.

In Brazil, governmental authorities are currently investigating consulting services provided by a firm part-owned by a former elected government official who has been subject to prosecution. The Issuer's subsidiary, Ambev, has, in the past, hired the services of this consulting firm. The Issuer has reviewed its internal controls and compliance procedures in relation to these services and has not identified any evidence of misconduct.

***Competition could lead to a reduction in the Group's margins, increase costs and adversely affect its profitability.***

The Group competes with both brewers and other drinks companies and its products compete with other beverages. Globally, brewers, as well as other players in the beverage industry, compete mainly on the basis of brand image, price, quality, distribution networks and customer service. Consolidation has significantly increased the capital base and geographic reach of the Group's competitors in some of the markets in which it operates, and competition is expected to increase further as the trend towards consolidation among companies in the beverage industry continues. Consolidation activity has also increased along distribution channels—in the case of both on-trade points of sale, such as pub companies, and off-trade retailers, such as supermarkets. Such consolidation could increase the purchasing power of players in the Group's distribution channels.

In addition to competition among brewers, the Group competes against alternative beverages on the basis of factors over which the Group has little or no control, which may result in fluctuations in demand for the Group's products. Such factors include variation and perceptions in health consciousness, changes in prevailing economic conditions, changes in the demographic make-up of target consumers, changing social trends and attitudes regarding alcoholic beverages and changes in consumer preferences for beverages. Consumer tastes and behaviours are constantly evolving, and at an increasingly rapid rate. Competition in the beverage industry is expanding and becoming more fragmented, complex and sophisticated.

Competition with brewers and producers of alternative beverages in the Group's various markets and an increase in the purchasing power of players in its distribution channels could cause it to reduce pricing, increase capital investment, increase marketing and other expenditures, and/or prevent it from increasing prices to recover higher costs, thereby causing it to reduce margins or lose market share. Any of the foregoing could have a material adverse effect on the Group's business, financial condition and results of operations. Innovation faces inherent risks, and the new products the Former AB InBev Group and the SABMiller Group have introduced and the new products the Group may introduce may not be successful, while competitors may be able to respond more quickly than the Group can to emerging trends, such as the increasing consumer preference for "craft beers" produced by smaller microbreweries.

Additionally, the absence of level playing fields in some markets and the lack of transparency, or even certain unfair or illegal practices, such as tax evasion and corruption, may skew the competitive environment in favour of the Group's competitors, which could have a material adverse effect on the Group's profitability or ability to operate.

***The ability of the Group's subsidiaries to distribute cash upstream may be subject to various conditions and limitations.***

The Issuer is organised as a holding company and its operations are carried out through subsidiaries. The Group's domestic and foreign subsidiaries' and affiliated companies' ability to upstream or distribute cash (to be used, among other things, to meet the Group's financial obligations including those in respect of the Notes) through dividends, intercompany advances, management fees and other payments is, to a large extent, dependent on the availability of cash flows at the level of such domestic and foreign subsidiaries and affiliated companies and may be restricted by applicable laws and accounting principles. In particular, 32.8 per cent. (USD 14.3 billion) of Former AB InBev's total revenue of USD 43.6 billion in 2015 came from its Brazilian listed subsidiary Ambev S.A., a Brazilian company ("**Ambev**"), which is not wholly-owned and is listed on the São Paulo Stock Exchange and the New York Stock Exchange. In addition to the above, some of the subsidiaries of the Issuer are subject to laws restricting their ability to pay dividends or the amount of dividends they may pay. If the Group is unable to obtain sufficient cash flows from its domestic and foreign subsidiaries and affiliated companies, this could adversely impact its ability to make payments of interest and principal on the Notes, and may negatively impact its business, results of operations and financial condition.

***The Group may not be able to realise the anticipated benefits and synergies of the Transaction, including as a result of difficulty in integrating the businesses of the companies involved, and any such benefits and synergies will be offset by the significant transaction fees and other costs incurred by of the Group in connection with the Transaction.***

Achieving the advantages of the Transaction depends partly on the rapid and efficient combination of the Former AB InBev Group's activities with SABMiller, two companies of considerable size which functioned independently and were incorporated in different countries, with geographically dispersed operations, and with different business cultures and compensation structures.

The integration process involves inherent costs and uncertainties. These uncertainties are exacerbated because SABMiller is active in new or developing markets in which the Former AB InBev Group does not have significant operations, and because the Former AB InBev Group had little opportunity to perform detailed due diligence on SABMiller prior to the announcement of the Transaction. The Group may face increased exposure to certain risks as a result of the Transaction. For example:

- SABMiller has entered into important strategic partnerships in a number of Eurasian and African countries. The Group may face challenges in continuing to develop collaborative relationships with these partners in order to ensure that decisions are taken in such partnerships which promote the strategic and business objectives of the Group.
- SABMiller operates its business and markets its products in certain countries that are less developed, have less stable legal systems and financial markets, and are potentially more corrupt business environments than Europe and the United States, and therefore present greater political, economic and operational risks. The Group is not subject to the same laws relating to corruption, and there is a risk that improper actions taken by its employees or representatives of its subsidiaries, affiliates, associates, joint ventures or other business interests may expose the Group to potential liability and the costs associated with investigating potential misconduct. In addition, any press coverage associated with such misconduct, even if unwarranted or baseless, could damage the reputation and sales of the Group.

Furthermore, there is no assurance that the Transaction will achieve the benefits anticipated by the Group from the integration. The Group believes that the consideration paid is justified, in part, by the procurement and engineering savings, brewery and distribution efficiency gains, best practice sharing and other cost savings, synergies and benefits that are expected to be achieved by combining SABMiller's operations with the Former AB InBev Group's. However, these expected savings, gains, synergies and other benefits may not be achieved, and the assumptions upon which the Former AB InBev Group determined the consideration paid for the Transaction may prove to be incorrect. The implementation of the Transaction and the successful integration of SABMiller's operations will also require a significant amount of management time and, thus, may affect or impair management's ability to implement the integration of the businesses effectively.

In addition, significant transaction fees and other costs associated with the Transaction have been incurred and will continue to be incurred by the Group. These fees and costs are substantial and include financing, financial advisory, legal and accounting fees and expenses. In addition, the Group may face additional unanticipated costs as a result of the integration of which would offset any realised synergy benefits resulting from Transaction.

Finally, the Tax Matters Agreement (as defined herein) which the Issuer has entered into with Altria Group Inc., pursuant to which the Issuer will provide assistance and cooperation to Altria Group Inc. in connection with certain matters under U.S. tax legislation, imposes some limits on the ability of the Group to effect some Group reorganisations after the completion of the Transaction which may limit the capacity to integrate SABMiller's operations into the Group's. See Section 5 (*Description of the Issuer – Material Contracts and Arrangements of AB InBev – Tax Matters Agreement*).

Although the cost savings and other synergies contemplated by the Transaction are significant, there can be no assurance that the Group will realise these benefits in the time expected, or at all. Any failures, material delays or unexpected costs of the integration process could therefore have a material adverse effect on the Group's business, results of operations and financial condition.

***The Group may not be able to complete any planned or other restructuring or divestitures in connection with the Transaction promptly, or at all.***

Following the completion of the Transaction, the Group has recently, and may continue to, dispose of certain assets or businesses of the Former AB InBev Group or the SABMiller Group. However, the Group may not be able to effect any restructuring or divestitures at the time intended, or at all, or at the desired price. In addition, any restructuring or divestiture could be the subject of challenges or litigation and a court could delay any such transactions or prohibit them from occurring on their proposed terms, or from occurring at all, which could adversely affect the synergies and cost savings sought to be achieved in connection with the Transaction.

***The Transaction has been subject to the review and authorisation of various regulatory authorities which have imposed conditions with which the Group is required to comply with.***

Completion of the Transaction was subject to a number of conditions, including receipt of regulatory clearances in certain jurisdictions. On the same day that Former AB InBev announced the Transaction, Former AB InBev announced the sale of SABMiller's interest in MillerCoors and certain of SABMiller's portfolio of Miller brands to Molson Coors (the "**MillerCoors Divestiture**"). On 2 March 2016, Former AB InBev announced that it had entered into an agreement to sell SABMiller's 49 per cent. interest in CR Snow to China Resources Beer (Holdings) Co. Ltd., which previously owned 51 per cent. of CR Snow (the "**CR Snow Divestiture**"). On 19 April 2016, Former AB InBev announced that it had accepted a binding offer from Asahi Group Holdings, Ltd. to acquire SABMiller's Peroni, Grolsch and Meantime brand families and their associated business (excluding certain rights in the U.S.) and on 29 April 2016, Former AB InBev announced that it had offered the SABMiller businesses in Central and Eastern Europe (Hungary, Romania, the Czech Republic, Slovakia and Poland) for divestiture, subject to certain third party rights (together, the "**European Divestitures**"). Former AB InBev also agreed to sell SABMiller's 26.5 per cent. shareholding in Distell Group Limited (the "**Distell Divestiture**") and Former AB InBev's business in Ecuador (excluding AB InBev's Global Brands, but including the Dorada brand previously owned by SABMiller) (the "**Ecuador Divestiture**"), and, both together with the MillerCoors Divestiture, the CR Snow Divestiture and the European Divestitures, the "**Transaction-related Divestitures**"). In each case, these divestitures were committed to with the goal of proactively addressing potential regulatory considerations. The MillerCoors Divestiture, the CR Snow Divestiture and the disposal of the Peroni, Grolsch and Meantime brand families were completed on 11 October 2016. See Section 5 (*Description of the Issuer – Transaction-related Divestitures*) for more information.

The terms and conditions of any authorisations, approvals and/or clearances obtained, or any other action taken by a regulatory authority following the closing of the Transaction may require, among other things, the further divestiture of assets or businesses of the AB InBev Group to third parties, changes to operations in connection with Completion, restrictions on the ability of the AB InBev Group to operate in certain jurisdictions following

Completion, restrictions on the two businesses combining their operations in certain jurisdictions or other commitments to regulatory authorities regarding ongoing operations. Any such actions could have a material adverse effect on the business of the AB InBev Group and diminish substantially the synergies and the advantages which the AB InBev Group expects to achieve from the Transaction. Additionally, any failure to comply with any such terms and conditions imposed by a regulatory authority may expose the AB InBev Group to regulatory penalties, which could also have a material adverse effect on the business of the AB InBev Group.

In addition, divestitures and other commitments made in order to obtain regulatory approvals may have an adverse effect on the Group's business, results of operations, financial condition and prospects. These or any conditions, remedies or changes also reduce the price AB InBev is able to obtain for such disposals or imposing additional costs on or limiting the Group's revenues, any of which might have a material adverse effect on the Group and their results of operations.

***The uncertainties about the effects of the Transaction could materially and adversely affect the Group's businesses and operations.***

Uncertainty regarding the effect of the Transaction could cause disruptions to the Group's businesses. These uncertainties may materially and adversely affect the Group's businesses and their operations and could cause customers, distributors, other business partners and other parties that have business relationships with the Group to defer the consummation of other transactions or other decisions concerning the Group's businesses, or to seek to change existing business relationships.

The Combined Group's customers, distributors, other business partners and other parties that have business relationships with the Combined Group may defer the consummation of other transactions or decisions concerning the Combined Group's businesses, or to seek to change existing business relationships. For example, on the day following the completion of the Transaction, The Coca-Cola Company notified AB InBev of its intention to acquire AB InBev's stake in Africa's largest bottler, Coca-Cola Beverages Africa (Pty) Ltd (CCBA). In addition, key employees of either the Former AB InBev Group or the SABMiller Group could leave their employment because of the uncertainties about their roles in the Combined Group or because of a general desire not to remain with the Combined Group. Such uncertainties and disruptions related to the Transaction could disrupt the Combined Group's business and have an unfavourable material effect on its financial position, its income from operations and its competitive position.

***An inability to reduce costs could affect profitability.***

The Group's future success and earnings growth depends in part on its ability to be efficient in producing, advertising and selling its products and services. Prior to Completion, the SABMiller Group was in the process of executing a major cost saving and efficiency programme and the Former AB InBev Group was pursuing a number of initiatives to improve operational efficiency. If the Group fails for any reason to successfully complete these measures and programmes as planned or to derive the expected benefits from these measures and programmes, there is a risk of increased costs associated with these efforts, delays in benefit realisation, disruption to the business, reputational damage or a reduced competitive advantage in the medium term. Failure to generate significant cost savings and margin improvement through these initiatives could adversely affect the Group's profitability and its ability to achieve its financial goals.

***The Group is exposed to developing market risks, including the risks of devaluation, nationalisation and inflation.***

A substantial proportion of the Group's operations are carried out in developing markets, which include Argentina, Bolivia, Brazil, China, Colombia, Ecuador, El Salvador, Honduras, India, Mexico, Paraguay, Peru, Russia, South Africa, Ukraine and several other African countries. The Group also has equity investments in brewers in China.

The Group's operations and equity investments in these markets are subject to the customary risks of operating in developing countries, which include political instability or insurrection, external interference, financial risks, changes in government policy, political and economic changes, changes in the relations between countries, actions of governmental authorities affecting trade and foreign investment, regulations on repatriation of funds, interpretation and application of local laws and regulations, enforceability of intellectual property and contract rights, local labour conditions and regulations, lack of upkeep of public infrastructure, potential political and economic uncertainty, application of exchange controls, nationalisation or expropriation, empowerment legislation and policy, crime and lack of law enforcement. Such factors could affect the Group's results by causing interruptions to its operations or by increasing the costs of operating in those countries or by limiting its ability to repatriate profits from those countries. The financial risks of operating in developing markets also include risks of illiquidity, inflation (for example, Brazil, Argentina, Turkey and Russia have periodically

experienced extremely high rates of inflation), devaluation (for example, the Brazilian, Argentine, Colombian, Peruvian, Turkish and several African currencies have been devalued frequently during the last several decades), price volatility, currency convertibility and country default.

These various factors could adversely impact the Group's business, results of operations and financial condition. Moreover, the economies of developing countries are often affected by developments in other developing market countries and, accordingly, adverse changes in developing markets elsewhere in the world could have a negative impact on the markets in which the Group operates. Due to the Group's geographic mix, these factors could affect the Group more than its competitors with less exposure to developing markets, and any general decline in developing markets as a whole could impact the Group disproportionately compared to its competitors.

***Economic and political events in Argentina may adversely affect the Group's Argentine operations.***

The Issuer's subsidiary, Ambev, indirectly owns 100 per cent. of the issued share capital of a holding company with operating subsidiaries in Argentina and other South American countries. Net revenues from these operating subsidiaries in Argentina corresponded to 4.8 per cent. of Former AB InBev's total revenue and 5.4 per cent. of its EBITDA, as defined, for the year ended 31 December 2015. For AB InBev's definition of EBITDA, as defined, see "Item 5 Operating and Financial Review—E. Results of Operations—Year Ended 31 December 2015 Compared to the Year Ended 31 December 2014—EBITDA, as defined" of Former AB InBev's Form 20-F. In addition, SABMiller indirectly owns 100 per cent. of the issued share capital of Cervecería Argentina SA Isenbeck, a brewer located in Argentina. In the past, the Argentine economic, social and political situation has deteriorated and may continue to do so. The political instability, fluctuations in the economy, governmental actions concerning the economy of Argentina, the devaluation of the Argentine peso, inflation, Argentina's selective default on its restructured debt in July 2014 and deteriorating macroeconomic conditions in Argentina could have a material adverse effect on the Group's Latin American operations, its financial condition and its results.

During recent years, the Argentine government has increased its direct intervention in the Argentine economy, including the establishment of currency controls. However, on 16 December 2015, the Argentine government announced that it was lifting these currency controls, which led to a 26.5 per cent. devaluation against the U.S. dollar on 17 December 2015. Since December 2015, the Argentine peso has continued to depreciate against the U.S. dollar and the devaluation may lead to further unpredictable consequences for the value of the Argentine peso, including possible further depreciation. Further devaluations in the future, if any, may decrease the Group's net assets in Argentina, with a balancing entry in their equity.

If the economic or political situation in Argentina further deteriorates, the Group's Latin American operations may be subject to additional restrictions under new foreign exchange, export repatriation or expropriation regimes that could adversely affect its liquidity and operations, and its ability to access funds from Argentina.

***Political events in Ukraine, related sanctions adopted by the EU and the United States targeting Russia and economic events in Russia may adversely affect the Group's operations in Ukraine, Russia and elsewhere in the region.***

As of 31 December 2015, Former AB InBev indirectly owned 98.1 per cent. of the issued share capital of PJSC SUN InBev Ukraine in Ukraine, the net revenues of which accounted for less than 1 per cent. of its total revenues in 2015. The Group also owns and operates beer production facilities in Ukraine. In addition, as of 31 December 2015 Former AB InBev indirectly owned 99.8 per cent. of the issued share capital of SUN InBev OJSC in Russia, the net revenues of which accounted for less than 2 per cent. of Former AB InBev's total revenues in 2015.

SABMiller has a strategic alliance with Anadolu Efes Biracılık ve Malt Sanayii AŞ ("**Anadolu Efes**") relating to brewing, soft drinks and export operations in Turkey, Russia and Ukraine through an indirect 24 per cent. effective interest in Anadolu Efes which is carried as an asset on SABMiller's balance sheet. In addition, Anadolu Efes purchases lager from SABMiller and pays royalties to SABMiller in connection with licences provided to it by SABMiller. As a result of its ownership interest, SABMiller receives dividends from Anadolu Efes (for the year ended 31 March 2016: USD 24.0 million, for the year ended 31 March 2015: USD nil). For the year ended 31 March 2015, SABMiller recorded a USD 63.0 million exceptional charge as a result of its share of Anadolu Efes' impairment charge relating to its beer businesses in Russia and Ukraine.

Severe political instability threatens Ukraine following civilian riots, which began in November 2013, the ousting of the Ukrainian President in February 2014, and the subsequent military action in the destabilised country operating under a temporary government. As a result of ongoing conflict in the region, the United States and the EU have imposed sanctions on certain individuals and companies in Ukraine and Russia. These sanctions are targeted at persons threatening the peace and security of Ukraine, senior officials of the Government of the

Russian Federation and the energy, defence and financial services sectors of Russia, but they have had macroeconomic consequences beyond those persons and industries. In response, Russia instituted a set of reciprocal sanctions, and in August 2014 it imposed a one-year import ban on certain agricultural products, food and raw materials from countries that have imposed sanctions against Russia.

In December 2014, the United States imposed further sanctions aimed at blocking new investment in the Crimea region of Ukraine and trade between the United States or U.S. persons and Crimea. These sanctions also authorised the United States government to impose sanctions on any persons determined to be operating in the Crimea region of Ukraine. Both the United States and the EU sanctions remain in place as of the date of this Base Prospectus. SUN InBev OJSC conducts, and in the past PJSC SUN InBev Ukraine has conducted, limited selling and distribution activities in the Crimea region. The Issuer continues to monitor its subsidiaries' activities in light of the restrictions imposed by these and any future sanctions.

Political instability in the region has combined with low worldwide oil prices to significantly devalue the Russian ruble and may continue to have a negative impact on the Russian economy. In addition, the Ukrainian hryvnia has also experienced significant devaluation since the beginning of 2014. The possibility of additional sanctions implemented by the United States and/or the EU against Russia or *vice versa*, continued political instability, civil strife, deteriorating macroeconomic conditions and actual or threatened military action in the region may result in serious economic challenges in Ukraine, Russia and the surrounding areas. This could have a material adverse effect on the Group's operations in the region and on the results of operations of its Europe segment, and may result in impairment charges on goodwill or other intangible assets.

***The size of the Group, contractual limitations it is subject to and its position in the markets in which it operates may decrease the Group's ability to successfully carry out further acquisitions and business integrations.***

In addition to the Transaction, in the past, the Former AB InBev Group and the SABMiller Group have made acquisitions of, investments in and joint ventures and similar arrangements with, other companies and businesses. Much of the Former AB InBev Group's growth in recent years is attributable to such transactions, including the combination of Interbrew SA and Ambev in 2004, the combination of InBev and Anheuser-Busch in 2008 and the combination of AB InBev and Grupo Modelo, S. de R.L. de C.V. in 2013.

The Group may be unsuccessful in the implementation of future acquisitions, investments or joint ventures or alliances.

The Group will need to identify suitable acquisition targets and agree on the terms with them if it is to make further acquisitions. The size of the Group, contractual limitations to which it is subject and its position in the markets in which it operates may make it harder to identify suitable candidates, including because it may be harder for the Group to obtain regulatory approval for future transactions. If appropriate opportunities do become available, the Group may seek to acquire or invest in other businesses; however, any future acquisition may pose regulatory, antitrust and other risks.

In addition, after completion of any transaction in the future, the Group may be required to integrate the acquired companies, businesses or operations into its existing operations. Such transactions may also involve the assumption of certain actual or potential, known or unknown liabilities, which may have a potential impact on its financial risk profile. These risks and limitations may limit the Group's ability to implement its global strategy and its ability to achieve future business growth.

***The unaudited pro forma financial information reflecting the Transaction may not be representative of the Group's actual results and, accordingly, there is limited financial information on which to evaluate the Group.***

The *pro forma* financial information relating to the Transaction contained in Section 6 (*Pro Forma Financial Information*) presented for illustrative purposes only and is not necessarily indicative of the financial position or results of operations that would have actually occurred had the Transaction been completed as of the dates indicated, nor is it indicative of the actual or future operating results or financial position of the Group.

The *pro forma* financial information relating to the Transaction is based in part on certain assumptions regarding the Transaction that AB InBev believes are reasonable in the circumstances. The *pro forma* adjustments are based upon limited information available and certain assumptions that AB InBev believes to be reasonable as of the date of its publication. Furthermore, the *pro forma* financial information does not reflect future exceptional charges resulting from the Transaction or future events that may occur, including divestment or restructuring activities or other costs related to the integration of the SABMiller Group, and does not consider potential impacts of current market conditions on the results of operations.

In addition, AB InBev may consider other asset or business divestitures in connection with the Transaction which may be material to the Group. The effects of any such divestitures (other than the Transaction-related Divestitures) have not been taken into account in the preparation of the unaudited *pro forma* financial information. Furthermore, in order to obtain and/or comply with regulatory approvals, AB InBev, may be required to implement remedies or make changes to the business of the Group that may have an adverse effect on the Group's results of operations and the impact of such remedies or changes cannot be predicted at this time and has not been taken into account in the preparation of the unaudited *pro forma* financial information.

***AB InBev's failure to satisfy its obligations under the Grupo Modelo settlement agreement could adversely affect the Group's financial condition and results of its operations.***

The settlement agreement Former AB InBev reached with the U.S. Department of Justice in relation to the combination of the Former AB InBev Group with Grupo Modelo includes a three-year transition services agreement to ensure the smooth transition of the operation of the Piedras Negras brewery as well as certain distribution guarantees for Constellation Brands, Inc. in the 50 states of the United States, the District of Columbia and Guam. The Group's compliance with its obligations under the settlement agreement is monitored by the United States Department of Justice and the Monitoring Trustee appointed by them. If either AB InBev or the Group fails to fulfil its obligations under the settlement, whether intentionally or inadvertently, it could be subject to monetary fines. See Section 5 (*Description of the Issuer –Material Contracts and Arrangements of AB InBev - Grupo Modelo Settlement Agreement*).

***An impairment of goodwill or other intangible assets would adversely affect the Group's financial condition and results of operations.***

AB InBev has previously recognised significant goodwill on its balance sheet through acquisitions. For example, as a result of the combination with Grupo Modelo in 2013, Former AB InBev recognised USD 19.6 billion of goodwill on its balance sheet and recorded several brands from the Grupo Modelo business (including brands in the Corona brand family among others) as intangible assets with indefinite useful lives with a fair value of USD 4.7 billion. Similarly, as a result of the 2008 Anheuser-Busch acquisition, Former AB InBev recognised USD 32.9 billion of goodwill on its balance sheet and recorded several brands from the Anheuser-Busch business (including brands in the Budweiser brand family among others) as intangible assets with indefinite useful lives with a fair value of USD 21.4 billion.

Additionally, the Group will recognise a significant amount of incremental goodwill on its balance sheet as a result of the Transaction. The Issuer's estimate of this amount is USD 83.1 billion (as reflected in, and subject to the uncertainties described above regarding, the Group's *pro forma* financial information).

AB InBev's accounting policy (and that of the Group) considers brands and distribution rights for AB InBev's own products as intangible assets with indefinite useful lives, which are tested for impairment on an annual basis (or more often if an event or circumstance indicates that an impairment loss may have been incurred) and not amortised. AB InBev will also record brands and other intangibles from the SABMiller business as intangible assets with indefinite useful lives. The Issuer's current estimate of the fair value of such brands and other intangibles is USD 17.3 billion.

As of 31 December 2015, Former AB InBev's goodwill amounted to USD 65.1 billion and intangible assets with indefinite useful lives amounted to USD 27.6 billion, while as at 31 March 2016, SABMiller's goodwill amounted to USD 14.3 billion. If the post-Transaction integration of AB InBev's and SABMiller's business meets with unexpected difficulties or if the Group's business does not develop as expected, impairment charges may be incurred in the future that could be significant and that could have an adverse effect on the Group's results of operations and financial condition.

***The Group relies on the reputation of its brands.***

The Group's success depends on its ability to maintain and enhance the image and reputation of its existing products and to develop a favourable image and reputation for new products. The image and reputation of its products may be reduced in the future and concerns about product quality, even when unfounded, could tarnish the image and reputation of its products. An event, or series of events, that materially damages the reputation of one or more of the Group's brands could have an adverse effect on the value of that brand and subsequent revenues from that brand or business. Restoring the image and reputation of the Group's products may be costly and may not be possible.

Moreover, the Group's marketing efforts are subject to restrictions on the permissible advertising style, media and messages used. In a number of countries, for example, television is a prohibited medium for advertising beer and other alcoholic beverage products, and in other countries, television advertising, while permitted, is carefully

regulated. Any additional restrictions in such countries, or the introduction of similar restrictions in other countries, may constrain the Group's brand building potential and thus reduce the value of its brands and related revenues.

***Negative publicity, perceived health risks and associated government regulations may harm the Group's business.***

Media coverage, and publicity generally, can exert significant influence on consumer behaviour and actions. If the social acceptability of beer, other alcoholic beverages or soft drinks were to decline significantly, sales of the Group's products could decrease materially. In recent years, there has been increased public and political attention directed at the alcoholic beverage and food and soft drinks industries. This attention is the result of health concerns related to the harmful use of alcohol, including drink driving, excessive, abusive and underage drinking and drinking while pregnant, as well as health concerns such as obesity and diabetes related to the overconsumption of food and soft drinks. Negative publicity regarding beer, other alcoholic beverage or soft drink consumption, publication of studies that indicate a significant health risk from the consumption of beer, other alcoholic beverages or soft drinks, or changes in consumer perceptions in relation to beer, other alcoholic beverages or soft drinks generally could adversely affect the sale and consumption of the Group's products and could harm its business, results of operations, cash flows or financial condition as consumers and customers change their purchasing patterns.

For example, in May 2013, the World Health Assembly endorsed the World Health Organisation's ("WHO") Global Action Plan for the Prevention and Control of Non-Communicable Diseases ("NCDs") 2013–2020. The harmful use of alcohol has been cited as a risk factor for NCDs. The action plan for NCDs calls for at least a 10 per cent. relative reduction in the harmful use of alcohol, as appropriate, within national contexts.

As a further example, the Russian authorities have adopted legislative changes linked to concerns about the harmful use of alcohol. In 2012, Russia adopted bans on the sale of beer in kiosks and the sale of beer between the hours of 11:00 p.m. and 8:00 a.m., a ban on beer advertisements on television, internet, printed media, radio and outdoor beer advertisements and a further increase in excise taxes on beer. Between 2009 and 2016, the beer excise rate increased ten times – from RUB 3/litre to RUB 20/litre. Russia has also adopted prohibitions on the production of plastic beer bottles larger than 1.5 litres effective 1 January 2017. Sales of beer in plastic bottles of that size will be prohibited effective 1 June 2017. Other legislative proposals discussed in Russia include the imposition of production and turnover licensing requirements and a requirement that companies that engage in the production and marketing of beer and other malt beverages register under the Unified State Automated Information System. In addition, effective 1 January 2015, Russia now imposes a levy on manufacturers and importers that do not meet certain waste recycling targets.

Similarly, in Ukraine, from 2013 to 2014, the beer excise tax rate increased 42.5 per cent. to UAH 1.24/litre in 2014 and as of 1 January 2016, the excise tax rate for beer doubled to UAH 2.48/litre. At the end of December 2014, the Ukrainian Parliament significantly changed the regulatory environment for beer, making it legally equivalent to spirits. As of July 2015, beer cannot be advertised in printed media, by indoor or outdoor advertisement, on the metro and other public transportation, nor on radio and television between the hours of 6:00 p.m. and 11:00 a.m. In addition, production, wholesale and retail licensing requirements and wholesale, import and export certifications have been imposed. Effective 1 January 2015, Ukraine has also implemented a new excise tax of 5 per cent. for retailers on certain products, including beer and other alcoholic beverages.

Concerns over alcohol abuse and underage drinking have also caused governments, including those in Argentina, Brazil, Spain, Russia, the United Kingdom and the United States, to consider measures such as increased taxation, implementation of minimum alcohol pricing regimes or other changes to the regulatory framework governing the Group's marketing and other commercial practices.

Key brand names are used by the Group, its subsidiaries, associates and joint ventures, and are licenced to third-party brewers. To the extent that the Group or one of its subsidiaries, associates, joint ventures or licencees is subject to negative publicity, and the negative publicity causes consumers and customers to change their purchasing patterns, it could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition. As a significant portion of the Group's operations occur in developing and growth markets, there is a greater risk that the Group may be subject to negative publicity, in particular in relation to labour rights and local work conditions. Negative publicity that materially damages the reputation of one or more of the Group's brands could have an adverse effect on the value of that brand and subsequent revenues from that brand or business, which could adversely impact the Group's business, results of operations, cash flows and financial condition.



***Demand for the Group's products may be adversely affected by changes in consumer preferences and tastes.***

The Group depends on its ability to satisfy consumer preferences and tastes. Consumer preferences and tastes can change in unpredictable ways due to a variety of factors, such as changes in demographics, consumer health and wellness, concerns about obesity or alcohol consumption, product attributes and ingredients, changes in travel, vacation or leisure activity patterns, weather, negative publicity resulting from regulatory action or litigation against the Group or comparable companies or a downturn in economic conditions. Consumers also may begin to prefer the products of competitors or may generally reduce their demand for products in the category. Failure by the Group to anticipate or respond adequately either to changes in consumer preferences and tastes or to developments in new forms of media and marketing could adversely impact the Group's business, results of operations and financial condition.

***Seasonal consumption cycles and adverse weather conditions may result in fluctuations in demand for the Group's products.***

Seasonal consumption cycles and adverse weather conditions in the markets in which the Group operates may have an impact on its operations. This is particularly true in the summer months, when unseasonably cool or wet weather can affect sales volumes. Demand for beer is normally more depressed in major markets in the Northern Hemisphere during the first and fourth quarters of each year, and the Group's consolidated net revenue from those markets is therefore normally lower during this time. Although this risk is somewhat mitigated by the Group's relatively balanced footprint in both hemispheres, the Group will continue to be relatively more exposed to the markets in the Northern Hemisphere than to the markets in the Southern Hemisphere, which could adversely impact its business, results of operations and financial condition.

***Climate change, or legal, regulatory or market measures to address climate change, may negatively affect the Group's business or operations, and water scarcity or poor quality could negatively impact its production costs and capacity.***

There is a growing concern that carbon dioxide and other greenhouse gases in the atmosphere may have an adverse impact on global temperatures, weather patterns and the frequency and severity of extreme weather and natural disasters. In the event that such climate change has a negative effect on agricultural productivity, the Group may be subject to decreased availability or less favourable pricing for certain agricultural commodities that are necessary for its products, such as barley, hops, sugar and corn. In addition, public expectations for reductions in greenhouse gas emissions could result in increased energy, transportation and raw material costs and may require the Group to make additional investments in facilities and equipment due to increased regulatory pressures. As a result, the effects of climate change could have a long-term, material adverse impact on the Group's business and results of operations.

The Group also faces water scarcity and quality risks. Clean water is a limited resource in many parts of the world, facing unprecedented challenges from climate change and the resulting change in precipitation patterns and frequency of extreme weather, over-exploitation, increasing pollution, and poor water management. As demand for water continues to increase around the world, and as water becomes scarcer and the quality of available water deteriorates, the Group may be affected by increasing production costs or capacity constraints, which could adversely affect its business and results of operations.

The Group is required to report greenhouse gas emissions, energy data and other related information to a variety of entities, and to comply with the wider obligations of the EU Emissions Trading Scheme ("ETS"). If the Group is unable to measure, track and disclose information accurately and in a timely manner, it could be subject to civil penalties for non-compliance in the various EU ETS member jurisdictions in which it will operate. In addition, the need for the Group to comply with the ETS could result in increased operational costs if the Group is unable to meet its compliance obligations and exceeds its emission allocations. There is also a risk of new environmental regulation in many geographies where the Group operates, including the EU, United States and China, among others. For example, in May 2014, the State Council of the People's Republic of China issued a plan that sets compulsory reduction goals related to pollutant emissions, energy consumption and carbon emissions that could require additional investment, business capabilities or operational changes.

***If any of the Group's products are defective or found to contain contaminants, the Group may be subject to product recalls or other liabilities.***

The Group takes precautions to ensure that its beverage products and its associated packaging materials (such as bottles, crowns, cans and other containers) meet accepted food safety and regulatory standards. Such precautions include quality-control programmes and various technologies for primary materials, the production process and their final products. The Group has established procedures to correct issues or concerns that are detected.

In the event that contamination or a defect does occur in the future, it may lead to business interruptions, product recalls or liability, each of which could have an adverse effect on the Group's business, reputation, prospects, financial condition and results of operations.

Although the Group maintains insurance policies against certain product liability (but not product recall) risks, it may not be able to enforce its rights in respect of these policies, and, in the event that contamination or a defect occurs, any amounts that may be recoverable may not be sufficient to offset any damage it may suffer, which could adversely impact its business, results of operations and financial condition.

***The Group may not be able to protect its intellectual property rights.***

The Group's future success depends significantly on its ability to protect its current and future brands and products and to defend its intellectual property rights, including trademarks, patents, domain names, trade secrets and know-how. The Group has been granted numerous trademark registrations covering its brands and products and has filed, and expects to continue to file, trademark and patent applications seeking to protect newly developed brands and products. The Group cannot be sure that trademark and patent registrations will be issued with respect to any of its applications. There is also a risk that the Group could, by omission, fail to renew a trademark or patent on a timely basis or that its competitors will challenge, invalidate or circumvent any existing or future trademarks and patents issued to, or licensed by, it.

Although the Group has taken appropriate action to protect its portfolio of intellectual property rights (including trademark registration and domain names), it cannot be certain that the steps they have taken will be sufficient or that third parties will not infringe upon or misappropriate proprietary rights. Moreover, some of the countries in which the Group operates offer less efficient intellectual property protection than is available in Europe or the United States. If the Group is unable to protect its proprietary rights against infringement or misappropriation, it could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition, and in particular, on its ability to develop its business.

***The consolidation of retailers may adversely affect the Group.***

The retail industry in Europe and in many countries in which the Group operates continues to consolidate. Large retailers may seek to improve profitability and sales by asking for lower prices or increased trade spending. The efforts of retailers could result in reduced profitability for the beer industry as a whole and indirectly adversely affect the Group's financial results.

***The Group could incur significant costs as a result of compliance with, and/or violations of or liabilities under, various regulations that govern the Group's operations.***

The Group's business is highly regulated in many of the countries in which it or its licensed third parties operates. The regulations adopted by the authorities in these countries govern many parts of the Group's future operations, including brewing, marketing and advertising (in particular to ensure the Group's advertising is directed to individuals of legal drinking age), environmental protection, transportation, distributor relationships and sales. The Group may be subject to claims that it has not complied with existing laws and regulations, which could result in fines and penalties or loss of operating licences. The Group is also routinely subject to new or modified laws and regulations with which it must comply in order to avoid claims, fines and other penalties, which could adversely impact the Group's business, results of operations and financial condition. The Group may also be subject to laws and regulations aimed at reducing the availability of beer and other alcoholic beverage products in some of the Group's markets to address alcohol abuse and other social issues. There can be no assurance that the Group will not incur material costs or liabilities in connection with compliance with applicable regulatory requirements, or that such regulation will not interfere with the Group's beer, other alcoholic beverage and soft drinks businesses.

Certain states in the United States and various countries have adopted laws and regulations that require deposits on beverages or establish refillable bottle systems. Such laws generally increase beer prices above the costs of deposit and may result in sales declines. Lawmakers in various jurisdictions in which the Group operates continue to consider similar legislation, the adoption of which would impose higher operating costs on the Group while depressing sales volume.

The level of regulation to which the Group's businesses are subject can be affected by changes in the public perception of beer, other alcoholic beverage and soft drink consumption. In recent years, there has been increased social and political attention in certain countries directed at the beer, other alcoholic beverage and soft drink industries, and governmental bodies may respond to any public criticism by implementing further regulatory restrictions on advertising, opening hours, drinking ages or marketing activities (including the marketing or selling of beer at sporting events). Such public concern and any resulting restrictions may cause the

social acceptability of beer, other alcoholic beverages or soft drinks to decline significantly and consumption trends to shift away from these products, which would have a material adverse effect on the Group's business, financial condition and results of operations. See also Section 5 (*Description of the Issuer – General Overview*) and Section 5 (*Description of the Issuer – Regulations Affecting the Group's Business*).

***The Group is exposed to the risk of litigation.***

The Group is now and may in the future be, party to legal proceedings and claims and significant damages may be asserted against them. See Section 5 (*Description of the Issuer – Legal and Arbitration Proceedings*), as well as note 30 to AB InBev's audited financial statements as of 31 December 2015 and 2014 and for the three years ended 31 December 2015, as set out in the Form 20-F, for a description of certain material contingencies which AB InBev believes are reasonably possible (but not probable) to be realised and see notes 24 and 29 to SABMiller's audited consolidated financial statements as at and for the year ended 31 March 2016 for a description of certain material contingencies for which SABMiller has stated that it believes it is probable that a transfer of economic benefits will be required to settle an obligation. Given the inherent uncertainty of litigation, it is possible that the Group might incur liabilities as a consequence of proceedings and claims brought against it, including those that are not currently believed by the Group to be reasonably possible.

Moreover, companies in the alcoholic beverage industry and soft drink industry are, from time to time, exposed to collective suits (class actions) or other litigation relating to alcohol advertising, alcohol abuse problems or health consequences from the excessive consumption of beer, other alcoholic beverages and soft drinks. As an illustration, certain beer and other alcoholic beverage producers from Brazil, Canada, Europe and the United States have been involved in class actions and other litigation seeking damages for, among other things, alleged marketing of alcoholic beverages to underage consumers. If any of these types of litigation were to result in fines, damages or reputational damage to the Group or its brands, this could have a material adverse effect on the Group's business, results of operations, cash flows or financial position.

See Section 5 (*Description of the Issuer – Legal and Arbitration Proceedings*) for additional information on litigation matters.

***The beer and beverage industry may be subject to adverse changes in taxation.***

Taxation on beer, other alcoholic beverage and soft drink products in the countries in which the Group operates is comprised of different taxes specific to each jurisdiction, such as excise and other indirect taxes (such as VAT). In many jurisdictions, excise and other indirect taxes and duties, including additional duties resulting from legislation regarding minimum alcohol pricing, make up a large proportion of the cost of beer charged to customers. Increases in excise and other indirect taxes applicable to the Group's products either on an absolute basis or relative to the levels applicable to other beverages will tend to adversely affect the Group's revenue or margins, both by reducing overall consumption of the Group's products and by encouraging consumers to switch to other categories of beverages. These increases may also adversely affect the affordability of the Group's products and its profitability. Since 2013, Russia, Ukraine, Australia, South Africa, Egypt and Singapore, among others, increased beer excise taxes.

In Russia, between 2009 and 2016, the beer excise rate increased ten times - from RUB 3/litre to RUB 20/litre. Similarly, in Ukraine, from 2013 to 2014, the beer excise tax rate increased 42.5 per cent. to UAH 1.24/litre in 2014 and in 2015 an additional 5 per cent. excise tax was imposed on retailers of certain products, including beer and other alcoholic beverages. As of 1 January 2016, the beer excise tax in Ukraine doubled to UAH 2.48/litre. These tax increases have resulted in significant price increases in both countries, and will continue to reduce sales of beer by the Group and its associates. See Section 2 (*Risk Factors - Negative publicity, perceived health risks and associated government regulations may harm the Group's business*) above.

In the United States, the brewing industry is subject to significant taxation. The United States federal government currently levies an excise tax of USD 18 per barrel (equivalent to approximately 117 litres) on beer sold for consumption in the United States. All states also levy excise and/or sales taxes on alcoholic beverages. From time to time, there are proposals to increase these taxes, and in the future these taxes could increase. Increases in excise taxes on alcohol could adversely affect the Group's United States business and its profitability.

Minimum pricing is another form of fiscal regulation that can affect the Group's profitability. In 2012, the Scottish Government legislated to introduce a minimum unit price for alcoholic beverages (although its implementation was blocked by a decision of the Court of Justice of the EU in December 2015). In November 2012, the UK Government published for consultation its own proposal to introduce a minimum unit price for alcoholic beverages; following the consultation, in July 2013, the UK government decided not to pursue minimum unit pricing. In October 2013, Northern Ireland and the Republic of Ireland decided to implement a

cross-border minimum unit price for alcoholic beverages calculated on a sale price per gram of alcohol, although the question of legality under EU law remains to be determined.

Proposals to increase excise or other indirect taxes, including legislation regarding minimum alcohol pricing, may result from the current economic climate and may also be influenced by changes in the public perception regarding the consumption of beer, other alcoholic beverages and soft drinks. To the extent that the effect of the tax reforms described above or other proposed changes to excise and other indirect duties in the countries in which the Group operates is to increase the total burden of indirect taxation on the Group's products, the results of the Group's operations in those countries could be adversely affected.

In addition to excise and other indirect duties, the Group is subject to income and other taxes in the countries in which it operates. There can be no assurance that the operations of the Group's breweries and other facilities will not become subject to increased taxation by national, local or foreign authorities or that the Group and its subsidiaries will not become subject to higher corporate income tax rates or to new or modified taxation regulations and requirements.

For example, the work being carried out by the Organisation for Economic Co-operation and Development on base erosion and profit shifting or initiatives at EU level (including the anti-tax-avoidance directive adopted by the Council of the EU on 12 July 2016) as a response to increasing globalisation of trade and business operations could result in changes in tax treaties, the introduction of new legislation, updates to existing legislation, or changes to regulatory interpretations of existing legislation, any of which could impose additional taxes on businesses. Any such increases or changes in taxation would tend to adversely impact the Group's results of operations.

***The Group is exposed to antitrust and competition laws in certain jurisdictions and the risk of changes in such laws or in the interpretation and enforcement of existing antitrust and competition laws.***

The Group is subject to antitrust and competition laws in the jurisdictions in which it operates, and in a number of jurisdictions where the Group produces and/or sells a significant portion of the beer consumed. Consequently, the Group may be subject to regulatory scrutiny in certain of these jurisdictions and in June 2016, the European Commission announced an investigation into alleged abuse of a dominant position by Former AB InBev. See Section 5 (*Description of the Issuer – Legal and Arbitration Proceedings*). There can be no assurance that the introduction of new competition laws in the jurisdictions in which the Group operates, the interpretation of existing antitrust or competition laws or the enforcement of existing antitrust or competition laws, or any agreements with antitrust or competition authorities, against the Group or its subsidiaries, including Ambev, will not affect the Group's business or the businesses of its subsidiaries in the future.

***The Group's operations are subject to environmental regulations, which could expose it to significant compliance costs and litigation relating to environmental issues.***

The Group's operations are subject to environmental regulations by national, state and local agencies, including, in certain cases, regulations that impose liability without regard to fault. These regulations can result in liability that might adversely affect the Group's operations. The environmental regulatory climate in the markets in which the Group operates is becoming stricter, with a greater emphasis on enforcement.

While the Group continuously invests in reducing its environmental risks and budgets for future capital and operating expenditures to maintain compliance with environmental laws and regulations, there can be no assurance it will not incur substantial environmental liability or that applicable environmental laws and regulations will not change or become more stringent in the future.

***AB InBev's subsidiary, Ambev, operates a joint venture in Cuba, in which the Government of Cuba is its joint venture partner. Cuba remains subject to comprehensive economic and trade sanctions by the United States and the Group's operations in Cuba may adversely affect the Group's reputation and the liquidity and value of its securities.***

On 28 January 2014, a subsidiary of Former AB InBev's subsidiary Ambev acquired from Former AB InBev a 50 per cent. equity interest in Cervecería Bucanero S.A., a Cuban company in the business of producing and selling beer. Consequently, AB InBev indirectly owns, through its subsidiary Ambev, a 50 per cent. equity interest in Cervecería Bucanero S.A. The other 50 per cent. equity interest is owned by the Government of Cuba. Cervecería Bucanero S.A. is operated as a joint venture in which Ambev appoints the general manager. Cervecería Bucanero S.A.'s main brands are Bucanero and Cristal, but it also imports and sells in Cuba other brands produced by certain of AB InBev's non-U.S. subsidiaries. In 2015, Cervecería Bucanero S.A. sold 1.5 million hectolitres, representing about 0.3 per cent. of the Former AB InBev Group's global volume of 457 million hectolitres for the year. Although Cervecería Bucanero S.A.'s production is primarily sold in Cuba, a

small portion of its production is exported to and sold by certain distributors in other countries outside Cuba (but not in the United States).

The United States Treasury Department's Office of Foreign Assets Control and the United States Commerce Department together administer and enforce broad and comprehensive economic and trade sanctions based on United States foreign policy towards Cuba. Although the Group's operations in Cuba through its subsidiary Ambev are quantitatively immaterial, the Group's overall business reputation may suffer or it may face additional regulatory scrutiny as a result of the Group's activities in Cuba based on the identification of Cuba as a target of U.S. economic and trade sanctions.

In addition, the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996 (known as the "**Helms-Burton Act**") authorises private lawsuits for damages against anyone who traffics in property confiscated without compensation by the Government of Cuba from persons who at the time were, or have since become, nationals of the U.S. Although this section of the Helms-Burton Act is currently suspended by discretionary presidential action, the suspension may not continue in the future. Claims accrue notwithstanding the suspension and may be asserted if the suspension is discontinued. The Helms-Burton Act also includes a section that authorises the U.S. Department of State to prohibit entry into the United States of non-U.S. persons who traffic in confiscated property, and corporate officers and principals of such persons, and their families. In 2009, Former AB InBev received notice of a claim purporting to be made under the Helms-Burton Act relating to the use of a trademark by Cervecería Bucanero S.A., which is alleged to have been confiscated by the Cuban government and trafficked by Former AB InBev through its former ownership and management of Cervecería Bucanero S.A. Although AB InBev has attempted to review and evaluate the validity of the claim, due to the uncertain underlying circumstances, AB InBev is currently unable to express a view as to the validity of such claim, or as to the claimants' standing to pursue it.

***The Group may not be able to recruit or retain key personnel.***

In order to develop, support and market its products, the Group must hire and retain skilled employees with particular expertise. The implementation of the Group's strategic business plans could be undermined by a failure to recruit or retain key personnel or the unexpected loss of senior employees, including in acquired companies.

The Group faces various challenges inherent in the management of a large number of employees across diverse geographical regions. It is not certain that the Group will be able to attract or retain its key employees and successfully manage them, which could disrupt its business and have an unfavourable material effect on its financial position, its income from operations and its competitive position.

***The Group is exposed to labour strikes and disputes that could lead to a negative impact on its costs and production level.***

The Group's success depends on maintaining good relations with its workforce. In several of its operations, a majority of the Group's workforce is unionised. For instance, a majority of the hourly employees at the Group's breweries in several key countries in different geographies are represented by unions. The Group's production may be affected by work stoppages or slowdowns as a result of disputes under existing collective labour agreements with labour unions. The Group may not be able to satisfactorily renegotiate its collective labour agreements when they expire and may face tougher negotiations or higher wage and benefit demands. Furthermore, a work stoppage or slowdown at the Group's facilities could interrupt the transport of raw materials from its suppliers or the transport of its products to its customers. Such disruptions could put a strain on the Group's relationships with suppliers and clients and may have lasting effects on its business even after the disputes with its labour force have been resolved, including as a result of negative publicity.

The Group's production may also be affected by work stoppages or slowdowns that affect its suppliers, distributors and retail delivery/logistics providers as a result of disputes under existing collective labour agreements with labour unions, in connection with negotiations of new collective labour agreements, as a result of supplier financial distress, or for other reasons.

A strike, work stoppage or slowdown within the Group's operations or those of its suppliers, or an interruption or shortage of raw materials for any other reason (including but not limited to financial distress, natural disaster, or difficulties affecting a supplier) could have a material adverse effect on the Group's earnings, financial condition and ability to operate its business.

***Information technology failures could disrupt the Group's operations.***

The Group relies on information technology systems to process, transmit, and store electronic information. A significant portion of the communication between its personnel, customers, and suppliers depends on information

technology. As with all large systems, the Group's information systems may be vulnerable to a variety of interruptions due to events beyond its control, including, but not limited to, natural disasters, terrorist attacks, telecommunications failures, computer viruses, hackers or other security issues.

The Group depends on information technology to enable it to operate efficiently and interface with customers, as well as to maintain in-house management and control. The Group also enters into various information technology services agreements pursuant to which its information technology infrastructure is outsourced to leading vendors.

The information systems of the Former AB InBev Group and SABMiller are subject to integration into the Group. Any failure or delay to such integration could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

In addition, the concentration of processes in shared services centres means that any technology disruption could impact a large portion of the Group's business within the operating zones served. If it does not allocate, and effectively manage, the resources necessary to build and sustain the proper technology infrastructure, the Group could be subject to transaction errors, processing inefficiencies, loss of customers, business disruptions, or the loss of or damage to intellectual property through a security breach. As with all information technology systems, the Group's system could also be penetrated by outside parties intent on extracting information, corrupting information or disrupting business processes.

The Group takes various actions with the aim of minimising potential technology disruptions, such as investing in intrusion detection solutions, proceeding with internal and external security assessments, building and implementing disaster recovery plans and reviewing risk management processes. Notwithstanding these efforts, technology disruptions could disrupt the Group's business. For example, if outside parties gained access to confidential data or strategic information and appropriated such information or made such information public, this could harm the Group's reputation or its competitive advantage. More generally, technology disruptions could have a material adverse effect on the Group's business, results of operations, cash flows or financial condition.

While the Group continues to invest in new technology monitoring and cyber-attack prevention systems, it nonetheless may experience attempted breaches of its technology systems and networks from time to time. In 2015, as in previous years, the Former AB InBev Group experienced attempted breaches of its technology systems and networks. None of the attempted breaches of the Former AB InBev Group's systems (as a result of cyber-attacks, security breaches or similar events) had a material impact on its business or operations or resulted in material unauthorised access to its data or its customers' data.

***Natural and other disasters could disrupt the Group's operations.***

The Group's business and operating results could be negatively impacted by natural, social, technical or physical risks, such as a widespread health emergency (or concerns over the possibility of such an emergency), earthquakes, hurricanes, flooding, fire, water scarcity, power loss, loss of water supply, telecommunications and information technology system failures, cyber-attacks, labour disputes, political instability, military conflict and uncertainties arising from terrorist attacks, including a global economic slowdown, the economic consequences of any military action and associated political instability.

***The Group's insurance coverage may not be sufficient.***

The Group purchases insurance for director and officer liability and other coverage where required by law or contract or where considered to be in the best interest of the company. Under the Co-operation Agreement (an agreement between the Former AB InBev Group and SABMiller relating to, among other things, the implementation of the Transaction, as further defined herein), the Group has procured the provision of directors' and officers' insurance for former directors and officers of SABMiller for a period of six years following Completion. Even though the Group will maintain these insurance policies, it self-insures most of its insurable risk. Should an uninsured loss or a loss in excess of insured limits occur, this could adversely impact the Group's business, results of operations and financial condition.

***The Group may be unable to influence its strategic partnerships.***

A portion of the Group's global portfolio consists of strategic partnerships in new or developing markets such as China, Turkey, countries in the Commonwealth of Independent States and a number of countries in Africa. There are challenges in influencing these diverse cultures to ensure that the Group integrates these business interests successfully into its wider global portfolio. There can be challenges in ensuring that decisions are taken in such partnerships which promote the strategic and business objectives of the Group.

**Factors which are material for the purpose of assessing risk related to the Notes generally, the structure of particular issues and the market risks associated with Notes issued under the Programme**

### **Risks related to Notes generally**

Set out below is a brief description of certain risks relating to the Notes generally:

***Since the Issuer is a holding company that conducts its operations through subsidiaries, the right to receive payments on the relevant Notes and the Guarantees is subordinated to the other liabilities of the Issuer's subsidiaries which are not Guarantors.***

The Issuer is organised as the holding company for the operations of the Group, and substantially all of the operations of the Group are carried on through subsidiaries of the Issuer. The Issuer's principal sources of income are the dividends and distributions the Issuer receives from its subsidiaries.

The Issuer's ability to meet its financial obligations is dependent upon the availability of cash flows from its domestic and foreign subsidiaries and affiliated companies through dividends, intercompany advances, management fees and other payments. The Issuer's subsidiaries and affiliated companies are not required and may not be able to pay dividends to the Issuer. Only certain of the Issuer's subsidiaries are Guarantors of the Notes. Claims of the creditors of the Issuer's subsidiaries which are not Guarantors have priority as to the assets of such subsidiaries over the claims of creditors of the Issuer. Consequently, Noteholders are structurally subordinated, on the Issuer's insolvency, to the prior claims of the creditors of the Issuer's subsidiaries who are not Guarantors.

***The Guarantees provided by the Guarantors may be released in certain circumstances.***

Each of the Guarantors may terminate its Guarantee in the event that (A)(i) the relevant Guarantor is released from its Guarantee of, or is not, or is no longer, a Guarantor under, the Issuer's 2010 Senior Facilities Agreement (as defined above) and (ii) the relevant Guarantor is released from its Guarantee of, or is not, or is no longer, a Guarantor under, the Issuer's 2015 Senior Facilities Agreement (as defined above) and (iii) the aggregate amount of indebtedness for borrowed money for which the relevant Guarantor is an obligor (as a guarantor or borrower) does not exceed 10 per cent. of the consolidated gross assets of the Group as reflected in the balance sheet included in its most recent publicly released interim or annual consolidated financial statements; or (B) the relevant Guarantor ceases to be a Subsidiary of the Issuer or disposes of all or substantially all of its assets to a Person who is not a Subsidiary of the Issuer.

If the Guarantees by the Guarantors are released, the Issuer is not required to replace them, and the relevant Notes will have the benefit of fewer or no Guarantees for the remaining maturity of the relevant Notes.

***Should the Guarantors default on their Guarantees, a holder's right to receive payments on the Guarantees may be adversely affected by the insolvency laws of the jurisdiction of organisation of the defaulting Guarantors.***

The Issuer and the Guarantors are organised under the laws of various jurisdictions, and it is likely that any insolvency proceedings applicable to a Guarantor would be governed by the law of its jurisdiction of organisation. The insolvency laws of the various jurisdictions of organisation of the Guarantors may vary as to treatment of unsecured creditors and may contain prohibitions on the Guarantor's ability to pay any debts existing at the time of the insolvency.

***Since the Issuer is a Belgian company, Belgian insolvency laws may adversely affect a recovery by the holders of amounts payable under the Notes.***

There are two types of insolvency procedures under Belgian law: (i) the judicial restructuring (*réorganisation judiciaire/gerechtigde reorganisatie*) procedure and (ii) the bankruptcy (*faillite/faillissement*) procedure, each of which is described below.

A proceeding for a judicial restructuring may be commenced if the continuation of the debtor's business is, either immediately or in the future, at risk. The continuation of the debtor's business is, in any event, deemed to be at risk if, as a result of losses, the debtor's net assets have declined to less than 50 per cent. of its stated capital.

A request for a judicial restructuring is filed on the initiative of the debtor by a petition. The court can consider a preliminary suspension of payments during an initial period of six months, which can be extended by up to a maximum period of six months at the request of the company. In exceptional circumstances and in the interest of the creditors, there may be an additional extension of six months. In principle, during the initial suspension period, the debtor cannot be dissolved or declared bankrupt. However, the initial suspension period can be

terminated if it becomes manifestly clear that the debtor will not be able to continue its business. Following early termination of the initial suspension period, the debtor can be dissolved or declared bankrupt. As a rule, creditors cannot enforce their rights against the debtor's assets during the period of preliminary suspension of payments, except in the following circumstances: (i) failure by the debtor to pay interest or charges falling due in the course of the preliminary suspension period, (ii) failure by the debtor to pay any new debts (e.g. debts which have arisen after the date of the preliminary suspension of payments), or (iii) enforcement by a creditor of security over receivables (other than cash) or financial instruments (or certain contractual set-off arrangements) pursuant to the Belgian Act of 15 December 2004 on financial collateral.

During the preliminary suspension period, the debtor must draw up a restructuring plan which must be approved by a majority of its creditors who were present at a meeting of creditors and whose aggregate claims represent over half of all outstanding claims of the debtor. The restructuring plan must have a maximum duration of five years. This plan will be approved by the court provided the plan does not violate the formalities required by the judicial restructuring legislation nor public policy. The plan will be binding on all creditors listed in the plan. Enforcement rights of creditors secured by certain types of *in rem* rights are not bound by the plan. Such creditors may, as a result, enforce their security from the beginning of the final suspension period. Under certain conditions, and subject to certain exceptions, enforcement by such creditors can be suspended for up to 24 months (as from the filing of the request for a judicial restructuring with the relevant court). Under further conditions, this period of 24 months may be extended by a further 12 months.

Any provision providing that an agreement would be terminated as the result of a debtor entering a judicial composition is ineffective, subject to the limited exceptions set forth in the Belgian Act of 15 December 2004 on financial collateral.

The above essentially describes the so-called judicial restructuring by collective agreement of the creditors. The judicial restructuring legislation also provides for alternative judicial restructuring procedures, including (i) by amicable settlement between the debtor and two or more of its creditors and (ii) by court-ordered transfer of part or all of the debtor's business.

A company which, on a sustained basis, has ceased to make payments and whose credit is impaired will be deemed to be in a state of bankruptcy. Within one month after the cessation of payments, the company must file for bankruptcy. If the company is late in filing for bankruptcy, its directors could be held liable for damages to creditors as a result thereof. Bankruptcy procedures may also be initiated on the request of unpaid creditors or on the initiative of the public prosecutor.

Once the court decides that the requirements for bankruptcy are met, the court will establish a date before which claims for all unpaid debts must be filed by creditors. A bankruptcy trustee will be appointed to assume the operation of the business and to organise a sale of the debtor's assets, the distribution of the proceeds thereof to creditors and the liquidation of the debtor.

Payments or other transactions (as listed below) made by a company during a certain period of time prior to that company being declared bankrupt (the "**suspect period**") (*période suspecte/verdachte periode*) can be voided for the benefit of the creditors. The court will determine the date of commencement and the duration of the suspect period. This period starts on the date of sustained cessation of payment of debts by the debtor. The court can only determine the date of sustained cessation of payment of debts if it has been requested to do so by a creditor proceeding for a bankruptcy judgment or if proceedings are initiated to that effect by the bankruptcy trustee or by any other interested party. This date cannot be earlier than six months before the date of the bankruptcy judgment, unless a decision to dissolve the company was made more than six months before the date of the bankruptcy judgment, in which case the date could be the date of such decision to dissolve the company. The ruling determining the date of commencement of the suspect period or the bankruptcy judgment itself can be opposed by third parties, such as other creditors, within 15 days following the publication of that ruling in the Belgian Official Gazette.

The transactions which can or must be voided under the bankruptcy rules for the benefit of the bankrupt estate include (i) any transaction entered into by a Belgian company during the suspect period if the value given to creditors significantly exceeded the value the company received in consideration, (ii) any transaction entered into by a company which has stopped making payments if the counter party to the transaction was aware of the suspension of payments, (iii) security interests granted during the suspect period if they intend to secure a debt which existed prior to the date on which the security interest was granted, (iv) any payments (in whatever form, i.e. money or in kind or by way of set-off) made during the suspect period of any debt which was not yet due, as well as all payments made during the suspect period other than with money or monetary instruments (i.e. checks, promissory notes, etc.), and (v) any transaction or payment effected with fraudulent intent irrespective of its date.



Following a judgment commencing a bankruptcy proceeding, enforcement rights of individual creditors are suspended (subject to exceptions set forth in the Belgian Act of 15 December 2004 on financial collateral). Creditors secured by *in rem* rights which can be enforced on movable assets, such as share pledges, will regain their ability to enforce their rights under the security after the bankruptcy trustee has verified the creditors' claims.

***Since certain of the Subsidiary Guarantors are Luxembourg companies, Luxembourg insolvency laws may adversely affect a recovery by Noteholders of amounts payable under the Notes.***

### **Insolvency**

Pursuant to Luxembourg insolvency laws, Noteholders' ability to receive payment under the Notes may be more limited than would be the case under other applicable bankruptcy laws. Under Luxembourg law, the following types of proceedings (together referred to as insolvency proceedings) may be initiated against a company having its "center of main interests" or an "establishment" (both terms within the meaning of Council Regulation (EC) No. 1346/2000 on insolvency proceedings, as amended from time to time (the "**EU Insolvency Regulation**", as updated by the Regulation (EU) 2015/848 of the European Parliament and of the Council dated 20 May, 2015 (the "**New EU Insolvency Regulation**")) in Luxembourg:

- (i) bankruptcy proceedings (*faillite*), the opening of which may be requested by the company, by any of its creditors or by the courts ex officio. Following such a request, the Luxembourg courts having jurisdiction may open bankruptcy proceedings if a Luxembourg company: (A) is in a state of cessation of payments (*cessation des paiements*) and (B) has lost its commercial creditworthiness (*ébranlement de crédit*). The main effect of such proceedings is the sale of the assets and allocation of the proceeds of such sale between creditors taking into account their rank of privilege, as well as the suspension of all measures of enforcement against the company except, subject to certain limited exceptions, for enforcement by secured creditors and the payment of the secured creditors in accordance with their rank upon realisation of the assets;
- (ii) in addition, the managers or directors of a Luxembourg company that ceases its payments (i.e. is unable to pay its debts as they fall due with normal means of payment) must within a month of them having become aware of the company's cessation of payments, file a petition for bankruptcy (*faillite*) with the court clerk of the district court of the company's registered office. If the managers or directors fail to comply with such provision they may be held (i) liable towards the company or any third parties on the basis of principles of managers'/directors' liability for any loss suffered and (ii) criminally liable for simple bankruptcy (*banqueroute simple*) in accordance with Article 574 of the Luxembourg commercial code;
- (iii) controlled management proceedings (*gestion contrôlée*), the opening of which may only be requested by the company and not by its creditors and under which a Luxembourg court may order the provisional stay of enforcement of claims except for secured creditors;
- (iv) composition proceedings (*concordat préventif de la faillite*), the opening of which may only be requested by the company (subject to obtaining the consent of the majority of its creditors) and not by its creditors directly. The Luxembourg court's decision to admit a company to composition proceedings triggers a provisional stay on enforcement of claims by creditors except for secured creditors; or
- (v) in addition to these proceedings, Noteholders' ability to receive payment on the Notes may be affected by a decision of a Luxembourg court to grant a stay on payments (*sursis de paiement*) or to put a Luxembourg company into judicial liquidation (*liquidation judiciaire*). Judicial liquidation proceedings may be opened at the request of the public prosecutor against companies pursuing an activity violating criminal laws or that are in serious breach or violation of the Luxembourg commercial code or of the Luxembourg law of 10 August 1915 on commercial companies, as amended (the "**Companies Law 1915**"). The management of such liquidation proceedings will generally follow similar rules as those applicable to Luxembourg bankruptcy proceedings.

Liability of a Luxembourg company in respect of the Notes will, in the event of a liquidation of the company following bankruptcy or judicial liquidation proceedings, only rank after the cost of liquidation (including any debt incurred for the purpose of such liquidation) and any claims that are preferred under Luxembourg law. Preferential claims under Luxembourg law include, among others:

- remuneration owed to employees, if any (last six months' wages amounting to a maximum of six times the minimum social salary);

- employees' (if any) contributions to social security;
- certain amounts owed to the Luxembourg Revenue administrations;
- employer's contribution to social security (if any);
- landlords, for certain unpaid sums due to them; and
- value-added tax and other taxes and duties owed to Luxembourg Customs and Excise.

Assets over which a security interest has been granted will in principle not be available for distribution to unsecured and non-preferred creditors (except after enforcement and to the extent a surplus is realised).

### **Impact of insolvency proceedings on transactions**

During such insolvency proceedings, all enforcement measures by unsecured creditors are suspended. Other than as described above, the ability of certain secured creditors to enforce their security interest may also be limited, in particular in the event of controlled management proceedings expressly providing that the rights of secured creditors are frozen until a final decision has been taken by a Luxembourg court as to the petition for controlled management, and may be affected thereafter by a reorganisation order given by the court. A reorganisation order requires the prior approval by more than 50 per cent. of the creditors representing more than 50 per cent. of the relevant Luxembourg company's liabilities in order to take effect.

Furthermore, Noteholders should note that declarations of default and subsequent acceleration (such as acceleration upon the occurrence of an event of default) may not be enforceable during controlled management proceedings. However, during such controlled management proceedings a notice of default may still be served.

Luxembourg insolvency laws may also affect transactions entered into or payments made by a Luxembourg company during the preference period (*période suspecte*) which is a maximum of six months plus ten days preceding the judgment declaring bankruptcy, except that in certain specific situations the court may set the start of the suspect period at an earlier date. In particular:

- pursuant to Article 445 of the Luxembourg code of commerce (*Code de Commerce*), specified transactions (such as, in particular, the granting of a security interest for antecedent debts; payment of debts which have not fallen due, whether payment is made in cash or by way of assignment, sale, set-off or by any other means; the payment of debts which have fallen due by any means other than in cash or by bill of exchange; the sale of assets without consideration or with substantially inadequate consideration) entered into during the preference period (or the ten days preceding it) must be set aside or declared null and void, if so requested by the insolvency receiver;
- pursuant to Article 446 of the Luxembourg code of commerce, payments made for matured debts as well as other transactions concluded for consideration during the preference period are subject to cancellation by the court upon proceedings instituted by the insolvency receiver if they were concluded with the knowledge of the bankrupt party's cessation of payments; and
- pursuant to Article 448 of the Luxembourg code of commerce and Article 1167 of the Luxembourg civil code (*action paulienne*), the insolvency receiver (acting on behalf of the creditors) has the right to challenge any fraudulent payments and transactions, including the granting of security with an intent to defraud, made prior to the bankruptcy, without any time limit.

In principle, a bankruptcy order rendered by a Luxembourg court does not result in the automatic termination of contracts except for employment agreements and powers of attorney. The contracts, therefore, subsist after the bankruptcy order. However, the bankruptcy receiver may choose to terminate certain contracts so as to avoid worsening the financial situation of the company. As of the date of adjudication of bankruptcy, no interest on any unsecured claim will accrue vis-à-vis the bankruptcy estate. Insolvency proceedings may hence have a material adverse effect on a Luxembourg company's business and assets and such Luxembourg company's respective obligations under the Notes.

Finally, international aspects of Luxembourg bankruptcy, controlled management or composition proceedings may be subject to the EU Insolvency Regulation (as updated by the New EU Insolvency Regulation). In particular, rights *in rem* over assets located in another jurisdiction where the EU Insolvency Regulation will not be affected by the opening of insolvency proceedings, without prejudice however to the applicability of rules relating to the voidness, voidability or unenforceability of legal acts detrimental to all the creditors (subject to the application of Article 13 of the EU Insolvency Regulation).

### ***Modification.***

The conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders, including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

### ***Change of law.***

The conditions of the Notes are based on English law in effect as at the date of this Base Prospectus. No assurance can be given as to the impact of any possible judicial decision or change to English law or administrative practice after the date of this Base Prospectus.

### ***Only Direct Participants may deliver notices in respect of Notes held through the X/N Clearing System.***

Noteholders should note that, pursuant to the terms and conditions of the Notes, for so long as any of the Notes are held through the X/N Clearing System, any notice to be given by a Noteholder in respect of its Notes must be given in accordance with the standard procedures of the X/N Clearing System, and may only be given by the person who is for the time being shown in the records of the X/N Clearing System as the holder of the relevant Notes (each a "**Direct Participant**").

Holders of beneficial interests in Notes ("**beneficial holders**") held through the X/N Clearing System wishing to deliver any notice pursuant to the terms and conditions of the Notes are advised to check with any Direct Participant or other intermediary (including any securities broker or financial institution) through which they hold their Notes when such intermediary would need to receive instructions from the beneficial holder, in order to meet any deadlines applicable to such notice. The fees and/or costs, if any, of the relevant Direct Participant or other intermediary in connection with the delivery of any such notice shall be borne by the relevant beneficial holder.

### ***The Issuer, the Domiciliary Agent and the Dealers may engage in transactions adversely affecting the interests of Noteholders.***

The Domiciliary Agent and the Dealers might have conflicts of interests which could have an adverse effect on the interests of Noteholders. Potential investors should be aware that the Issuer is involved in general business relationships and/or in specific transactions with the Domiciliary Agent and/or the Dealers and that they might have conflicts of interests which could have an adverse effect on the interests of Noteholders. Potential investors should also be aware that the Domiciliary Agent and the Dealers may hold from time to time debt securities, shares and/or other financial instruments of the Issuer.

### ***The Guarantees provided by Brandbev and Brandbrew are subject to certain limitations.***

For the purposes of the Guarantees provided by Brandbev and Brandbrew (the "**Luxembourg Guarantors**"), respectively, the maximum aggregate liability of the relevant Luxembourg Guarantor, under its Guarantee and as guarantor of certain of the Other Guaranteed Facilities (as defined in the Conditions) (in each case excluding the relevant Luxembourg Guarantor's Guarantee), shall not exceed an amount equal to the aggregate of (without double counting): (i) the aggregate amount of all moneys received by the relevant Luxembourg Guarantor and its subsidiaries as a borrower or issuer under the Other Guaranteed Facilities; (ii) the aggregate amount of all outstanding intercompany loans made to it and its subsidiaries by other members of the Group which have been directly or indirectly funded using the proceeds of borrowings under the Other Guaranteed Facilities; and (iii) an amount equal to 100 per cent. of the greater of: (a) the sum of its own capital (*capitaux propres*) (as referred to in an article 34 of the Luxembourg Law of 19 December 2002 on the commercial register and annual accounts, as amended (the "**Law of 2002**"), and as implemented by the Grand-Ducal regulation dated 18 December 2015 setting out the form and the content of the presentation of the balance sheet and profit and loss account (the "**Regulation**")) as reflected in its then most recent annual accounts approved by it (as audited by its *réviseur d'entreprises* (external auditor), if required by law) at the date of enforcement of such Luxembourg Guarantor's Guarantee, increased by the amount of any Intra-Group Liabilities; and (b) the sum of its own capital (*capitaux propres*) (as referred to in article 34 of the Law of 2002, and as implemented by the Regulation) as reflected in its filed annual accounts available as at the Issue Date of the first Tranche of the relevant Series, increased by the amount of any Intra-Group Liabilities.

For the purpose of the above limitation, "**Intra-Group Liabilities**" shall mean any amounts owed by the relevant Luxembourg Guarantor to any other member of the AB InBev Group and that have not been funded (directly or indirectly) using the proceeds of the issue of Notes or the Other Guaranteed Facilities.

In addition, the obligations and liabilities of a Luxembourg Guarantor under its Guarantee and under any of the Other Guaranteed Facilities, shall not include any obligation which, if incurred, would constitute a breach of the provisions on unlawful financial assistance as contained in article 49 6 of the Companies Law 1915, to the extent such or an equivalent provision is applicable to the relevant Luxembourg Guarantor.

***The Guarantees provided by the Guarantors will be subject to certain limitations on enforcement and may be limited by applicable laws or subject to certain defences that may limit their validity and enforceability.***

The Guarantees given by the Guarantors provide holders of Notes with a direct claim against the relevant Guarantor in respect of the Issuer's obligations under the Notes. Enforcement of each guarantee would be subject to certain generally available defences. Local laws and defences may vary, and may include those that relate to corporate benefit (*ultra vires*), fraudulent conveyance or transfer (*actio pauliana*), voidable preference, financial assistance, corporate purpose, liability in tort, subordination and capital maintenance or similar laws and concepts. They may also include regulations or defences which affect the rights of creditors generally.

When a Luxembourg company grants guarantees and security interests, applicable corporate procedures normally entail that the decision be approved by a board resolution or by the decision of delegates that have been appointed for such purpose. In addition, the granting of the envisaged guarantees must comply with the Luxembourg company's corporate object. The proposed action by the company must be "in the corporate interest of the company," which is a translation of the French *intérêt social*, an equivalent term to the English legal concept of corporate benefit. The concept of "corporate interest" is not defined by law, but has been developed by doctrine and court precedents and may be described as being "the limit of acceptable corporate behaviour."

Whereas the abovementioned limits of corporate power are based on objective criteria (provisions of law and of the articles of association), the concept of corporate benefit requires a subjective judgment. In a group context, the interest of the companies of the group taken individually is not entirely eliminated. With respect to security grantors incorporated in Luxembourg, even if the Companies Law 1915, does not provide for rules governing the ability of a Luxembourg company to guarantee the indebtedness of another entity of the same group, it is generally held that within a group of companies, in the context of a group of related companies, the existence of a group interest in granting upstream or cross-stream assistance under any form (including under the form of guarantee or security) to other group companies could constitute sufficient corporate benefit to enable a Luxembourg company to grant such guarantee or security, provided that the following conditions are met (and subject in any event to all the factual circumstances of the matter): (i) such guarantee must be given for the purpose of promoting a common economic, social and financial interest determined in accordance with policies applicable to the entire group, (ii) the commitment to grant such guarantee must not be without consideration and such commitment must not be manifestly disproportionate in view of the obligations entered into by other group companies, and (iii) such guarantee granted or any other financial commitments must not exceed the financial capabilities of the committing company.

Although the existence of a corporate interest in the granting of a guarantee on a group level is certainly important, the mere existence of such a group interest does not compensate for a lack of corporate interest for one or more of the companies of the group taken individually. The concept of corporate benefit is of particular importance in the context of misuse of corporate assets provided by Article 171-1 of the Companies Law 1915. The failure to comply with the corporate benefit requirement will typically result in liability (personal and/or criminal) for the directors or managers of the guarantor concerned. The guarantees granted by a Luxembourg company could themselves be held void or unenforceable if their granting is contrary to Luxembourg public policy (*ordre public*). It should be stressed that, as is the case with all criminal offenses addressed by the Companies Law 1915, a director or a manager of a company will in general be prosecuted for misuse of corporate assets only if someone has lodged a complaint with the public prosecutor. This person may be an interested third party, e.g., a creditor, a minority shareholder, a liquidator or an insolvency receiver. In addition, it cannot be excluded that the public prosecutor could act on its own initiative if the existence of such a misuse of corporate assets became known to him. If there is a misuse of corporate assets criminally sanctioned by court, then this could, under general principles of law, have the effect that contracts concluded in breach of Article 171-1 of the Companies Law 1915 will be held null and void.

The criteria mentioned above have to be applied on a case-by-case basis, and a subjective, fact-based judgment is required to be made, by the directors or managers of the relevant Luxembourg company. As a result of the above considerations, guarantees and foreign law security interests granted by a Luxembourg company may be subject to certain limitations, which will take the form of (if necessary) general limitation language (limiting the obligations of such Luxembourg company to a certain percentage of, *inter alia*, its net assets (*capitaux propres*) and certain intra-group liabilities), which is inserted in the relevant guarantees and other Notes documents and which covers the aggregate obligations and exposure of the relevant Luxembourg company under all Notes documents, the Guarantees and any other guaranteed agreements.

The registration of the Notes documents, the Notes, the Guarantees and the other transaction documents (and any document in connection therewith) with the *Administration de l'Enregistrement et des Domaines* in Luxembourg may be required in the case of legal proceedings before Luxembourg courts or in the case that the Notes, the Guarantees, the Notes documents and any other transaction documents (and any document in connection therewith) must be produced before an official Luxembourg authority (*autorité constituée*). In such case, either a nominal registration duty or an ad valorem duty (or, for instance, 0.24 per cent. of the amount of the payment obligation mentioned in the document so registered) will be payable depending on the nature of the document to be registered. The Luxembourg courts or the official Luxembourg authority may require (when these are presented before them) that the Notes, the Guarantees, the Notes documents and any other transaction documents (and any document in connection therewith) and any judgment obtained in a foreign court be translated into French or German.

### **Risks related to the structure of a particular issue of Notes**

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common such features:

#### ***Notes subject to optional redemption by the Issuer.***

An optional redemption feature of Notes is likely to limit their market value. During any period when the Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At those times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

#### ***Fixed/Floating Rate Notes.***

Fixed/Floating Rate Notes may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Where the Issuer has the right to effect such a conversion, this will affect the secondary market and the market value of the Notes since the Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the Issuer converts from a fixed rate to a floating rate in such circumstances, the spread on the Fixed/Floating Rate Notes may be less favourable than then prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the Issuer converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then prevailing rates on its Notes.

#### ***Notes issued at a substantial discount or premium.***

The market values of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

#### ***The Domiciliary Agent is not required to segregate amounts received by it in respect of any Notes.***

The terms and conditions of the Notes and the Domiciliary Agency Agreement provide that, the Issuer shall pay amounts due in respect of the Notes to the Domiciliary Agent and the Domiciliary Agent shall use such funds to make payment to the Noteholders. The obligations of the Issuer will be discharged by payment to, or to the order of, the Domiciliary Agent in respect of each amount so paid.

The Domiciliary Agent is not required to segregate any such amounts received by it in respect of the Notes, and in the event that the Domiciliary Agent were subject to insolvency proceedings at any time when it held any such amounts, Noteholders would not have any further claim against the Issuer or the Guarantors in respect of such amounts, and would be required to claim such amounts from the Domiciliary Agent in accordance with applicable insolvency laws.

### **Risks related to the market generally**

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

***The secondary market generally.***

Notes may have no established trading market when issued, and one may never develop. If a market for the Notes does develop, it may not be very liquid. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severely adverse effect on the market value of Notes.

***Exchange rate risks and exchange controls.***

The Issuer will pay principal and interest on the Notes and the Guarantors will make any payments under their respective guarantees in the Specified Currency. This presents certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency or currency unit (the "**Investor's Currency**") other than the Specified Currency. These include the risk that exchange rates may significantly change (including changes due to devaluation of the Specified Currency or revaluation of the Investor's Currency) and the risk that authorities with jurisdiction over the Investor's Currency may impose or modify exchange controls. An appreciation in the value of the Investor's Currency relative to the Specified Currency would decrease (1) the Investor's Currency-equivalent yield on the Notes, (2) the Investor's Currency-equivalent value of the principal payable on the Notes and (3) the Investor's Currency-equivalent market value of the Notes.

Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

***Interest rate risks.***

Investment in Fixed Rate Notes involves the risk that subsequent changes in market interest rates may adversely affect the value of the Fixed Rate Notes.

***Credit ratings may not reflect all risks.***

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time.

### **3. INFORMATION ABOUT THE PROGRAMME**

The following is an overview of the Programme and the key terms of the Notes. The full text of the Terms and Conditions of the Notes are contained in Appendix B (*Terms and Conditions of the Notes*).

It is important that you read the entirety of this Base Prospectus before you invest in any Notes. It is also recommended that you consult your financial adviser or any other professional adviser before you decide to invest in any Notes.

## INFORMATION ABOUT THE PROGRAMME

<b>What is the Programme?</b>	<p>The Programme is a debt issuance programme under which Anheuser-Busch InBev SA/NV, as the Issuer under the Programme, may, from time to time, issue debt instruments. In this Base Prospectus these debt instruments are referred to as Notes. Notes are also commonly referred to as bonds.</p> <p>The Programme is constituted by a set of master documents containing standard terms and conditions and other contractual provisions that can be used by the Issuer to undertake any number of issues of Notes from time to time in the future, subject to a maximum limit of €40,000,000,000 (or its equivalent in other currencies) in principal amount of debt instruments outstanding at any time under the Programme.</p> <p>The standard terms and conditions that can be used by the Issuer to undertake each issue of Notes are contained in a set of provisions referred to as the Terms and Conditions, as set out in this Base Prospectus in Appendix B (<i>Terms and Conditions of the Notes</i>).</p> <p>The Programme was updated on 6 December 2016.</p>	<b>Refer to</b>  Appendix B ( <i>Terms and Conditions of the Notes</i> ) beginning on page 216
<b>How are Notes issued under the Programme?</b>	<p>Whenever the Issuer decides to issue Notes, it undertakes what is commonly referred to as a "drawdown".</p> <p>On a drawdown, documents which are supplementary to the Programme master documents are produced, indicating which provisions in the master documents are relevant to that particular drawdown and setting out the terms of the Notes to be issued under the drawdown. The key supplementary documents of which you will need to be aware when deciding whether to invest in Notes issued as part of a drawdown over the 12 month period from the date of this Base Prospectus are: (a) any supplement to this Base Prospectus published after the date of this Base Prospectus and (b) the applicable final terms document (referred to herein as the Final Terms) for such Notes.</p> <p>In the event of any significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus which is capable of affecting the assessment of any Notes and whose inclusion or removal from this Base Prospectus is necessary for the purpose of allowing an investor to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer and the Group, and the rights attaching to the Notes, the Issuer will prepare and publish a supplement to this Base Prospectus or prepare and publish a new base prospectus, in each case, for use in connection with such Notes and any subsequent issue of Notes.</p> <p>The Terms and Conditions of the Notes cater for all the permutations of provisions that the Issuer envisages being likely to be applicable to issues under the Programme, with the Final Terms for each issue setting out the specific commercial terms applicable to the issue and the extent to which the provisions in the Terms and Conditions of the Notes are applicable. Each Final Terms is intended to be read alongside the Terms and Conditions of the Notes, and the two together provide the specific terms of the Notes relevant to a specific drawdown.</p>	Appendix B ( <i>Terms and Conditions of the Notes</i> ) beginning on page 216 and the Section 16 ( <i>Form of Final Terms</i> ) beginning on page 196
<b>What types of Notes may be issued under the Programme?</b>	<p>Three types of Notes may be issued under this Base Prospectus: Fixed Rate Notes, Floating Rate Notes and Zero Coupon Notes, or any combination of these.</p> <p>Fixed Rate Notes are Notes where the interest rate payable by the Issuer is determined prior to issue, and remains fixed throughout the life of the Notes. See Section 4 (<i>How the Return on Your Investment is Calculated</i>) for a</p>	Appendix B ( <i>Terms and Conditions of the Notes</i> ) beginning on page 216 and Section 16 ( <i>Form of Final Terms</i> ) beginning on



worked example showing how the return on an issue of Fixed Rate Notes is calculated. page 196

Floating Rate Notes are Notes where the interest rate is calculated by reference to a fluctuating benchmark rate. Under the Programme, that benchmark rate may be either an ISDA defined rate, or an inter-bank offered rate, such as the Euro-Zone inter-bank offered rate ("**EURIBOR**") or the London inter-bank offered rate ("**LIBOR**"). The floating interest rate is recalculated on or around the start of each new interest period and applies for the length of that interest period. Therefore, Floating Rate Notes in effect have a succession of fixed interest rates. Although the floating interest rate will be based on the benchmark rate, it may also include a fixed percentage margin which is added to the benchmark rate. See Section 4 (*How the Return on Your Investment is Calculated*) for a worked example showing how the return on an issue of Floating Rate Notes is calculated.

Zero Coupon Notes are Notes which do not carry any interest but are generally issued at a deep discount to their principal amount. If held to maturity, Zero Coupon Notes are repaid at their redemption amount as specified in the applicable Final Terms. Therefore, if you purchase Zero Coupon Notes on their issue date and hold them to maturity, your return will be the difference between the issue price and the redemption amount of the Zero Coupon Notes paid on maturity. Alternatively, you might realise a return on Zero Coupon Notes through a sale prior to their maturity.

The specific details of each Note issued will be specified in the applicable Final Terms.

<b>How will the price of the Notes be determined?</b>	Notes may be issued at their principal amount or at a discount or premium to their principal amount. The price and amount of Notes to be issued under the Programme will be determined by the Issuer and the relevant Dealer or Dealers at the time of "pricing" of the Notes in accordance with prevailing market conditions. The issue price for each Tranche will be specified in the applicable Final Terms.	N/A
<b>What is the yield on Fixed Rate Notes?</b>	The yield in respect of each issue of Fixed Rate Notes will be calculated on the basis of the issue price and specified in the applicable Final Terms. Yield is not an indication of future price. The Final Terms in respect of any Floating Rate Notes will not include any indication of yield.	N/A
<b>Will the Notes issued under the Programme have a credit rating?</b>	Issues of Notes issued under the Programme may be specifically rated. Any such ratings will not necessarily be the same as the rating assigned to the Issuer or to any other issues of Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency. In general, European regulated investors are restricted from using a rating for regulatory purposes if such rating is not issued by a credit rating agency established in the European Union and registered under Regulation (EC) No. 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended (the " <b>CRA Regulation</b> ").	N/A
<b>Will I be able to trade the Notes issued under the Programme?</b>	Application has been made to admit Notes issued during the period of 12 months from the date of this Base Prospectus to the Official List of the UK Listing Authority and to admit them to trading on London Stock Exchange's regulated market.  Once listed, the Notes may be purchased or sold through a broker. The market price of the Notes may be higher or lower than their issue price depending on, among other things, the level of supply and demand for the Notes, movements in interest rates and the financial performance of the	Section 17 (Additional Information – paragraph 1) on page 208

	Issuer, the Guarantors and the Group. (See Section 2 ( <i>Risk Factors - Risks related to the market generally</i> )). There is no prior or active trading market for the Notes and such trading market may not develop.	
<b>Who is issuing the Notes?</b>	The Notes will be issued by Anheuser-Busch InBev SA/NV.	Appendix B ( <i>Terms and Conditions of the Notes</i> ) beginning on page 216
<b>Who is guaranteeing the Notes?</b>	<p>The payment of all amounts due in respect of Notes issued by Anheuser-Busch InBev SA/NV will be unconditionally and irrevocably guaranteed on a joint and several basis (in certain cases up to a maximum statutory amount) by whichever of:</p> <p>Anheuser-Busch Companies, LLC;  Anheuser-Busch InBev Finance Inc.;  Anheuser-Busch InBev Worldwide Inc.;  Brandbev S.à r.l.;  Brandbrew S.A.; or  Cobrew NV,</p> <p>as are specified as a Guarantor in the applicable Final Terms.</p>	Appendix B ( <i>Terms and Conditions of the Notes</i> ) beginning on page 216
<b>What is the relationship between the Issuer and the Group?</b>	The Issuer is the parent company of the Group.	Section 5 ( <i>Description of the Issuer</i> ) beginning on page 71
<b>What will Noteholders receive in a winding-up of the Issuer and the Group?</b>	<p>If the Issuer or a Guarantor (if applicable) becomes insolvent and is unable to pay its debts, an administrator or liquidator would be expected to make distributions to its creditors in accordance with a statutory order of priority. As described in Condition 2.1 (<i>Status of the Notes and the Guarantees—Status of the Notes</i>), the Notes are direct, unconditional, unsubordinated and (subject to the provisions of Condition 3.1 (<i>Covenants - Negative Pledge</i>)) unsecured obligations of the Issuer and rank <i>pari passu</i> (i.e., equally in right of payment) among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding. "Direct" indicates that these are notes issued by, and backed by the credit of, the Issuer; "unconditional" means that rights and obligations created under the Notes are not dependent on any other documents or actions; "unsubordinated" means that no other unsecured creditors of the Issuer will have priority of payment before these Notes; and "unsecured" indicates that the obligations of the Issuer and the Guarantors to pay interest and principal on the Notes will not be secured and Noteholders will not have recourse to any security or other assets of the Issuer or the Guarantors should the Issuer default on its payment obligations in respect of any Note (or any Guarantor fail to make payment under its respective Guarantee).</p> <p>An investor's claim as a Noteholder would be expected to rank after the claims of any holders of the Issuer's secured debt or other creditors that are given preferential treatment by applicable laws of mandatory application relating to creditors but ahead of any shareholder of the Issuer or the Guarantors, as applicable.</p>	Appendix B ( <i>Terms and Conditions of the Notes</i> ) – Condition 2.1 ( <i>Status of the Notes and the Guarantees—Status of the Notes</i> )
<b>Are the Notes secured?</b>	No, as of the date the Notes are issued, the obligations of the Issuer to pay interest and principal on the Notes and the payment obligations of the Guarantors under the Guarantees will not be secured either by the Issuer, any Guarantor or any other member of the Group's assets or otherwise.	N/A
<b>What is a</b>	The Notes contain a negative pledge provision with respect to the Issuer, the	Appendix B

		Refer to
<b>negative pledge?</b>	<p>Guarantors and certain of the Issuer's subsidiaries. In general terms, a negative pledge provision restricts an issuer of unsecured notes from granting security over assets for other comparable debt securities without granting similar security to notes containing the negative pledge provision. Its purpose is to provide price protection for the notes containing the negative pledge: if an issuer issued similar notes that had the benefit of security, investors might be more likely to purchase the secured bonds, which may adversely affect the price of the unsecured notes.</p>	<p>(Terms and Conditions of the Notes) - (Condition 3.1 - Covenants – Negative Pledge)</p>
<b>Do the Notes have voting rights?</b>	<p>Noteholders have certain rights to vote at meetings of the Noteholders, but are not entitled to vote at any meeting of shareholders of the Issuer, the Guarantors or any other member of the Group.</p> <p>The Terms and Conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit majorities of certain sizes to bind all Noteholders, including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a different manner than the majority did.</p>	<p>Appendix B (Terms and Conditions of the Notes) - (Condition 13 - Meetings of Noteholders and Modification) beginning on page 216</p>
<b>Can the Terms and Conditions of the Notes be amended?</b>	<p>The Terms and Conditions of the Notes provide that the Issuer and the Domiciliary Agent may agree, without the consent of the Noteholders, to any modification (except where such modification relates to a matter listed in article 568 of the Belgian Companies Code) of the Notes which is not prejudicial to the interests of the Noteholders or to any modification of the Notes which is a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of law.</p> <p>Noteholders may also sanction a modification of the Terms and Conditions of the Notes by passing an Extraordinary Resolution.</p>	<p>Appendix B (Terms and Conditions of the Notes) - (Condition 13 - Meetings of Noteholders and Modification) beginning on page 216</p>
<b>What will the proceeds be used for?</b>	<p>The net proceeds from each issue of Notes will be used by the Issuer to repay short-term and/or long-term debt of the Group applied for the general corporate purposes of the Issuer. If, in respect of any particular issue, there is a particular identified use of proceeds this will be stated in the applicable Final Terms.</p>	<p>Section 15 (Use of Proceeds) on pages 193 to 194</p>
<b>What if I have further questions?</b>	<p>If you are unclear in relation to any matter, or uncertain if any Notes offered under the Programme are a suitable investment, you should seek professional advice from your broker, solicitor, accountant or other independent financial adviser before deciding whether or not to invest.</p>	<p>N/A</p>

#### **4. HOW THE RETURN ON YOUR INVESTMENT IS CALCULATED**

The following section sets out worked examples of how the interest amounts are calculated under a variety of scenarios and how the redemption provisions will affect the Notes.

## HOW THE RETURN ON YOUR INVESTMENT IS CALCULATED

**THE WORKED EXAMPLES PRESENTED BELOW ARE FOR ILLUSTRATIVE PURPOSES ONLY AND ARE IN NO WAY REPRESENTATIVE OF ACTUAL PRICING.**

**THESE WORKED EXAMPLES ARE INTENDED TO DEMONSTRATE HOW AMOUNTS PAYABLE UNDER THE NOTES ARE CALCULATED UNDER A VARIETY OF SCENARIOS. THE ACTUAL AMOUNTS PAYABLE (IF ANY) WILL BE CALCULATED IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF YOUR NOTES AS SET OUT IN APPENDIX B (*TERMS AND CONDITIONS OF THE NOTES*) AND THE FINAL TERMS RELATING TO THE NOTES.**

The NBB has not verified or validated the worked examples set out below and, as they are provided for illustrative purposes only as described above, these worked examples are not binding on the NBB.

### Interest

**For the purposes of the scenarios below, the principal amount per Note is assumed to be £1,000 and the issue price is 100 per cent. (100%) of the aggregate principal amount.**

Three types of Notes may be issued pursuant to this Base Prospectus: Fixed Rate Notes which bear periodic fixed rate interest; Floating Rate Notes which bear periodic floating rate interest; and Zero Coupon Notes, which do not bear interest (or any combination of these, for example, a Fixed/Floating Rate Note that bears periodic fixed rate interest until a certain date and then bears periodic floating rate interest from such date until redemption). Upon maturity, the Notes will pay a fixed redemption amount. Notes may provide for early redemption at the option of the Issuer (a call option) or at your option (a put option). The Issuer may also elect to redeem the Notes early in certain circumstances for tax reasons.

The examples below are intended to demonstrate how the return on your investment will be calculated depending on the interest type and the relevant redemption provisions specified to be applicable for your Notes.

#### *Fixed Rate Notes*

Fixed Rate Notes pay a periodic and predetermined fixed rate of interest over the life of the Note.

Unless your Notes are redeemed early, in respect of each Note and on each interest payment date you will receive an amount calculated by applying the relevant fixed rate to the principal amount, and then multiplying such amount by the applicable 'day count' fraction (which is a fraction used to reflect the number of days over which interest has accrued).

#### **WORKED EXAMPLE: FIXED RATE NOTES**

**Assuming, for the purpose of this worked example only, that:**

- the principal amount is £1,000;
- the fixed rate is 3.00 per cent. (3.00%) per annum;
- the day count fraction is "Actual/365 (Fixed)", being the actual number of calendar days in the interest period, divided by a year (assumed under this convention to be 365 days); and
- the actual number of calendar days in the interest period is 183,

**the interest amount payable on the interest payment date will be £15.04 (rounded to two decimal places). This figure is calculated as fixed interest of 3.00%, or  $0.03 \times £1,000 \times \text{day count fraction of } 183/365$ .**

#### *Floating Rate Notes*

Floating Rate Notes pay interest that is calculated by reference to a fluctuating benchmark rate, either (i) a rate of interest determined in accordance with market standard definitions, published by the International Swaps and Derivatives Association, Inc ("**ISDA Definitions**"), or (ii) an interest rate benchmark, such as the London inter-bank offered rate ("**LIBOR**") or the Euro-zone inter-bank offered rate ("**EURIBOR**"), which may be plus or minus, in each case, a margin and subject, in certain cases, to a maximum or minimum rate of interest. Interest rate benchmarks reflect the rate at which banks are willing to lend funds to each other in a particular market (for

example, for LIBOR this is the London interbank market and for EURIBOR this is the Euro-zone interbank market). Interest rates determined in accordance with the ISDA Definitions reference hypothetical derivative contracts to determine a rate of interest.

If the benchmark rate is, for example, LIBOR or EURIBOR, this will commonly be taken as the rate appearing at the relevant time on a specified screen service. This is referred to in the Terms and Conditions of the Notes and the Final Terms as "Screen Rate Determination" and, in the case of such an issue of Floating Rate Notes, the Final Terms will specify the relevant benchmark (referred to in the Final Terms as the "Reference Rate"), the date on which the benchmark rate will be determined for each interest period (the "**Interest Determination Date**") and the screen from which the rate will be taken (the "**Relevant Screen Page**"). If the screen rate is not available, the Terms and Conditions of the Notes contain fallback provisions which allow the rate to be determined on the basis of the arithmetic mean of rates quoted by reference banks in the relevant market.

If the interest rate is to be determined using the ISDA Definitions, this is referred to in the Terms and Conditions of the Notes and the Final Terms as "ISDA Determination". In such a case, the interest rate will be equivalent to the floating rate which would be determined in a hypothetical interest rate swap transaction for which the Floating Rate Option, the Designated Maturity and the relevant Reset Date are specified in the Final Terms. In an interest rate swap, each counterparty agrees to pay either a fixed or floating rate denominated in a particular currency to the other counterparty. The relevant ISDA Definitions on which the hypothetical swap transaction will be based will also be specified in the Final Terms.

Unless your Notes are redeemed early, in respect of each Note and on each interest payment date you will receive an amount calculated by applying the rate of interest for that interest period to the principal amount, and then multiplying such amount by the applicable 'day count' fraction (which is a fraction used to reflect the number of days over which interest has accrued). The rate of interest for any interest period will be determined by adding the relevant margin to the level of the interest rate benchmark or rate determined using the ISDA Definitions, as applicable, for such interest period (or subtracting the relevant margin, if the margin is a negative number). The result will be subject to any maximum or minimum rate which may be specified in the Final Terms.

#### **WORKED EXAMPLE: FLOATING RATE NOTES - SCREEN RATE DETERMINATION**

Assuming, for the purpose of this worked example only, that:

- the principal amount is £1,000;
- the Reference Rate is 6 month GBP LIBOR;
- the margin is plus 2.00 per cent. (2.00%);
- the rate of interest is subject to a maximum rate of 7.00 per cent. (7.00%) per annum;
- the day count fraction is "Actual/365 (Fixed)", being the actual number of calendar days in the interest period, divided by a year (assumed under this convention to be 365 days); and
- the actual number of calendar days in the interest period is 181,
  - (i) if the Reference Rate on the relevant Interest Determination Date is shown on the Relevant Screen Page as 2.10 per cent. (2.10%), the interest amount payable on the corresponding interest payment date will be equal to £20.33 (rounded to two decimal places). This figure is calculated as  $\text{£1,000} \times \text{rate of interest of 4.10\% (or 0.041)} \times \text{day count fraction of 181/365}$ . The rate of interest (4.10%) is calculated as the Reference Rate of 2.10% (or 0.021) plus 2.00% (or 0.02) margin, and is not affected by the maximum rate of interest; and
  - (ii) if the Reference Rate on the relevant Interest Determination Date is shown on the Relevant Screen Page as 6.16 per cent. (6.16%), the interest amount payable on the corresponding interest payment date will be equal to £34.71 (rounded to two decimal places). This figure is calculated as  $\text{£1,000} \times \text{rate of interest of 7.00\% (or 0.07)} \times \text{day count fraction of 181/365}$ . The rate of interest (7.00%) is set as the maximum rate of interest because the Reference Rate of 6.16% (or 0.0616) plus 2.00% (or 0.02) margin, results in a rate of 8.16%. In this scenario, the rate of interest is capped at 7.00%.

#### **WORKED EXAMPLE: FLOATING RATE NOTES - ISDA DETERMINATION**

Assuming, for the purpose of this worked example only, that:

- the principal amount is £1,000;
- the Floating Rate Option is GBP-LIBOR-BBA;
- the Designated Maturity is 6 months;
- the margin is plus 1.50 per cent. (1.50%);
- the rate of interest is subject to a maximum rate of 6.00 per cent. (6.00%) per annum;
- the ISDA Definitions on which the hypothetical swap transaction will be based are the 2006 ISDA Definitions;
- the day count fraction is "Actual/365 (Fixed)", being the actual number of calendar days in the interest period, divided by a year (assumed under this convention to be 365 days); and
- the actual number of calendar days in the interest period is 181,
  - (i) if the floating rate for the hypothetical swap transaction would be determined on the relevant Reset Date as 2.40 per cent. (2.40%) on the basis of GBP-LIBOR-BBA (as defined in the 2006 ISDA Definitions) for the Designated Maturity, the interest amount payable on the corresponding interest payment date will be equal to £19.34 (rounded to two decimal places). This figure is calculated as  $\text{£1,000} \times \text{rate of interest of } 3.90\% \text{ (or } 0.039) \times \text{day count fraction of } 181/365$ . The rate of interest (3.90%) is calculated as the floating rate of 2.40% (or 0.024) plus 1.50% (or 0.015) margin, and is not affected by the maximum rate of interest; and
  - (ii) if the floating rate for the hypothetical swap transaction would be determined on the relevant Reset Date as 5.40 per cent. (5.40%) on the basis of GBP-LIBOR-BBA (as defined in the 2006 ISDA Definitions) for the Designated Maturity, the interest amount payable on the corresponding interest payment date will be equal to £29.75 (rounded to two decimal places). This figure is calculated as  $\text{£1,000} \times \text{rate of interest of } 6.00\% \text{ (or } 0.06) \times \text{day count fraction of } 181/365$ . The rate of interest (6.00%) is set as the maximum rate of interest because the floating rate of 5.40% (or 0.054) plus 1.50% (or 0.015) margin, results in a rate of 6.90%. In this scenario, the rate of interest is capped at 6.00%.

#### ***Zero Coupon Notes***

No amount of interest will accrue or become payable on Zero Coupon Notes. Zero Coupon Notes are generally issued at a discounted issue price (such as 95 per cent.) to their principal amount or final redemption amount and then repaid at their principal amount (100 per cent.) or the relevant final redemption amount as specified in the applicable Final Terms, as the case may be. Therefore, if you purchase Zero Coupon Notes on their issue date and hold them to maturity, your return will be the difference between the issue price and the principal amount or final redemption amount of the Zero Coupon Notes paid on maturity.

#### **WORKED EXAMPLE: ZERO COUPON NOTES**

Assuming, for the purpose of this worked example only, that the Zero Coupon Notes are issued in a principal amount of £1,000 at a discounted issue price of 95 per cent. An investor will pay £950 to purchase a Note but on maturity will be repaid £1,000. The investor will not receive any interest on the Note but will earn £50 as a result of holding the Note to maturity.

#### **Redemption**

##### ***Redemption at maturity***

The Notes to be issued under the Programme will be redeemed at the "Final Redemption Amount" in the applicable Final Terms at maturity. Unless your Notes are redeemed early (as described below) or are purchased and cancelled, if you purchased £1,000 in principal amount of the Notes, you will receive £1,000 from the Issuer on the maturity date of the Notes. This is known as redemption at par. In such circumstances, the "Final

Redemption Amount of each Note" will be shown in the relevant Final Terms as "£1,000 per Calculation Amount". The Calculation Amount is a notional amount which is used to calculate interest and redemption amounts on the Notes. It is identified in the Final Terms in paragraph 6 and, for the purposes of this example, is assumed to be £1,000.

Zero Coupon Notes are Notes which do not carry any interest but are generally issued at a discounted price to their principal amount or "Final Redemption Amount". If held to maturity, Zero Coupon Notes are repaid at the "Final Redemption Amount" which will be shown in the applicable Final Terms.

### ***Call Options***

A call option gives the Issuer a right (but not an obligation) to redeem the Notes before the final maturity date at a predetermined cash price on the Optional Redemption Date(s) specified in the applicable Final Terms. If the Notes are redeemed, you will be paid the redemption amount specified in the Final Terms plus any accrued and unpaid interest. The Issuer is given a right (but not an obligation) to redeem the Notes in certain circumstances for tax reasons, as described in Condition 6.2 (*Redemption for tax reasons*). The terms of any additional call options will be set out in the Final Terms.

Condition 6.3 (*Redemption at the option of the Issuer (Issuer Call)*) sets out provisions of the call option that may apply to issues of Notes, when read in conjunction with the provisions of such Notes specified in the applicable Final Terms. Following the exercise by the Issuer of a call option, in respect of each Note, as well as any accrued but unpaid interest, you will receive an amount equal to the Early Redemption Amount specified in the Final Terms (in the case of a tax call) or the applicable Optional Redemption Amount specified in the Final Terms (in the case of any other call option).

### ***Put Options***

A put option gives you a right (but not an obligation) to require the Issuer to redeem one or more of your Notes before the final maturity date at a predetermined cash price on the Optional Redemption Date(s) specified in the applicable Final Terms. If you elect to exercise the put option in respect of one or more of your Notes, you will be paid the redemption amount specified in the Final Terms plus any accrued and unpaid interest. Notes that are not sold shall continue until the final maturity date.

Condition 6.4 (*Redemption at the option of the Noteholders (Investor Put)*) sets out provisions of the put option that may apply to issues of Notes, when read in conjunction with the provisions of such Notes specified in the applicable Final Terms. Following the exercise by you of a put option, in respect of that Note, as well as any accrued but unpaid interest, you will receive an amount equal to the Optional Redemption Amount specified in the Final Terms.



## **5. DESCRIPTION OF THE ISSUER**

This section sets out information about the Issuer and the nature of the Group's business.

## DESCRIPTION OF THE ISSUER

### *General Overview*

#### *Registration and Main Corporate Details*

Anheuser-Busch InBev SA/NV (the "**Issuer**") was incorporated on 3 March 2016 for an unlimited duration under the laws of Belgium under the original name Newbelco SA/NV ("**Newbelco**") and is the successor entity to Anheuser-Busch SA/NV, which was incorporated on 2 August 1977 for an unlimited duration under the laws of Belgium under the original name BEMES. The Issuer has the legal form of a public limited liability company (*naamloze vennootschap/société anonyme*). Its registered office is located at Grand-Place/Grote Markt 1, 1000 Brussels, Belgium, and it is registered with the register of legal entities (*registre des personnes morales (RPM) / rechtspersonenregister (RPR)*) in Brussels under registration number 0417.497.106. The Issuer's global headquarters are located at Brouwerijplein 1 3000 Leuven, Belgium (tel.: +32 16 27 61 11). The Issuer's agent in the United States is Anheuser-Busch InBev Services LLC, 250 Park Avenue, 2<sup>nd</sup> Floor, New York, NY, 10177.

The Issuer is a publicly traded company, listed on Euronext Brussels under the symbol ABI. American Depositary Shares representing rights to receive the Issuer's ordinary shares trade on the NYSE under the symbol BUD. The Issuer also has secondary listings on the Mexican Stock Exchange under the symbol ANB and the Johannesburg Stock Exchange under the symbol ANH.

#### *Corporate purpose*

As stated in the Issuer's articles of association (the "**Articles**") at Article 4, the Issuer's corporate purpose is:

- to produce and deal in all kinds of beers, drinks, foodstuffs and ancillary products, process and deal in all by-products and accessories, of whatsoever origin or form, of its industry and trade, and to design, construct or produce part or all of the facilities for the manufacture of the aforementioned products;
- to purchase, construct, convert, sell, let and sublet, lease, license and operate in any form whatsoever all real property and real property rights and all businesses, movable property and movable property rights connected with its activities;
- to acquire and manage participating interests and shares in companies or undertakings having a corporate purpose similar or related to, or likely to promote the attainment of, any of the foregoing corporate purposes, and in financial companies; to finance such companies or undertakings by means of loans, guarantees or in any other manner whatsoever; to take part in the management of the aforesaid companies through membership of the board of directors or any similar governing body;
- to carry out all administrative, technical, commercial and financial work and studies for the account of undertakings in which it holds an interest or on behalf of third parties.

The Issuer may, within the scope of its corporate purpose, engage in all civil, commercial, industrial and financial transactions either in or outside Belgium. The Issuer may take interests by way of asset contribution, merger, subscription, equity investment, financial support or otherwise in all undertakings companies or associations having a corporate purpose similar or related to or likely to promote the furtherance of its corporate purpose.

#### *History and Development of the Issuer*

The Issuer's roots can be traced back to Den Hoorn in Leuven, which began making beer more than 600 years ago. In 1717 Sébastien Artois, master brewer of Den Hoorn, took over the brewery and renamed it Sébastien Artois.

Notable steps in the development of the Issuer's existing business include the following:

- 1987: Brouwerijen Artois NV and Brasserie Piedboeuf SA, the two largest breweries in Belgium, merged, resulting in the formation of Interbrew SA ("**Interbrew**").
- 1999 to 2000: Ambev was created through the combination of two Brazilian beer companies, Brahma and Antarctica.
- 2003: Ambev acquired its initial interest in Quilmes Industrial S.A., which is now 100 per cent. owned by Ambev.

- 2004: Interbrew and Ambev combined, resulting in the creation of InBev. A significant event in the Issuer's history.
- 2008: InBev and Anheuser-Busch announced their agreement to combine the two companies. As a result of the merger, the combined company changed its name to Anheuser-Busch InBev SA/NV.
- 2009: the Group completed the sale of its South Korean subsidiary, Oriental Brewery, to an affiliate of Kohlberg Kravis Roberts & Co. L.P. ("**KKR**"). Under the terms of the agreement, the Group continued its relationship with Oriental Brewery through granting Oriental Brewery exclusive licences to distribute certain brands in South Korea including Budweiser, Bud Ice and Hoegaarden. In addition, the Group retained the right, but not the obligation, to re-acquire Oriental Brewery five years after the closing of the transaction. On 20 January 2014, the Group announced the reacquisition of Oriental Brewery.
- 2009: the Issuer completed a series of other disposals, including the sale of its Tennent's Lager brand, four metal beverage can and lid manufacturing plants and Busch Entertainment Corporation.
- 2009: the Group completed the sale of its Central European operations to CVC Capital Partners. Under the terms of the agreement, the Group's operations in Bosnia & Herzegovina, Bulgaria, Croatia, Czech Republic, Hungary, Montenegro, Romania, Serbia and Slovakia were sold.
- 2012: Ambev and E. León Jimenes S.A. ("**ELJ**"), which owned 83.5 per cent. of Cervecería Nacional Dominicana S.A. ("**CND**"), entered into a transaction to form a strategic alliance to create the leading beverage company in the Caribbean through the combination of their businesses in the region. During 2012 and 2013, as part of the same transaction, Ambev acquired additional stakes from other minority holders. As of 31 December 2015, Ambev owns a total indirect interest of 55 per cent. in CND.
- 2013: the Group announced the completion of its combination with Grupo Modelo. In a transaction related to the combination with Grupo Modelo, select Grupo Modelo shareholders purchased a deferred share entitlement to acquire the equivalent of approximately 23.1 million of the Issuer's shares, to be delivered within five years. This investment occurred on 5 June 2013.
- 2013: in a further transaction related to the combination with Grupo Modelo, Grupo Modelo completed the sale of its United States business to Constellation Brands, Inc. The transaction included the sale of Grupo Modelo's Piedras Negras brewery, Grupo Modelo's 50 per cent. stake in Crown Imports and perpetual rights to certain of Grupo Modelo's brands in the United States. As a consequence, the Group has granted Constellation Brands, Inc. the exclusive right to market and sell Corona and certain other Modelo brands in the fifty states of the United States, the District of Columbia and Guam.
- 2014: the Group purchased USD 1.0 billion of Grupo Modelo shares through the trust established on 4 June 2013 to accept further tender of shares by Grupo Modelo shareholders over a period of up to 25 months. As of 31 December 2015, the Group owned approximately 100 per cent. of Grupo Modelo's outstanding shares.
- 2014: the Group announced the completion of its reacquisition of Oriental Brewery from KKR and Affinity Equity Partners.

#### *Recent Developments*

- On 11 November 2015, Former AB InBev announced that an agreement had been reached with the board of SABMiller on the terms of a recommended acquisition of the entire issued share capital of SABMiller by Former AB InBev. The final step of this business combination was completed on 10 October 2016 pursuant to a Belgian law merger by absorption under the Belgian Companies Code (the "**Belgian Merger**") whereby Former AB InBev was merged into Newbelco, with Newbelco being the surviving company ("**Completion**"). As a result of the Belgian Merger, Newbelco became the holding company for the combined Former AB InBev Group and SABMiller Group. All assets and liabilities of Former AB InBev were transferred to Newbelco and Newbelco was automatically substituted for Former AB InBev in all its rights and obligations by operation of Belgian law. Newbelco was renamed Anheuser-Busch InBev SA/NV, and the Former AB InBev was dissolved by operation of Belgian law.
- In order to proactively address potential regulatory considerations regarding the Transaction, the Issuer has undertaken certain divestitures. For further information in connection with the Transaction-related Divestitures and the Ambev Business Exchange, see Section 5 (*Description of the Issuer – Transaction-related Divestitures; Regulatory Approvals and Conditions*).

## ***Capacity Expansion and Investments***

The Issuer continually assesses whether the Group's production footprint is optimised to support future customer demand. Footprint optimisation, for example, adding new capabilities (such as plants, packaging lines or distribution centres) to its portfolio not only allows the Group to boost production capacity, but the strategic location often also reduces distribution time and costs so that its products reach consumers rapidly, efficiently and at a lower total cost. Conversely, footprint optimisation can lead to the divesting of some assets, such as reducing some production and distribution capabilities as needed to maintain the most optimal operational network.

For example, in 2015 in China, Former AB InBev closed four older breweries, while opening three new breweries in the Heilongjiang, Yunnan and Jiangxi provinces. Additionally, Former AB InBev expanded a further three existing breweries and the Issuer continues scoping requirements for capacity additions and expansions to support this growing market. Former AB InBev also invested in additional brewing, packaging and distribution capacities in Brazil, Mexico, the U.S., Uruguay and Belgium to meet the Group's, and the Issuer's future demand expectations in these countries.

The Group's capital expenditures are primarily funded through cash from operating activities and are for production facilities, logistics, administrative capabilities improvements, hardware and software.

The Group may also outsource, to a limited extent, the production of items which it is either unable to produce in its own production network (for example, due to a lack of capacity during seasonal peaks) or for which it does not yet want to invest in new production facilities (for example, to launch a new product without incurring the full associated start-up costs). Such outsourcing mainly relates to secondary repackaging materials that the Group cannot practicably produce on its own, in which case its products are sent to external companies for repackaging (for example, gift packs with different types of beers).

## ***Business of the Issuer and the Group***

The combination of the Former AB InBev Group and the Former SABMiller Group has created a truly global brewer and one of the world's leading consumer products companies. As a consumer-centric, sales-driven group, the Group produces, markets, distributes and sells a strong and balanced portfolio of well over 400 beer and other malt beverage brands. These include brands with significant international distribution, such as Budweiser, Corona (except in the United States), Stella Artois, Beck's, Leffe, Hoegaarden, Castle Lager (except in the United States), Castle Lite (except in the United States), and Redd's (except in the United States); and brands primarily distributed to local markets such as Bud Light and Michelob Ultra in the United States, Corona Light, Modelo Especial, Modelo Light, Negra Modelo, Victoria and Pacifico in Mexico, Skol, Brahma and Antarctica in Brazil, Quilmes in Argentina, Jupiler in Belgium and the Netherlands, Franziskaner in Germany, Klinskoye and Sibirskaya Korona in Russia, Chernigivske in Ukraine, Harbin and Sedrin in China, Cass in South Korea, Carling Black Label and Hansa Pilsener in South Africa, Aguila and Poker in Colombia, Hero in Nigeria, Cristal and Pilsen Callao in Peru, Victoria Bitter and Carlton Draught in Australia and Safari and Kilimanjaro in Tanzania. The Group also produces and distributes soft drinks, particularly in Central and South America and Africa, and other near beer products, such as Lime-A-Rita and other Rita family products in the United States and Mexico, and MixxTail in China, Argentina and other countries.

The Group has inherited a long brewing tradition of more than 600 years, stretching back to the founding of the Den Hoorn brewery in Leuven, Belgium, as well as the pioneering spirit of the Anheuser & Co. brewery, with origins in St. Louis, USA since 1852, and the history of the South African Breweries (SAB), with its origins in Johannesburg in 1895.

The Group maintains a global footprint with a balanced exposure to developed and developing markets and production facilities spread across the regions in which it operates. The Group has brewing operations within the developed markets in North America and in Europe and also has exposure to key emerging regions with strong growth prospects such as Africa, Asia, and Central and South America.

## **Strengths and Strategy**

### ***Strengths***

The Issuer believes that the following key strengths will drive the realisation of its strategic goals and reinforce its competitive position in the marketplace:

### *Global platform with strong market positions in key markets and geographic diversification*

The combination of the Former AB InBev Group and the SABMiller Group has created a geographically diversified global platform, balancing the growth opportunities of developing markets with the stability and strength of developed markets. With significant operations in both the southern and northern hemispheres, the Group benefits from a natural hedge against local or regional market, economic and seasonal volatility.

The Group is the world's largest brewer, holding leading positions in the majority of the markets where it has chosen to operate. As at the date of this Base Prospectus, the Group holds the number one position in terms of total market share of beer by volume, based on its estimates, in the United States, Mexico and Brazil, three of the top five most profitable beer markets in the world. The Group estimates that in China, the world's largest beer market by volume, it holds the number three position in total market share of beer by volume and the number one position by volume in the fast-growing premium beer category as at the date of this Base Prospectus.

The Group has significant exposure to developing markets, holding directly, or through its associates, a substantial market share of beer by volume in many countries across Africa and Latin America. In these developing markets the Issuer believes beer is seen as aspirational, with the primary growth drivers being affordability and availability of largely core brands. As these economies grow in future years, and disposable incomes rise, the Issuer expects the demand for beer will also grow, initially through local brands, but over time, through global and international premium brands.

The global distribution network of the Group will, depending on the location, be operated either by the Group or through strong partnerships with wholesalers and local distributors. The Issuer believes that the expanded reach of the Group provides a strong platform to grow its global and multi-country brands, while developing local brands tailored to regional tastes and trends.

### *Strong brand portfolio with global, multi-country and local brands*

The Group's brands are its foundation and the cornerstone of its relationships with consumers.

The Group manages a portfolio of well over 400 brands of beer and non-beer, consisting of premium or high-end brands, core brands and value, discount or sub-premium brands, differentiated by quality and price.

The combined portfolio comprises three brand categories:

- *Global brands:* Three global brands, Budweiser, Corona and Stella Artois, capitalise on common consumer values and experiences across borders, and have the strength to be marketed worldwide;
- *Multi-country brands:* These are brands with a strong consumer base in their home country, but which resonate with consumers in other selected markets. They include, for example, Beck's, Castle Lager, Castle Lite, Hoegaarden and Leffe; and
- *Local brands:* Offering locally popular tastes, local brands such as Aguila, Bud Light, Cristal, Victoria, Skol, Victoria Bitter, Cass and Harbin connect particularly well with consumers in their home markets.

The Group focuses its attention on its core to premium brands, using a "Focus Brands" strategy. Focus Brands are brands which the Issuer believes have the best long-term growth potential, and in which the Group invests the majority of its resources (money, people and attention). These brands include the three global brands, the multi-country brands and selected local brands.

As a result of this approach, the Group makes clear brand choices and invests in those brands that build deep connections with consumers and meet their needs. From time to time, the Group may also seek to dispose of certain brands which it determines no longer fit within the "Focus Brands" strategy. The Group seeks to replicate its successful brand initiatives, market programmes and best practices across multiple geographic markets, where relevant and applicable.

The Group invests in its brands to create a long-term and sustainable competitive advantage, by aiming to meet the various needs and expectations of consumers and develop leading brand positions around the globe. This investment is intended to reinvigorate the Group's core brands so they remain relevant for today's millennial consumers, and to broaden beer's appeal so that it is the drink of choice for more people on an increasing number of occasions.

See Section 5 (*Description of the Issuer – Principal Activities and Products*) for further details on the Group's brand portfolio, including information on the Group's near beer, no alcohol beer and lower alcohol beer, soft drinks and other alcoholic beverage categories.

### *Africa plays a unique role in the Group*

The Issuer believes that Africa, as a continent, has hugely attractive markets with increasing GDPs, a growing middle class and expanding economic opportunities. Africa is also growing in importance in the context of the global beer industry. It is expected that the African continent will represent approximately 8.1 per cent. of the global beer industry by volumes by 2025, up from approximately 6.5 per cent. in 2014, with beer volumes in Africa being expected to grow at nearly three times the rate of global beer volumes between 2014 and 2025.

The Former AB InBev Group did not have any significant operations in Africa and believes that the continent will play a vital role in the future of the Group, building upon the strong history and success of the SABMiller Group in the region dating back to the nineteenth century.

On 14 April 2016, the Issuer announced that it had entered into an agreement with the South African Government in terms of which the Issuer made commitments to contribute to South Africa (the "**EDD Agreement**"). Such commitments relate to employment, agricultural development, enterprise development, local production and procurement, the maintenance of the Zenzele Scheme (as defined herein), the participation of small beer brewers in the South African market, investment in initiatives aimed at promoting advancements in education, business and environmental sustainability and the reduction of harmful use of alcohol in South African society, and a commitment to locate the regional head office for Africa in Johannesburg. See Section 5 (*Description of the Issuer – Transaction-related Divestitures; Regulation Approvals and Conditions – Public Interest Commitments in South Africa*) for more information on the Zenzele scheme.

The Issuer will make available, over a five year period from Completion, through direct investments and through a fund established by the Issuer, an aggregate amount of ZAR 1.0 billion to be disbursed equally over the five years for investment in the programmes in South Africa contemplated by the EDD Agreement. This will fund investment in agricultural development, enterprise development and societal programmes. It will be overseen by an Implementation Board comprised of representatives from the Issuer and the South African Government, to be constituted within 60 days of Completion.

As a sign of its commitment to South Africa, in January 2016, Former AB InBev completed a secondary (inward) listing of its ordinary shares on the Johannesburg Stock Exchange. On 11 October 2016, the ordinary shares were listed on the Johannesburg Stock Exchange, through a secondary listing, which replaced Former AB InBev's previous secondary listing. The Issuer has also announced a partnership with the City of Johannesburg. The goal of the partnership will be to reduce the harmful use of alcohol and promote enterprise development. As part of this partnership, the Issuer intends to commit to an investment of ZAR 50 million over five years. The partnership contract is awaiting signature from the City of Johannesburg following the election of a new Executive Mayor.

The Issuer will establish an African board in South Africa, on which Jabu Mabuza, chairman of the board of Telkom SA, Sphere Holdings and Business Unity South Africa, has agreed to serve as chairman. In the coming months, Jabu Mabuza and Carlos Brito, who will also join the Africa board, will work together to finalise the governance and constitution of the African board.

### *Strong insights-driven brand development capabilities and commercial excellence programmes*

As a consumer insights-driven company, the Group strives to understand the values, lifestyles and preferences of its consumers. The Issuer expects this will help to ensure its offerings remain relevant, as well as build fresh appeal and competitive advantage through innovative products and services tailored to meet evolving consumer needs. The Group's approach to innovation is disciplined, and aimed at reinvigorating the beer category.

The Group continues to develop the close relationship which exists between its insight and innovation teams, in order to enhance its understanding of current and expected market trends, drive consumer research processes, and trigger innovation concepts. Successful examples of products recently developed as a result of the Group's insights work include Skol Beats Senses and Brahma 0.0 (Brazil), the Rita family of products and a re-closeable 16-ounce aluminium bottle (United States), MixxTail (Argentina and China), Cubanisto (United Kingdom and France) and Budweiser Supreme (China).

In order to ensure the consumer gets the right brand on the right occasion, it is important to have coherent execution throughout the commercial process. The Group therefore seeks to continue to develop and enhance its integrated marketing and sales excellence programmes, and aims to continuously improve the quality of its sales and marketing capabilities and processes, ensure they are fully understood by all relevant employees, and consistently followed.

### *Financial discipline and capital allocation*

The Group exercises strict financial discipline in the generation and use of cash. This includes the goal of generating significant operating cash flow from growth in the Group's operating activities, tight working capital management and a disciplined approach to capital expenditure. The sharing of working capital best practices between the Former AB InBev Group and the SABMiller Group will generate additional cash flow benefits which have not been quantified at this stage.

The Group targets an optimised capital structure reflected in a long-term goal of achieving a Net Debt/EBITDA ratio of approximately 2 times (see page 9 for a definition of EBITDA). Priorities for capital allocation are as follows:

- investing in the organic growth of the Group's business;
- deleveraging to around the 2 times level; and
- investing in non-organic external growth. Non-organic external growth is a core competency and the Group will continue to consider suitable opportunities as and when they arise, subject to its strict financial discipline.

The Group's goal is for dividends to grow in line with the non-cyclical nature of its business. Dividend yield, earnings pay-out and free cash flow pay-out, in comparison to other consumer products companies, will be an input to the decision on dividend payments. In light of the increased debt that has resulted from the Transaction, the deleveraging, however, remains a priority and may restrict the amount of dividends the Group is able to pay.

### *Experienced management team with a strong track record of delivering synergies through business combinations*

During the last two decades, the management of the Former AB InBev Group, including the management of its predecessor companies, has executed a number of combination transactions of varying size, with acquired businesses being successfully and smoothly integrated into the Group's operations, realising significant synergies. Notable historical examples include the creation of Ambev in 2000 through the combination of Brahma and Antarctica, the acquisition of Beck's by Interbrew in 2002, the combination of Ambev and Quilmes in 2003, Ambev gaining control of Labatt in 2004 and the creation of InBev in 2004 from the combination of Interbrew and Ambev. More recent examples include the combination with Anheuser-Busch in November 2008, the combination with Grupo Modelo in June 2013, and the reacquisition of Oriental Brewery, the leading brewer in South Korea, in April 2014.

The Former AB InBev Group's strong track record also extends to successfully integrating brands such as Budweiser, Corona and Stella Artois into its global brand portfolio and distribution network, including leveraging Ambev's distribution channels in Latin America and Canada.

The Group is utilising these skills and experiences with the goal of completing the integration of the Former AB InBev Group and the SABMiller Group in a timely fashion, with minimal disruption to the business, and maximising the capture of cost synergies.

### **Strategy**

*The Issuer's strategy is based on its dream of bringing people together for a better world*

The Group strives to achieve its strategy every day. By combining scale, resources and energy with the needs of communities, they have the drive and tools to help make it happen.

The Group is committed to driving long-term growth and creating value for its business partners and stakeholders. Through its products, brands and investment in communities, they are excited to work toward the Dream: Bringing people together for a better world.

With operations in virtually every major beer market and an expanded portfolio that includes global, multi-country and local brands, the Group will provide more choices for consumers around the world and can better meet their needs and expectations. The expanded reach will help grow global and multi-country brands, while they will continue to develop local brands tailored to regional tastes and trends.

Building on what both AB InBev and SABMiller have done in the past, the Group will demonstrate its commitments through its Better World platform focused on three "Worlds";

- A "Growing" World where everyone has the opportunity to improve their livelihood. The Group will support its growers and their communities by driving agricultural productivity, innovation and resilience. They also intend to help small retailers grow by expanding trade programmes and solutions, and by providing business skills training for entrepreneurs in the supply chain.
- A "Cleaner" World, where natural resources are accessible and safe to all, and shared and preserved for the future. The Group is dedicated to enhancing water access and security through watershed restoration and conservation and by mobilising a global movement for water access with its brands. In an effort to reduce carbon emissions and support a circular economy, the Group will continue to invest in sourcing new renewable electricity and increase the recycled content in packaging materials.
- A "Healthier" World, where every experience with beer is positive for lives well lived. The Group is dedicated to reducing the harmful use of alcohol in all of its markets. To do this they are extending and expanding the Global Smart Drinking Goals and making the reduction of the harmful use of alcohol a key priority.

With its strong brand portfolio, the AB InBev Group is "Bringing People Together" in ways that few others can. By building common ground, strengthening human connections and helping its consumers share unique experiences; the Group is able to achieve something together that cannot be accomplished alone.

#### *Organic revenue growth*

The Group aims to grow revenue organically ahead of the benchmark of industry volume growth plus inflation, on a country-by-country basis. To achieve this goal the Group builds on the work undertaken by the AB InBev Group and the SABMiller Group in developing a deep understanding of both consumers' needs and the occasions when they enjoy beer and other alcohol beverages. Some of the AB InBev Group's insights from this work include the following:

- consumers around the world are more similar than different;
- the Group's brands must remain relevant to existing consumers, be capable of winning new consumers, and secure their long-term brand loyalty. The Group should continue to invest to drive strong consumer preference for its brands and continued premiumisation of its brand portfolio;
- opportunities exist to develop brands and offerings to gain share of alcohol on non-traditional beer occasions. The Group should further strengthen brand innovation in order to stay ahead of market trends and maintain consumer appeal;
- the Group should seek to build connections with its consumers at the point-of-sale, in partnership with distributors, off-trade retailers and on-trade points-of-sale, by further improving the quality of the consumer's shopping experience and consumption occasions; and
- the Group must leverage social and digital media platforms to reach out to existing and potential consumers and build connections with its brands.

These insights enable the Group to better understand the key moments of consumption, and to focus its sales, marketing, product development and other brand-building activities on capturing a greater share of these consumption opportunities. AB InBev believes that, by understanding, embracing and enriching consumption moments and occasions, the Group has the opportunity to accelerate revenue growth and deliver increased shareholder value.

These insights have led to the identification of four global commercial priorities for the Group:

- growing its global brands;
- premiumising and invigorating beer;
- elevating the core; and
- developing the near beer segment.



### *Cost management and efficiency*

The Group strives to continuously improve efficiency by unlocking the potential for variable and fixed-cost savings by seeking to:

- maintain long-term cost increases below inflation, benefiting from the application of cost efficiency programmes such as Zero-Based Budgeting and Voyager Plant Optimisation, internal and external benchmarking, as well as from the Group's scale;
- leverage the Global Procurement Center, to generate further cost efficiencies, and build on the Group's supplier relationships to bring new ideas and innovation to its business; and
- continue to share best practices across all functions, as well as benchmark performance externally against other leading companies. Cost management and efficiency will be part of an ongoing process, and fuelled by an ownership mind set.

### **Principal Activities and Products**

The Group produces, markets, distributes and sells a strong, balanced portfolio of well over 400 beer and malt beverage brands and has a global footprint with a balanced exposure to developed and developing markets and production facilities spread across the regions in which it operates.

The production and distribution facilities and other assets of the Group are predominantly located in the same geographical areas as its consumers. The Group sets up local production when it believes that there is substantial potential for local sales that cannot be addressed in a cost efficient-manner through exports or third-party distribution into the relevant country.

The table below sets out the main brands the Group sells in the markets listed below, as at the date of this Base Prospectus. The Group expects that significant growth opportunities will arise from marketing its brand portfolio through a largely complementary distribution network, and applying the best practices of the Former AB InBev Group and the SABMiller Group across the Group.

<b>Country by region</b>	<b>Brands</b>
<b>Africa</b>	
Botswana	<b>Beer:</b> Carling Black Label, Carling Blue Label, Castle Lager, Castle Lite, Flying Fish, Hansa Pilsener, Redd's, St. Louis family <b>Non-Beer:</b> Appletiser, Bonaqua, Chibuku, Coca-Cola family, Fanta, Keone Mooka Mague, Minute Maid, Powerade, Schweppes, Sprite, Toney, Tab
Ethiopia	<b>Non-Beer:</b> Ambo water, Coca-Cola family, Fanta, Jiva, Sprite
Ghana	<b>Beer:</b> Castle Milk Stout, Club Premium Lager, Club Shandy, Eagle, Stone Lager <b>Non-Beer:</b> Beta Malt, Chibuku, Coca-Cola family, Dasani, Fanta, Krest, Minute Maid, Monster, Schweppes, Sprite, Stoney, Voltic water
Kenya	<b>Beer:</b> Castle Lager, Castle Lite, Castle Milk Stout, Crown Lager, Nile Special, Redd's <b>Non-Beer:</b> Keringet water, Konyagi
Lesotho	<b>Beer:</b> Carling Black Label, Castle Lager, Castle Lite, Castle Milk Stout, Flying Fish, Hansa Pilsener, Maluti Premium Lager, Redd's <b>Non-Beer:</b> Bonaqua, Coca-Cola family, Fanta, Minute Maid, Powerade, Sprite
Malawi	<b>Beer:</b> Carling Black Label, Castle Lager, Castle Lite <b>Non-Beer:</b> Chibuku, Chibuku Super, Maheu
Mayotte/Comores	<b>Non-Beer:</b> Coca-Cola family, Fanta, Minute Maid, O'Jiva, Orangina, Sprite,
Mozambique	<b>Beer:</b> 2M, Carling Black Label, Castle Lite, Flying Fish, Hansa Pilsener, Impala, Laurentina family, Manica, Redd's <b>Non-beer:</b> Bonacqua, Chibuku, Chibuku Super, Coca-Cola family, Dom

Country by region	Brands
	Barril, Fanta, Maheu, Minute Maid, Monster, Paradise, Schweppes, Sparletta, Sprite, Tentacao, Twist
Namibia	<b>Beer:</b> Carling Black Label, Castle Lager, Castle Lite, Flying Fish <b>Non-Beer:</b> Appletiser, Bonaqua, Coca-Cola family, Fanta, Minute Maid, Monster, Powerade, Schweppes, Sparletta, Sprite, Stoney, TAB
Nigeria	<b>Beer:</b> Castle Lager, Castle Lite, Castle Milk Stout, Eagle, Grand Lager, Hero, Redd's, Trophy <b>Non-Beer:</b> 1960 Rootz, Beta Malt, Chibuku, Grand Malt, Maheu, Royal Eagle spirits, Voltic water,
South Africa	<b>Beer:</b> Brutal Fruit, Carling Black Label, Carling Blue Label, Castle Lager, Castle Lite, Castle Milk Stout, Flying Fish, Hansa Marzen Gold, Hansa Pilsener, Lion, No 3 Fransen Street, Redd's family, Sarita <b>Non-Beer:</b> Appletiser, Bonaqua, Coca-Cola family, Fanta, Fuze, Glaceau, Grapetiser, Just Juice, Krest, Monster, Peartiser, Play, Powerade, Rani, Schweppes, Sprite, Sparletta, Stoney, Tab, Twist, Valpre
South Sudan	<b>Beer:</b> Castle Lite, Club Pilsener, Nile <b>Non-beer:</b> Club minerals, Konyagi
Swaziland	<b>Beer:</b> Carling Black Label, Castle Lager, Castle Lite, Castle Milk Stout, Flying Fish, Hansa Pilsener, Redd's, Sibebe <b>Non-beer:</b> Appletiser, Bonaqua, Chibuku, Coca-Cola family, Fanta, Grapetiser, Imphilo, Imvelo, Minute Maid, Powerade, Schweppes, Sprite, Sparletta, Tab, Twist
Tanzania	<b>Beer:</b> Balimi, Bingwa, Castle Lager, Castle Lite, Castle Milk Stout, Eagle, Kilimanjaro, Ndovu Special Malt, Redd's, Safari <b>Non-beer:</b> Chibuku, Chibuku Super, Coca-Cola family, Dasani, Fanta, Grand Malt, Konyagi, Krest, Minute Maid, Nzagamba, Sparletta, Sprite, Stoney
Uganda	<b>Beer:</b> Chairman's ESB, Castle Lite, Castle Milk Stout, Club Pilsener, Eagle family, Flying Fish, Nile family, Redd's <b>Non-beer:</b> Chibuku, Rwenzori water
Zambia	<b>Beer:</b> Carling Black Label, Carling Blue Label, Castle Lager, Castle Lite Eagle, Flying Fish, Mosi, Redd's, Rhino <b>Non-beer:</b> Chibiku, Chibuku Super, Coca-Cola family, Fanta, Minute Maid, Schweppes, Sprite, Super Maheu, Twist
<b>Asia</b>	
China	Beer: Beck's, Big Boss, Budweiser, Corona, Ginsber, Harbin, Hoegaarden, Leffe, MixxTail, Sedrin, Stella Artois
India	Beer: Black Partridge, Budweiser, Foster's, Haywards 2000, Haywards 5000, Knock Out, Royal Challenge
South Korea	Beer: Budweiser, Cass, Corona, Hoegaarden, OB, Stella Artois, Victoria Bitter
Vietnam	Beer: Budweiser, Zima, Zorok
<b>Australia</b>	
Australia	Beer: Abbotsford Invalid Stout, Aguila, Alpha Pale Ale, Beck's, Beez Neez, Budweiser, Carlton family, Carlton Dry family, Cascade family, Corona, Crown Lager, Dogbolter, Yak family, Foster's family, Great Northern Brewing Co family, Helga, Hoegaarden, Leffe, Matilda Bay family, Melbourne Bitter, Minimum Chips, NT Draught, Pacific Radler, Powers Gold, Pure Blonde family, Redback, Redd's, Reschs, Sheaf Stout, Stella

Country by region	Brands
	Artois, Victoria Bitter
	<b>Non-beer:</b> Black Douglas spirits, Bulmers family, Cougar spirits, Dirty Granny, Koppaberg family, Mercury family, Strongbow family
<b>Central America</b>	
Dominican Republic	<b>Beer:</b> Bohemia, Brahma, Budweiser, Corona, Hoegaarden, Leffe, Presidente, Stella Artois, The One <b>Non-beer:</b> 7UP, Pepsi, Red Rock
El Salvador	<b>Beer:</b> Barena, Camagua, Cantina, Golden Light, Pilsener family, RegiaExtra, Suprema <b>Non-beer:</b> ActiMalta, Coca-Cola family, Cristal water, Fanta, Fresca, Jugos del Valle juices, Nestea, Oasis, Powerade, Sprite, Tropical
Guatemala	<b>Beer:</b> Beck's, Brahva, Bud Light, Budweiser, Corona, Hoegaarden, Leffe, Modelo Especial, Stella Artois
Honduras	<b>Beer:</b> Barena, Corona, Imperial, Port Royal, SalvaVida <b>Non-beer:</b> ActiMalta, Canada Dry, Coca-Cola family, Fanta, Fresca, Fuze tea, Jugos del Valle juices, Powerade, Sprite, Tropical family, Vital
Panama	<b>Beer:</b> 507, Atlas, Balboa family <b>Non-beer:</b> 7UP, Agua Brisa, Canada Dry, Malta Alfa, Malta Vigor, Mirinda, Orange Crush, Pepsi family, Pony Malta, Schweppes family, Squirt
<b>Europe</b>	
Belgium	<b>Beer:</b> Beck's, Belle-Vue, Budweiser, Hoegaarden, Jupiler, Leffe, Stella Artois, Vieux Temps
France	<b>Beer:</b> Beck's, Belle-Vue, Boomerang, Budweiser, Corona, Hoegaarden, Leffe, Loburg, Stella Artois
Germany	<b>Beer:</b> Beck's, Diebels, Franziskaner, Haake-Beck, Hasseröder, Löwenbräu, Spaten
Italy	<b>Beer:</b> Beck's, Budweiser, Corona, Franziskaner, Hoegaarden, Leffe, Löwenbräu, Spaten, Stella Artois
Luxembourg	<b>Beer:</b> Beck's, Diekirch, Hoegaarden, Jupiler, Leffe, Mousel, Stella Artois
Netherlands	<b>Beer:</b> Beck's, Corona, Dommelsch, Hertog Jan, Hoegaarden, Jupiler, Leffe, Stella Artois
Russia	<b>Beer:</b> Bagbier, Brahma, Bud, Corona, Franziskaner, Hoegaarden, Klinskoye, Leffe, Löwenbräu, Sibirskaya Korona, Spaten, Stella Artois, T, Tolstiak
Spain	<b>Beer:</b> Beck's, Corona, Dorada family, Estrella Canaria, Franziskaner, Kelson, Leffe, Saturday, Stella Artois, Tropical family <b>Non-beer:</b> Appletiser
Ukraine	<b>Beer:</b> Beck's, Bud, Chernigivske, Corona, Hoegaarden, Leffe, Rogan, Stella Artois, Yantar
United Kingdom	<b>Beer:</b> Bass, Beck's, Boddingtons, Brahma, Budweiser, Camden Town, Corona, Cubanisto, Hoegaarden, Leffe, Mackeson, Stella Artois
<b>North America</b>	
Canada	<b>Beer:</b> Alexander Keith's, Bass, Beck's, Bud Light, Budweiser, Corona, Hoegaarden, Kokanee, Labatt Blue, Labatt Blue Light, Lakeport, Leffe, Lucky, Mike's Hard Lemonade, Mill Street, Okanagan, Oland, Palm Bay, Stanley Park, Stella Artois
Mexico	<b>Beer:</b> Barrilito, Bud Light, Budweiser, Corona, Day of the Dead, Estrella, Ideal, Leon, Mexicali, Modelo Ambar, Modelo Especial, Modelo Light,

Country by region	Brands
United States	<p>Montejo, Negra Modelo, Pacifico, Stella Artois, Tijuana, Tropical, Victoria</p> <p><b>Beer:</b> 10 Barrel, Bass, Beck's, Best Damn, Blue Point, Breckenridge, Bud Light, Bud Light Lime, Budweiser, Busch, Busch Light, Elysian, Four Peaks, Golden Road, Goose Island, Hoegaarden, Leffe, Lime-A- Rita Family, Michelob Ultra, MixxTail, Natural Light, Oculito, Rolling Rock, Shock Top, Stella Artois</p>
<b>South America</b>	
Argentina	<p><b>Beer:</b> Andes, Beck's, Brahma, Budweiser, Corona, Diosa Tropical, Franziskaner, Hoegaarden, Iguana, Isenbeck, Leffe, Löwenbräu, MixxTail, Negra Modelo, Norte, Patagonia, Pilsen, Quilmes, Stella Artois</p> <p><b>Non-beer:</b> 7UP, Gatorade, H2OH!, Mirinda, Paso de los Toros, Pepsi, Tropicana</p>
Bolivia	<p><b>Beer:</b> Corona, Huari, Mixxtail, Paceña, Stella Artois, Taquiña</p> <p><b>Non-beer:</b> 7UP, Pepsi</p>
Brazil	<p><b>Beer:</b> Antarctica, Bohemia, Brahma, Budweiser, Colorado, Corona, Hoegaarden, Leffe, Skol, Stella Artois</p> <p><b>Non-beer:</b> Guaraná Antarctica, Pepsi</p>
Chile	<b>Beer:</b> Baltica, Becker, Brahma, Budweiser, Corona, Stella Artois
Colombia	<p><b>Beer:</b> Bahia, Barena, Aguila family, Bogota Beer Company, Bud Light, Budweiser, Club Colombia family, Cola y Pola, Corona, Costeña family, Modelo Especial, Pilsen family, Poker family, Redd's, Stella Artois</p> <p><b>Non-beer:</b> Pony Malta</p>
Ecuador	<p><b>Beer:</b> Budweiser, Club, Conquer, Pilsener family</p> <p><b>Non-beer:</b> Manantial water, Pony Malta</p>
Paraguay	<b>Beer:</b> Baviera, Brahma, Budweiser, Corona, Mixxtail, Ouro Fino, Pilsen, Stella Artois
Peru	<p><b>Beer:</b> Arequipeña, Backus Ice, Barena, Brahma, Budweiser, Corona, Cristal, Cusqueña family, Fiesta Real, Löwenbräu, Pilsen Callao, Pilsen Polar, Pilsen Trujillo, San Juan</p> <p><b>Non-beer:</b> Agua Tónica Backus, Cristalina Backus, Guarana Backus, Maltin Power, San Mateo water, Viva Backus</p>
Uruguay	<p><b>Beer:</b> Pilsen, Norteña, Patricia, Zillertal</p> <p><b>Non-beer:</b> 7UP, H2OH!, Pepsi</p>

### **Beer**

The Group manages a portfolio of well over 400 brands of beer. The Group's brands are its foundation and the cornerstone of its relationships with consumers. The Group invests in its brands to create a long-term and sustainable competitive advantage, by meeting the various needs and expectations of consumers and by developing leading brand positions around the globe.

On the basis of quality and price, beer can be differentiated into the following categories:

- Premium or high-end brands;
- Core brands; and
- Value, discount or sub-premium brands.

The Group's brands are positioned across all of these categories. For example, a brand like Stella Artois generally targets the premium category across the globe, while a brand like Natural Light targets the sub- premium category in the United States. In the United States, Bud Light targets the premium light or mainstream category,

which is equivalent to the core category in other markets. The Group will have a particular focus on core to premium categories but is also present in the value category where the market structure in a particular country necessitates this presence.

The Group's portfolio includes:

#### *International Distribution*

- Beck's, the world's number one German beer, is renowned for uncompromising quality. It is brewed today, just as it was in 1873, with a rigorous brewing process and a recipe using only four natural ingredients. Beck's adheres to the strictest quality standards of the German Reinheitsgebot (Purity Law). Beck's is brewed in various countries, including the United States.
- Budweiser is one of the highest selling beers in the United States. Globally, Budweiser volumes have grown every year since 2010, including growth of 6.9 per cent. in 2015. Budweiser sales outside the United States represented over 63.9 per cent. of global Budweiser volume in 2015, driven by strong growth in China and Brazil. Budweiser was a sponsor of the 2014 FIFA World Cup™ and has confirmed its sponsorship of the 2018 and 2022 FIFA World Cups™.
- Castle Lager is popularly described as South Africa's national beer, first brewed in Johannesburg in 1895, using local hops, creating a somewhat dry taste with bitterness and undertones of malt. Castle Lager is the official sponsor to several South African sporting associations, including the national football and cricket teams.
- Castle Lite was first brewed in South Africa in 1994 with a mission to provide the coldest and most refreshing beer on the South African market. Today, it is an Africa-wide premium brand enjoyed in 11 countries and continues to innovate brewing techniques to keep its beer "extra cold".
- Corona is the best-selling Mexican beer in the world and the leading beer brand in Mexico. Corona is available in more than 120 countries. In 2015, it was ranked number six in the Brandz™ list of most valuable beer brands worldwide. The AB InBev Group granted Constellation Brands, Inc. the exclusive right to market and sell Corona and certain other Grupo Modelo brands in 50 states of the United States, the District of Columbia and Guam, including Victoria, Modelo Especial, Pacifico and Negra Modelo.
- Hoegaarden, a high-end Belgian wheat (or "white") beer. Based on its brewing tradition dating back to 1445, Hoegaarden is top fermented and then refermented in the bottle or keg, leading to its distinctive cloudy white appearance.
- Leffe, a rich, full-bodied beer that hails from Belgium, has the longest heritage in the Combined Group's beer portfolio and is available in over 70 countries worldwide.
- Redd's was originally launched in South Africa as a bold, crisp apple ale in 1996. It led South African Breweries' efforts to compete in the cider category in South Africa. As SABMiller expanded, Redd's has since launched in surrounding southern African countries, the United States, Poland, Russia, Romania, Colombia, and Australia. Flavour and alcohol by volume extensions have characterised launches beyond South Africa.
- Stella Artois is the number one Belgian beer in the world according to Plato Logic Limited. Stella Artois is distributed in over 90 countries worldwide and has strong global potential. Stella Artois is a premium lager with a heritage dating back more than 600 years. The top three markets for Stella Artois are the United Kingdom, the United States and Argentina. Building upon the strength of this brand in the United Kingdom, the Former AB InBev Group launched Stella Artois Cidre in 2011, Stella Artois Cidre Pear in 2012 and Stella Artois Cidre Raspberry in 2014. In the United States, Stella Artois Cidre was launched in 2013.

#### *North America*

- Bud Light is the best-selling beer in the United States and the leader in the premium light category. It is the official sponsor of the NFL (National Football League) with a six-year sponsorship agreement, which has recently been extended by six years to 2022. In the United States, its share of the premium light category in 2015 was approximately 44.6 per cent., more than the combined share of the next two largest core brands (based on IRI estimates).

- Michelob Ultra was rolled out nationally in the United States in 2002 and is estimated to be the number nine brand in the United States according to Beer Marketer's Insights. Michelob Ultra was the fastest growing beer brand in the United States in 2015, according to IRI.

#### *Central America*

- Modelo Especial is a full-flavoured pilsner beer brewed with premium two-row barley malt for a slightly sweet, well-balanced taste with a light hop character and crisp finish. Brewed since 1925, it was created to be a "model" beer for all of Mexico and stands for pride and authenticity.
- Victoria is a Vienna-style lager and one of Mexico's most popular beers. Victoria was produced for the first time in 1865, making Victoria Mexico's oldest beer brand.

#### *South America*

- Aguila is a classic Colombian beer and was first brewed in 1913.
- Antarctica is the third-most consumed beer in Brazil according to Plato Logic Limited.
- Brahma is the second-most consumed beer in Brazil according to Plato Logic Limited. It was one of the Brazilian official sponsors of the 2014 FIFA World Cup™ in Brazil.
- Cristal is Peru's leading beer. Brewed since 1922, it combines a light-bodied taste with strong Andean imagery.
- Pilsen Callao, a native Peruvian beer, is a pale lager with a traditional taste and a balanced level of bitterness.
- Poker is a pale lager which has been enjoyed by Colombians since 1929 for its traditional, bitter sweet taste.
- Quilmes is the leading beer in Argentina, according to Nielsen, and a national icon with its striped light blue and white label linked to the colours of the Argentine national flag and football team.
- Skol is the leading beer brand in the Brazilian market according to Plato Logic Limited. Skol has been a pioneer and innovator in the beer category, engaging with consumers and creating new market trends, especially with entertainment initiatives such as music festivals.

#### *Europe*

- Chernigivske is the best-selling brand of beer in Ukraine and the sponsor of the Ukrainian national football team.
- Jupiler is the market leader in Belgium and the official sponsor of the most important Belgian professional football league, the Jupiler League. It is also the sponsor of the Belgian national football team.
- Klinskoye, which is the Group's largest brand in Russia, originated near Moscow.
- Sibirskaya Korona, first established as a local Siberian brand with proud Siberian values, has grown into a national premium brand sold throughout Russia.

#### *Asia*

- Cass is the market leader in South Korea.
- Harbin is a national brand with its roots in the northeast of China. Harbin was the 11th largest beer brand in the world in 2014 according to Plato Logic.
- Sedrin is a strong regional brand that originated in China's Fujian province.

#### *Africa*

- Carling Black Label is a pale lager brewed in South Africa with a distinctive banana aroma.

- Hero, a Nigerian beer brewed using local sorghum and malted barley, reached sales of 1 million hectolitres within two years of launch.
- Hansa Pilsener is brewed in true pilsener style, using Saaz hops which are responsible for the brand's unique hoppy aroma.
- Kilimanjaro is a beer balanced by both malt and maize, reflecting its Tanzanian origins. Light in colour, it is a refreshing and light drinking beer.
- Safari is a full-flavoured, full-bodied beer brewed in Tanzania with a rich golden colour and taste.

#### *Australia*

- Carlton Draught is a traditional, full-strength lager and one of Australia's most popular selling tap beers.
- Victoria Bitter was first brewed in the 1850s by the founder of Victoria Brewery. Today, it is brewed with a unique combination of ingredients, including Australian pale malt, the brewery's own special yeast and "Pride of Ringwood" hops grown in Victoria and Tasmania.

In certain markets, the Group also distributes products of other brewers under licences, such as Kirin in the United States. Within Europe, Compañía Cerveçera de Canarias (in the Canary Islands) brews Carlsberg under license. Additionally Compañía Cerveçera de Canarias has an agreement to distribute Guinness in the Canary Islands. Compañía Cerveçera de Canarias is a member of the Group.

CASA Isenbeck in Argentina, which is a member of the Group, produces and distributes the Warsteiner brand under a long-term license agreement.

The Group also has an agreement for the long-term licensing of the family-owned Kopparberg cider products in selected markets where Kopparberg does not have an existing interest.

#### ***Near-Beer***

Some of the Issuer's recent innovations have stretched beyond typical beer occasions, such as the Best Damn and Lime-A-Rita families in the United States, and MixxTail in China and Argentina. These innovations are designed to grow the near beer category and to improve the Group's share of the total alcohol market, by addressing changing consumer trends and preferences, including, for example, a preference for sweeter tasting beverages with higher alcohol content.

#### ***No alcohol beer and lower alcohol beer (NABLAB)***

The Group also empowers consumers to make smart drinking choices by expanding its product portfolio with the goal of ensuring that its no- and lower- alcohol beer products represent at least 20 per cent. of its global beer volume by the end of 2025 (one of the Group's Smart Drinking Goals).

In the United States, the Group produces no alcohol malt beverage products, including O'Doul's, O'Doul's Amber and related products. In addition, in 2015, Brahma 0.0% became the number one no alcohol beer in Brazil, reaching 71.9 per cent. market share in the category according to AC Nielsen. The Group has a number of no alcohol beers including Aguila Cero in Colombia.

#### ***Non-Beer***

##### *Soft Drinks*

While its core business is beer, the Group also has an important presence in the soft drink market. with soft drinks operations in Africa and Latin America, and Ambev has soft drinks operations in South America and the Caribbean. Soft drinks include both carbonated and non-carbonated soft drinks.

As at 31 March 2016, the SABMiller Group bottled and distributed Coca-Cola products in Honduras, El Salvador, South Africa, Botswana, Comores, Lesotho, Mayotte, Swaziland and Zambia.

On 2 July 2016, the SABMiller Group completed a transaction with The Coca-Cola Company and Gutsche Family Investments to combine the bottling operations of their non-alcoholic ready-to-drink beverages businesses in southern and east Africa, to form Coca-Cola Beverages Africa (Pty) Ltd ("CCBA"). CCBA is Africa's largest bottler, initially serving 10 countries. In addition, in a related transaction on 2 July 2016, the

SABMiller Group's Appletiser brands were sold to The Coca-Cola Company and a further nine non-alcoholic ready to drink brands in Africa were acquired by, or perpetually licensed to, The Coca-Cola Company.

All of the CCBA businesses conduct essentially all of their business under five-year renewable franchise agreements with The Coca-Cola Company. This relationship with The Coca-Cola Company is fundamental to CCBA's business and has been enhanced by the recent transaction and The Coca-Cola Company's resultant 12 per cent. economic interest in CCBA. Each of the current franchise agreements in place between CCBA subsidiaries and The Coca-Cola Company expires on 1 July 2021. On 10 October 2016, The Coca-Cola Company announced its intention to acquire the Group's stake in CCBA, following completion of the Transaction. AB InBev will negotiate the terms of the transaction with The Coca-Cola Company according to the contractual arrangements and does not anticipate that this transaction would have a material impact. For further detail on CCBA, see Section 5 (*Description of the Issuer - Transaction-related Divestitures; Regulatory Approvals and Conditions – Pan-African Coke bottling transaction implementation agreement*) In Panama, the Group also produces and bottles PepsiCo soft drinks under an exclusive bottling agreement and also bottles Schweppes soft drinks under license.

Ambev's soft drinks business includes both its own brands, such as Guaraná Antarctica, as well as arrangements with PepsiCo related to bottling and distribution of PepsiCo brands such as Pepsi, 7UP and Gatorade. Ambev has long-term agreements with PepsiCo whereby Ambev has the exclusive right to bottle, sell and distribute certain brands of PepsiCo's portfolio of carbonated and non-carbonated soft drinks in Brazil, Argentina, Bolivia and the Dominican Republic. For example, the Brazil agreements will expire on 31 December 2017 and are automatically extended for an additional ten-year term subject to the satisfaction of certain conditions. Ambev is also a Pepsi bottler in Uruguay.

The Group also has interests in certain water bottling and distribution businesses in Mexico, Argentina, Brazil, Ecuador, El Salvador, Honduras, Panama, Peru and throughout Africa.

The Group additionally produces non-alcoholic malt beverages throughout Africa, Central America and South America under brand names including Beta Malt, Grand Malt, ActiMalt, Malta Vigor, Maltin Power and Pony Malta.

#### *Other alcoholic beverages*

The Group also has operations throughout Africa that produce relatively short-life traditional beer, brewed using sorghum under various brand names including Chibuku, Chibuku Super, Invelo and Nzagamba.

The Group has further interests in wines and spirits operations and distribution businesses in Australia, Kenya, Mozambique, Nigeria and Tanzania.

### **Main Markets**

The Group is a global brewer, with sales across the globe in the markets listed in Section 5 (*Description of the Issuer – Principal activities and products*).

The last two decades have been characterised by rapid growth in fast-growing developing markets, notably in regions in Africa, Asia, and Central and South America, where the Former AB InBev Group and the SABMiller Group have had significant sales.

Each market in which the Group operates has its own dynamics and consumer preferences and trends. Given the breadth of its brand portfolio, the Issuer believes the Group is well-placed to address changing consumer needs in the various categories (premium, core and value) within any given market.

To maximise growth opportunities and build on the strengths of both the SABMiller Group and the Former AB InBev Group in their respective markets, the Group is organised into nine geographical "Zones". This design has been carefully thought out to allow for focus on organic growth while positioning the Group to be able to capture synergies from the Transaction.

The Zones and their corresponding countries are:

- *North America* (headquartered in St. Louis): United States and Canada;
- *Middle Americas* (headquartered in Mexico City): Mexico, El Salvador and Honduras;
- *Latin America North* (headquartered in São Paulo): Brazil, the Dominican Republic, Guatemala, Panama, St. Vincent, Cuba, Puerto Rico, Barbados, Dominica and the Caribbean;



- *Latin America South* (headquartered in Buenos Aires): Argentina, Uruguay, Chile, Paraguay and Bolivia;
- *Latin America COPEC* (headquartered in Bogotá): Colombia, Peru and Ecuador;
- *Europe* (headquartered in Leuven): UK, Ireland, France, Italy, Spain, Germany, Belgium, Luxembourg, the Netherlands, Switzerland, Austria, Ukraine, Russia and Export Europe and Middle East (EEME);
- *Asia Pacific North* (headquartered in Shanghai): China, South Korea and Japan;
- *Asia Pacific South* (headquartered in Melbourne): Australia, New Zealand, India, Vietnam and other South and Southeast Asian countries; and
- *Africa* (headquartered in Johannesburg): South Africa, Botswana, Swaziland, Mozambique, Malawi, Namibia, Zambia, Lesotho, Uganda, Ethiopia, African Islands, Tanzania, South Sudan, Kenya, Nigeria and Ghana.

## Competition

The Issuer believes the Group's largest competitors will be Heineken, Carlsberg, China Resources Snow Breweries, Tsingtao (Group) and Molson Coors Brewing Company based on information from the Plato Logic Limited report for the calendar year 2014 (published in December 2015).

Historically, brewing was a local industry with only a few players having a substantial international presence. Larger brewing companies often obtained an international footprint through direct exports, licensing agreements and joint venture arrangements. However, the last couple of decades have seen a transformation of the industry, with a prolonged period of consolidation. This trend started within the more established beer markets of Western Europe and North America, and took the form of larger businesses being formed through merger and acquisition activity within national markets. More recently, consolidation has also taken place within emerging markets. Over the last decade, the global consolidation process has accelerated, with brewing groups making significant acquisitions outside their domestic markets and increasingly looking to purchase other regional brewing organisations. Recent examples of this trend include SABMiller's acquisition of Bavaria in 2005, the acquisition of Scottish & Newcastle by Carlsberg and Heineken in 2008, Heineken's acquisition of FEMSA Cerveza in April 2010, SABMiller's acquisition of Foster's in 2011 and Kirin's acquisition of Schincariol in Brazil and Heineken's acquisition of Asia Pacific Breweries in 2012. As a result of this consolidation process, the absolute and relative size of the world's largest brewers has increased substantially. Therefore, today's leading international brewers have significantly more diversified operations and have established leading positions in a number of international markets.

The Group has participated in this consolidation trend, and has grown its international footprint through a series of mergers and acquisitions described in Section 5 (*Description of the Issuer – General Overview – History and Development of the Issuer*), which include:

- the acquisition of Labatt in 1995;
- the acquisition of Beck's in 2002;
- the combination of Ambev and Quilmes Industrial S.A. in 2003;
- the creation of InBev in 2004, through the combination of Interbrew and Ambev;
- the Anheuser-Busch acquisition in November 2008;
- the combination with Grupo Modelo in June 2013;
- the re-acquisition of Oriental Brewery in January 2014; and
- the combination with SABMiller in October 2016.

In each of the Group's regional markets, it competes against a mixture of national, regional, local, and imported beer brands. In many countries in Latin America, the Issuer competes mainly with local players and local beer brands. In North America, Brazil and in other selected countries in Latin America, Europe and Asia Pacific, the Issuer competes primarily with large leading international or regional brewers and international or regional brands.

## **Weather and Seasonality**

Weather conditions directly affect consumption of the Group's products. High temperatures and prolonged periods of warm weather favour increased consumption of the Group's products, while unseasonably cool or wet weather, especially during the spring and summer months, adversely affect the Group's sales volumes and, consequently, its revenue. Accordingly, product sales in all of the Group's business segments are generally higher during the warmer months of the year (which also tend to be periods of increased tourist activity) as well as during major holiday periods.

Consequently, for most countries in the Latin America North and Latin America South Zones (particularly Argentina and most of Brazil), COPEC, Asia Pacific South and Africa Zones, volumes are usually stronger in the first and fourth quarters due to year-end festivities and the summer season in the Southern Hemisphere, while for the Middle Americas (particularly Mexico) and the countries in the North America, Europe and Asia Pacific Zones, volumes tend to be stronger during the spring and summer seasons in the second and third quarters of each year.

Based on 2015 information, for example, the Former AB InBev Group realised 57 per cent. of its total 2015 volumes in Europe in the second and third quarters, compared to 43 per cent. in the first and fourth quarters of the year, whereas in Latin America South, the Former AB InBev Group realised 43 per cent. of its sales volume in the second and third quarters, compared to 57 per cent. in the first and fourth quarters.

Although such sales volume figures are the result of a range of factors in addition to weather and seasonality, they are nevertheless broadly illustrative of the historical trend described above.

## **Brewing Process; Raw Materials and Packaging; Production Facilities; Logistics**

### ***Brewing Process***

The basic brewing process for most beers is straightforward, but significant know-how is involved in quality and cost control. The most important stages are brewing and fermentation, followed by maturation, filtering and packaging. Although malted barley (malt) is the primary ingredient, other grains such as unmalted barley, corn, rice or wheat are sometimes added to produce different beer flavours. The proportion and choice of other raw materials varies according to regional taste preferences and the type of beer.

### ***Raw Materials and Packaging***

The main raw materials which are used in the Group's beer and other alcoholic malt beverage production are malted barley, corn grits, corn syrup, rice, hops and water. For non-beer production (mainly carbonated soft drinks) the main ingredients are flavoured concentrate, fruit concentrate, sugar, sweetener and water. In addition to these inputs into the Group's products, delivery of its products to consumers requires extensive use of packaging materials such as glass, polyethylene terephthalate ("PET") and aluminium bottles, aluminium or steel cans and kegs, aluminium can stock, labels, plastic crates, metal and plastic closures, folding cartons, cardboard products and plastic films.

Prices and sources of raw materials are determined by, among other factors:

- the level of crop production;
- weather conditions;
- export demand; and
- governmental taxes and regulations.

### ***Production Facilities***

The Issuer's production facilities are spread across its zones, giving it a balanced geographical footprint in terms of production and allowing it to efficiently meet consumer demand across the globe. The Issuer manages its production capacity across its zones, countries and plants. It typically owns its production facilities free of any major encumbrances. The Issuer also leases a number of warehouses and other commercial buildings from third parties.

In addition to production facilities, the Issuer also maintains a geographical footprint in key markets through sales offices and distribution centres. Such offices and centres are opened as needs in the various markets arise.

For a description of the environmental and other regulations that affect the Group's production facilities, see Section 5 (*Description of the Issuer – Regulations Affecting the Issuer's Business*).

### **Logistics**

The Group's logistics organisation is composed of (i) a first tier, which comprises all inbound flows into the plants of raw materials and packaging materials and all the outbound flows from the plants into the second drop point in the chain (for example, distribution centres, warehouses, wholesalers or key accounts), and (ii) a second tier, which comprises all distribution flows from the second drop point into the customer delivery tier (for example, pubs or retailers).

The transportation mechanics of the Group vary by market depending on economic and strategic considerations. The Group may outsource transportation to third-party contractors, retain such capability in-house, or implement owner-driver programmes, among other options.

Some of the Group's breweries have a warehouse that is attached to its production facilities. In places where its warehouse capacity is limited, external warehouses may be rented and some plants may share warehouse and other facilities with each other.

### **Distribution of Products**

The distribution of beer, other alcoholic beverages and non-beer drinks varies from country to country and from region to region. The nature of distribution reflects consumption patterns and market structure, geographical density of customers, local regulation, the structure of the local retail sector, scale considerations, market share, expected added-value and capital returns, and the existence of third-party wholesalers or distributors. In some markets, brewers distribute directly to customers (for example, in Belgium). In other markets, wholesalers may play an important role in distributing a significant proportion of beer to customers either for legal reasons (for example, in certain U.S. states and Canada where there may be legal constraints on the ability of a beer manufacturer to own a wholesaler), or because of historical market practice (for example, in China, Russia and Argentina). In some instances, third-party distributors may help the Group self-distribute its products, for example, in Brazil and Mexico.

The Group generally distributes its products through (i) own distribution, in which it delivers to points of sale directly, and (ii) third-party distribution networks, in which delivery to points of sale occurs through wholesalers and independent distributors. In certain cases, the Group may own or have an ownership stake in a wholesaler. Third-party distribution networks may be exclusive or non-exclusive, and in certain countries, the Group may enter into exclusive importer arrangements and may depend on its counterparties to these arrangements to market and distribute its products to points of sale. In certain markets, the Group may also distribute the products of other brewers.

The Group seeks to provide media advertising, point-of-sale advertising, and sales promotion programmes to promote its brands. Where relevant, the Group complements national brand strategies with geographic marketing teams focused on delivering relevant programming addressing local interests and opportunities.

### **Licensing**

In markets where the Group has no local affiliate, it may choose to enter into license agreements or, alternatively, international distribution and/or importation agreements, depending on the best strategic fit for each particular market. License agreements, to which the Group is a party, grant the right to third-party licensees to manufacture, package, sell and market one or several of its brands in a particular assigned territory under strict rules and technical requirements. In the case of international distribution and/or importation agreements, the Group may produce and package the products itself while the third party distributes, markets and sells the brands in the local market.

Stella Artois is licensed to third parties in various countries including Algeria, Australia, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Hungary, Israel, Kosovo, Montenegro, New Zealand, Romania, Serbia and Slovakia while Beck's is licensed to third parties in Algeria, Australia, Bosnia and Herzegovina, Bulgaria, Croatia, Hungary, Kosovo, Montenegro, New Zealand, Romania, Serbia, Slovakia, Tunisia and Turkey.

Budweiser is brewed and sold in Japan through license and distribution agreements with Kirin Brewery Company, Limited. A licensing agreement allows Diageo Ireland to brew and sell Budweiser and Bud Light in the Republic of Ireland and Northern Ireland. Budweiser is also brewed under license and sold by brewers in Spain (Sociedad Anonima Damm) and Panama (Heineken).

Corona is perpetually licensed to Constellation Brands, Inc. for production in Mexico and marketing and sales in 50 states of the United States, the District of Columbia and Guam. Corona is also distributed either through the Group's own network or by third parties in over 120 other countries worldwide.

Molson Coors Brewing Company has rights to brew and/or distribute, under license, Beck's, Hoegaarden, Leffe, Löwenbräu, Spaten and Stella Artois, in Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Hungary, Kosovo, Macedonia, Moldova, Montenegro, Romania, Serbia, Slovakia and Slovenia. The Group has retained rights to brew and distribute Staropramen in Ukraine and Russia.

Aguila, Castle Lager, Castle Lite, Sheaf Stout, Victoria Bitter, Crown Lager, Pure Blonde, Carlton Draught, Carlton Dry, Cusqueña, Cristal, Foster's, Redd's, Cascade Brewery Company products, Matilda Bay Brewing Company products and certain other brands are perpetually licensed to Molson Coors Brewing Company in the 50 states of the United States, the District of Columbia and Puerto Rico. The Group has retained rights to brew and distribute these beers outside of the United States, the District of Columbia and Puerto Rico.

Certain members of the Anadolu Efes group have the right to brew and/or distribute Redd's under licence in countries such as Russia, Ukraine, Kazakhstan, Moldova and Belarus.

Ambev also has a license agreement with the Issuer allowing it to exclusively produce, distribute and market Budweiser and Stella Artois in Brazil and Canada. Ambev also distributes Budweiser in Chile, Paraguay, Uruguay, Guatemala, the Dominican Republic, El Salvador and Nicaragua and Corona in Argentina, Paraguay, Bolivia, Uruguay, Chile, Guatemala, El Salvador, Panama, Nicaragua and Canada.

See Section 2 (*Risk Factors – Risks relating to the Obligors and their activities – The Group relies on key third parties, including key suppliers, and the termination or modification of the arrangements with such third parties could negatively affect its business*).

## **Intellectual Property; Research and Development**

Innovation is one of the key factors enabling the Issuer to achieve its strategy. The Issuer seeks to combine technological know-how with market understanding to develop a healthy innovation pipeline in terms of the production process, product and packaging features as well as branding strategy. In addition, as beer markets mature, innovation plays an increasingly important role by providing differentiated products with increased value to consumers.

### ***Intellectual Property***

The Issuer's intellectual property portfolio mainly consists of trademarks, patents, registered designs, copyrights, know-how and domain names. This intellectual property portfolio is managed by the Issuer's internal legal department, in collaboration with a selected network of external intellectual property advisors. The Issuer places importance on achieving close cooperation between its intellectual property team and its marketing, innovation, and technical development teams. An internal stage gate process promotes the protection of the Group's intellectual property rights, the swift progress of its innovation projects and the development of products that can be launched and marketed without infringing any third-party's intellectual property rights. A project can only move on to the next step of its development after the necessary verifications (for example, availability of trademark, existence of prior technology/earlier patents and freedom to market) have been carried out. This internal process is designed to ensure that financial and other resources are not lost due to oversights in relation to intellectual property protection during the development process.

The Issuer's patent portfolio is carefully built to gain a competitive advantage and support its innovation and other intellectual assets. The Group currently has a number of pending patent families, each of which covers one or more technological inventions. The extent of the protection differs between technologies, as some patents are protected in many jurisdictions, while others are only protected in one or a few jurisdictions. The Group's patents may relate, for example, to brewing processes, improvements in production of fermented malt-based beverages, treatments for improved beer flavour stability, non-alcoholic beer development, filtration processes, beverage dispensing systems and devices or beer packaging.

The Group's licences in limited technology from third parties. It also licences out certain of its intellectual property to third parties, for which it receives royalties.

### ***Research and Development***

Given its focus on innovation, the Group places a high value on research and development ("**R&D**"). In 2015, the Former AB InBev Group spent USD 207 million (USD 217 million in 2014) on R&D. Part of this was spent

in the area of market research, but the majority is related to innovation in the areas of process optimisation and product development.

R&D in product innovation covers liquid, packaging and dispense innovation. Product innovation consists of breakthrough innovation, incremental innovation and renovation (that is, updates and enhancements of existing products and packages). The main goal for the innovation process is to provide consumers with better products and experiences. This includes launching new liquids, new packaging and new dispense systems that deliver better performance both for the consumer and in terms of financial results, by increasing the Group's competitiveness in the relevant markets. With consumers comparing products and experiences offered across very different beverage categories and the choice of beverages increasing, the Group's R&D efforts also require an understanding of the strengths and weaknesses of other beverage categories, spotting opportunities for beer and malt beverages and developing consumer solutions (products) that better address consumer needs and deliver better experiences. This requires understanding consumer emotions and expectations. Sensory experience, premiumisation, convenience, sustainability and design are all central to the Group's R&D efforts.

R&D in process optimisation is primarily aimed at quality improvement, capacity increase (plant debottlenecking and addressing volume issues, while minimising capital expenditure) and improving efficiency. Newly developed processes, materials and/or equipment are documented in best practices and shared across business Zones. Current projects range from malting to bottling of finished products.

Knowledge management and learning also make up an integral part of research and development. The Group seeks to continuously increase its knowledge through collaborations with universities and other industries.

The Group's R&D team is briefed at least annually on the Group's priorities and its business Zones' priorities and approves concepts and technologies which are subsequently prioritised for development. The R&D teams invest in both short- and long-term strategic projects for future growth, with the launch time depending on complexity and prioritisation.

The Group's Global Innovation and Technology Center, located in Leuven, Belgium, accommodates the Product, Packaging, Raw Material, Process, and Dispense Development teams and has facilities such as Labs, Experimental Brewery and Sensory Analysis. In addition to the Global Innovation and Technology Center, the Issuer also has Product, Packaging and Process development teams located in each of its geographic regions focusing on the short-term development and implementation needs of such regions.

## **Insurance**

The Issuer (which includes its subsidiaries) self-insures most of its insurable risk. However, it does purchase insurance for director and officer liability and other coverage where required by law or contract or where considered to be in the best interest of the Group. Under the Co-operation Agreement (an agreement between the Former AB InBev Group and SABMiller relating to, among other things, the implementation of the Transaction and as further defined herein), the Group has procured the provision of directors' and officers' insurance for former directors and officers of SABMiller for a period of six years following Completion. It maintains a comprehensive approach to insurable risk, which is mainly divided in two general categories:

- **Assets:** combination of self-insurance and insurance is used to cover the Issuer's physical properties and business interruption; and
- **Liabilities:** a combination of self-insurance and insurance is used to cover losses due to damages caused to third parties; insurance is used primarily for executive risks (risks related to the Issuer's board and management) and automobile insurance (which is required by law in most jurisdictions).

The Issuer believes it has adequate Group-wide insurance cover taking into account its market capitalisation and its worldwide presence. The Issuer further believes that the types and level of insurance it maintains is appropriate for the risks of its business and is comparable to that maintained by other companies in its industry.

## **Trend Information**

The Issuer expects that the following trends may negatively affect its results of operations in 2016: the Issuer expects distribution expenses per hectolitre to increase organically by mid-single to high-single digits; the Issuer expects sales and marketing investments to grow by high-single to low-double digits; the Issuer expects the average rate of interest on net debt in 2016 (excluding the impact of the Transaction) to be in the range of 3.5 per cent. to 4.0 per cent.; net pension interest expense and accretion expenses are expected to be approximately USD 30 million and USD 120 million per quarter, respectively. Finally, the Issuer expects that other financial results will continue to be impacted by any future gains and losses related to the hedging of its share-based payment

programmes. The net cost of the pre-funding of the SABMiller purchase price will be accounted for in net interest expense and is expected to amount to approximately USD 1,226 million in a full quarter. This increase was driven primarily by the additional net interest expenses resulting from the issues of the January 2016 U.S. Notes and the March 2016 Notes. See Section 5 (*Description of the Issuer – Material Contracts and Arrangements of AB InBev – Senior Facilities Agreement*) for more information regarding the January 2016 U.S. Notes and the March 2016 Notes.

## **Regulations Affecting the Group's Business**

The Group's worldwide operations are subject to extensive regulatory requirements regarding, among other things, production, distribution, importation, marketing, promotion, labelling, advertising, labour, pensions and public health, consumer protection and environmental issues. For example, in the United States, federal and state laws regulate most aspects of the brewing, sale, marketing, labelling and wholesaling of alcoholic beverage products. At the federal level, the Alcohol and Tobacco Tax and Trade Bureau of the U.S. Treasury Department oversees the industry, and each state in which the Group sells or produces products, and some local authorities in jurisdictions in which it sells products, also have regulations that affect its business and other brewers and wholesalers. It is the policy of the Group to abide by the laws and regulations around the world that apply to it or to its business. The Group relies on legal and operational compliance programmes, as well as local in-house and external counsel, to guide its businesses in complying with applicable laws and regulations of the countries in which it operates.

See Section 2 (*Risk Factors – Risks relating to the Obligors and their activities – Certain of the Group's operations depend on independent distributors or wholesalers to sell its products*), (*Risk Factors – Risks relating to the Obligors and their activities – There may be changes in legislation or interpretation of legislation by regulators or courts that may prohibit or reduce the ability of brewers to own wholesalers and distributors*), (*Risk Factors – Risks relating to the Obligors and their activities – Negative publicity, perceived health risks and associated government regulations may harm the Group's business*), (*Risk Factors – Risks relating to the Obligors and their activities – The Group could incur significant costs as a result of compliance with, and/or violations of or liabilities under various regulations that govern its operations*), (*Risk Factors – Risks Relating to the Obligors and their activities – The Group's operations are subject to environmental regulations, which could expose it to significant compliance costs and litigation relating to environmental issues*), (*Risk Factors – Risks relating to the Obligors and their activities – The Group operates a joint venture in Cuba, in which the Government of Cuba is its joint venture partner. Cuba remains subject to comprehensive economic and trade sanctions by the United States. and the Group's operations in Cuba may adversely affect the Group's reputation and the liquidity and the value of its securities*).

Production, advertising, marketing and sales of alcoholic beverages are subject to various restrictions around the world, often based on health considerations related to the misuse or harmful use of alcohol. These range from a complete prohibition of alcohol in certain countries and cultures through the prohibition of the import of alcohol, to restrictions on the advertising style, media and messages used. In a number of countries, television is a prohibited medium for advertising alcohol products, and in other countries, television advertising, while permitted, is carefully regulated. Media restrictions may constrain the Group's brand building potential. Labelling of the Group's products is also be regulated in certain markets, varying from health warning labels to importer identification, alcohol strength and other consumer information. Specific warning statements related to the risks of drinking alcohol products, including beer, have also become prevalent in recent years. Introduction of smoking bans in pubs and restaurants may have negative effects on on-trade consumption (that is, beer purchased for consumption in a pub or restaurant or similar retail establishment), as opposed to off-trade consumption (that is, beer purchased at a retail outlet for consumption at home or another location). The Issuer believes that the regulatory environment in most countries in which the Group operates is becoming increasingly strict with respect to health issues and expects this trend to continue in the future.

The distribution of beer and other alcoholic beverage products by the Group may also be regulated. In certain markets, alcohol may only be sold through licensed outlets, varying from government- or state-operated monopoly outlets (for example, in the off-trade channel of certain Canadian provinces) to the common system of licensed on-trade outlets (for example, licensed bars and restaurants) which prevails in many countries (for example, in much of the European Union). In the United States, states operate under a three-tier system of regulation for beer products from brewer to wholesaler to retailer, meaning that the Group will usually work with licensed third-party distributors to distribute its products to the points of sale.

In the United States, both federal and state laws generally prohibit the Group from providing anything of value to retailers, including paying slotting fees or (subject to exceptions) holding ownership interests in retailers. Some states will prohibit the Group from being licensed as a wholesaler for its products. State laws also regulate the interactions among the Group, its wholesalers and consumers by, for example, limiting merchandise that can be provided to consumers or limiting promotional activities that can be held at retail premises. If the Group were

found to have violated applicable federal or state alcoholic beverage laws, it could be subject to a variety of sanctions, including fines, equitable relief and suspension or permanent revocation of its licences to brew or sell its products.

Governments in most of the countries in which the Group operates also establish minimum legal drinking ages, which generally vary from 16 to 21 years, impose minimum prices on alcohol products or impose other restrictions on sales, which affect demand for its products. Moreover, governments may respond to public pressure to curtail alcohol consumption by raising the legal drinking age, further limiting the number, type or operating hours of retail outlets or expanding retail licensing requirements. The Group works both independently and together with other brewers and alcoholic beverage companies to limit the negative consequences of inappropriate use of alcohol products and actively promote responsible sales and consumption.

Similarly, the Group may need to respond to new legislation curtailing soft drink consumption at schools and other government-owned facilities via sugar taxation and point of sale and advertising restrictions.

The Group is subject to antitrust and competition laws in the jurisdictions in which it operates and may be subject to regulatory scrutiny in certain of these jurisdictions. See Section 2 (*Risk Factors – Risks relating to the Obligors and their activities – The Group is exposed to antitrust and competition laws in certain jurisdictions and the risk of changes in such laws or in the interpretation and enforcement of existing antitrust and competition laws*).

In many jurisdictions, excise and other indirect duties, including legislation regarding minimum alcohol pricing, make up a large proportion of the cost of beer charged to consumers. In the United States, for example, the brewing industry is subject to significant taxation. The United States federal government currently levies an excise tax of USD 18 per barrel (equivalent to approximately 117 litres) of beer sold for consumption in the United States. All states also levy excise taxes on alcoholic beverages. Proposals have been made to increase the federal excise tax as well as the excise taxes in some states. In the past few years, Argentina, Belgium, Mexico, Bolivia, Ecuador, Panama, Brazil, Peru, Chile, Australia, Vietnam, Singapore, the Netherlands, Russia and Ukraine, among others, have all adopted proposals to increase beer excise taxes. Rising excise duties could drive up the Group's pricing to the consumer, which in turn could have a negative impact on its results of operations. See Section 2 (*Risk Factors – Risks relating to the Obligors and their activities – The beer and beverage industry may be subject to adverse changes in taxation*).

In most of the emerging world countries, high excise rates and lack of effective controls have generated illicit alcohol markets; these markets represent a significant public health risk and a source of fiscal leakage.

The Group's products are generally sold in glass or PET bottles or aluminium or steel cans or stainless steel kegs. Legal requirements apply in various jurisdictions in which the Group operates, requiring that deposits or certain eco-taxes or fees are charged for the sale, marketing and use of certain non-refillable beverage containers. The precise requirements imposed by these measures vary. Other types of beverage-container-related deposit, recycling, eco-tax and/or extended producer responsibility statutes and regulations also apply in various jurisdictions in which the Group operates.

The Group is subject to different environmental legislation and controls in each of the countries in which it operates. Environmental laws in the countries in which the Group operates mostly relate to (i) the conformity of its operating procedures with environmental standards regarding, among other things, the emission of gas and liquid effluents, (ii) the disposal of packaging, and (iii) noise levels. The Issuer believes that the regulatory climate in most countries in which the Group operates is becoming increasingly strict with respect to environmental issues and expects this trend to continue in the future. Achieving compliance with applicable environmental standards and legislation may require plant modifications and capital expenditures. Laws and regulations may also limit noise levels and the disposal of waste, as well as impose waste treatment and disposal requirements. Some of the jurisdictions in which the Group operates have laws and regulations that require polluters or site owners or occupants to clean up contamination.

The amount of dividends payable to the Group by its operating subsidiaries are, in certain countries, subject to exchange control restrictions of the respective jurisdictions where those subsidiaries will be organised and operate.

## **Group Organisational Structure**

The Issuer is the parent and ultimate holding company of the Group. To a large extent, the Issuer is organised as a holding company and its operations are carried out through subsidiaries. The Issuer's domestic and foreign subsidiaries' and affiliated companies' ability to upstream or distribute cash (to be used, among other things, to meet its financial obligations) through dividends, intercompany advances, management fees and other payments

is, to a large extent, dependent on the availability of cash flows at the level of such domestic and foreign subsidiaries and affiliated companies and may be restricted by applicable laws and accounting principles.

The Issuer's most significant subsidiaries (as at 11 October 2016) were:

Subsidiary Name	Jurisdiction of incorporation or residence	Proportion of ownership interest	Proportion of voting rights held
<b>Ambev S.A.</b> Rua Dr. Renato Paes de Barros 1017 3º Andar Itaim Bibi São Paulo	Brazil	62 per cent.	62 per cent.
<b>Anheuser-Busch Companies, LLC</b> One Busch Place St. Louis, MO 63118	Delaware, U.S.A.	100 per cent.	100 per cent.
<b>Grupo Modelo, S.A.B. de C.V.</b> Javier Barros Sierra No. 555 Piso 3 Zedec Santa Fe, 01210 Mexico, DF	Mexico	100 per cent.	100 per cent.
<b>SABMiller Ltd.</b> AB InBev House, Church Street West, Woking, Surrey, GU21 6HT.....	United Kingdom	100 per cent.	100 per cent.

For a more comprehensive list of the Issuer's most important financing and operating subsidiaries, see (i) note 33 to Former AB InBev's audited consolidated financial statements as at and for the year ended 31 December 2015, as set out in the Form 20-F filed with the Securities and Exchange Commission on 14 March 2016 (the "**Form 20-F**"), and (ii) except for Coca-Cola Beverages Africa (Pty) Ltd which was formed pursuant to a transaction which completed on 2 July 2016, note 33 to SABMiller's audited consolidated financial statements as at and for the year ended 31 March 2016, provided however that the entities which have been disposed of in the context of the Transaction are no longer subsidiaries of the Group.

#### *Related Party Transactions – AB InBev*

The Group engages in various transactions with affiliated entities which form part of the consolidated Group. These transactions include, but are not limited to: (i) the purchase and sale of raw materials with affiliated entities, (ii) entering into distribution, cross-licensing, transfer pricing, indemnification, service and other agreements with affiliated entities, (iii) intercompany loans, equity investments, guarantees, and interest charges between affiliated entities, (iv) import agreements with affiliated entities, such as the import agreement under which Anheuser-Busch imports the Group's European brands into the United States, and (v) royalty agreements with affiliated entities, such as its royalty agreement with one of its United Kingdom subsidiaries related to the production and sale of its Stella Artois brand in the United Kingdom and (vi) dividend payments. Such transactions between Former AB InBev and its subsidiaries and SABMiller and its subsidiaries have not been disclosed in the relevant consolidated financial statements as related party transactions because they are eliminated on consolidation.

#### **Major Shareholders**

##### *Shareholders' structure*

The following table shows the shareholders' structure on 11 October 2016 based on the notifications made to the Issuer and the Belgian Financial Services and Markets Authority (FSMA) by the shareholders listed below in accordance with article 6 of the Belgian law of 2 May 2007 on the notification of significant shareholdings.

Major shareholders	Number of Shares	% of voting rights <sup>(1)</sup>
<i>Holders of Ordinary Shares</i>		
<b>Stichting Anheuser-Busch InBev*</b> , a stichting incorporated under Dutch law	663,074,832	34.29%
<b>EPS Participations*</b> , a company incorporated under Luxembourg law, affiliated to EPS, its parent company <sup>(1)</sup>	130,257,459	6.74%
<b>EPS*</b> , a company incorporated under Luxembourg law, affiliated to the AB InBev Reference Shareholder that it jointly controls with BRC	99,999	0.01%
<b>BRC*</b> , a company incorporated under Luxembourg law, affiliated to the AB InBev Reference Shareholder that it jointly controls with EPS	37,598,236	1.94%
<b>Rayvax*</b> , a company incorporated under Belgian law	484,794	0.03%
<b>Sébastien Holding NV/SA*</b> , a company incorporated under Belgian law, affiliated to Rayvax, its parent company	10	0.00%
<b>Fonds Verhelst SPRL*</b> , a company with a social purpose incorporated under Belgian law	0	0.00%
<b>Fonds Voorzitter Verhelst SPRL*</b> , a company with a social purpose incorporated under Belgian law, affiliated to Fonds Verhelst SPRL with social purpose, that controls it	6,997,665	0.36%



<b>Major shareholders</b>	<b>Number of Shares</b>	<b>% of voting rights<sup>(1)</sup></b>
<b>Stichting Fonds InBev-Baillet Latour*</b> , a stichting incorporated under Dutch law	0	0.00%
<b>Fonds Baillet Latour SPRL*</b> , a company with a social purpose incorporated under Belgian law, affiliated to Stichting Fonds InBev-Baillet Latour under Dutch law, that controls it	5,485,415	0.28%
<b>MHT Benefit Holding Company Ltd.</b> , a company incorporated under the law of the Bahamas, acting in concert with Marcel Herrmann Telles within the meaning of Article 3, §2 of the Takeover Law	3,645,605	0.19%
<b>LTS Trading Company LLC</b> , a company incorporated under Delaware law, acting in concert with Marcel Herrmann Telles, Jorge Paulo Lemann and Carlos Alberto Sicupira within the meaning of Article 3, §2 of the Takeover Law	4,468	0.00%
<i>Holder of Restricted Shares</i>		
<b>Altria Group, Inc.</b>	<b>185,115,417</b>	<b>9.57%</b>
<b>BEVCO Lux Sàrl</b>	<b>96,862,718</b>	<b>5.01%</b>

- (1) Holding percentages are calculated on the basis of the total number of shares in issue, excluding treasury shares (1,933,701,581). As at 11 October 2016, there were 2,019,241,973 shares in issue including 85,540,392 ordinary shares held in treasury by AB InBev and certain of its subsidiaries.
- (2) In addition to the restricted shares listed above, Altria Group, Inc. announced its Schedule 13D beneficial ownership report filed on 21 October 2016 that, following completion of the Transaction, it purchased 11,941,937 ordinary shares in the Issuer, thereby increasing the aggregate ownership of the Issuer by Altria Group, Inc. to 10.2% as at 21 October 2016 based on the number of shares with voting rights.

The first twelve entities mentioned in the table act in concert (it being understood that (i) the first ten entities act in concert within the meaning of article 3, §1, 13° of the Belgian law of 2 May 2007 on the disclosure of significant shareholdings in issuers whose securities are admitted to trading on a regulated market and containing various provisions, implementing into Belgian law Directive 2004/109/CE, and (ii) the eleventh and twelfth entities act in concert with the first ten entities within the meaning of article 3, §2 of the Belgian law of 1 April 2007 on public takeover bids) and hold, in aggregate, 847,648,483 Ordinary Shares, representing 43.84 per cent. of the voting rights attached to the Shares outstanding.

### ***Significant shareholders and shareholders' arrangements***

#### ***Reference shareholder***

The reference shareholder of the Issuer is Stichting Anheuser-Busch InBev, a foundation organised under the laws of the Netherlands (the "**Reference Shareholder**"), which represents an important part of the interests of the Belgian founding families of Interbrew mainly represented by Eugénie Patri Sébastien SA ("**EPS**") and EPS Participations Sàrl ("**EPS Participations**") and the interests of the Brazilian families previously shareholders of AmBev represented by BRC Sàrl ("**BRC**").

The Reference Shareholder owns 663,074,832 AB InBev Ordinary Shares (as defined below), which represented a 34.29 per cent. voting interest in AB InBev as at 11 October 2016.

The Reference Shareholder is governed by its bylaws and its conditions of administration.

The objective of the Reference Shareholder is to participate in the continuing growth and development of a world leader in the brewing industry.

#### ***Shareholders' arrangements***

The Reference Shareholder has entered into shareholders' agreements with (a) BRC, EPS, Rayvax Société d'Investissements SA ("**Rayvax**"), (b) Fonds Baillet Latour SPRL with a social purpose and Fonds Voorzitter Verhelst SPRL with a social purpose, and (c) the largest holders of Restricted Shares (as defined below) in the Issuer.

#### ***Reference Shareholder's agreement***

In connection with the combination of Interbrew with Ambev in 2004, BRC, EPS, Rayvax and the Reference Shareholder entered into a shareholders' agreement on 2 March 2004 which provided for BRC and EPS to hold their interests in the Issuer's predecessor through the Reference Shareholder (except for approximately 130 million shares held directly or indirectly by EPS and approximately 37 million shares held directly by BRC as of 31 December 2015). The shareholders' agreement was amended and restated on 9 September 2009. On 18 December 2013, EPS contributed to EPS Participations its certificates in the Reference Shareholder and the shares it held in the Issuer's predecessor except for 100,000 shares. Immediately thereafter, EPS Participations joined the concert constituted by BRC, EPS, Rayvax and the Reference Shareholder and adhered to the shareholders' agreement. On 18 December 2014, the Reference Shareholder, EPS, EPS Participations, BRC and

Rayvax entered into a new shareholders' agreement that replaced the previous shareholders' agreement of 2009. On 11 April 2016, the parties thereto entered into an amended and restated new shareholders' agreement (the **"2016 Shareholders' Agreement"**).

The 2016 Shareholders' Agreement addresses, among other things, certain matters relating to the governance and management of both the Issuer and the Reference Shareholder, as well as (i) the transfer of the Reference Shareholder certificates, and (ii) the de-certification and re-certification process for the Issuer's shares (the **"Shares"**) and the circumstances in which the Shares held by the Reference Shareholder may be de-certified and/or pledged at the request of BRC, EPS and EPS Participations.

The 2016 Shareholders' Agreement provides for restrictions on the ability of BRC and EPS/EPS Participations to transfer their Reference Shareholder certificates.

Pursuant to the terms of the 2016 Shareholders' Agreement, BRC and EPS/EPS Participations jointly and equally exercise control over the Reference Shareholder and the Shares held by the Reference Shareholder. The Reference Shareholder is managed by an eight-member board of directors and each of BRC and EPS/EPS Participations have the right to appoint four directors to the Reference Shareholder board of directors. Subject to certain exceptions, at least seven of the eight Reference Shareholder directors must be present or represented in order to constitute a quorum of the Reference Shareholder board, and any action to be taken by the Reference Shareholder board of directors will, subject to certain qualified majority conditions, require the approval of a majority of the directors present or represented, including at least two directors appointed by BRC and two directors appointed by EPS/EPS Participations. Subject to certain exceptions, all decisions of the Reference Shareholder with respect to the Shares it holds, including how such Shares will be voted at shareholders' meetings of AB InBev (**"Shareholders' Meetings"**), will be made by the Reference Shareholder board of directors.

The 2016 Shareholders' Agreement requires the Reference Shareholder board of directors to meet prior to each Shareholders' Meeting to determine how the Shares held by the Reference Shareholder are to be voted.

The 2016 Shareholders' Agreement requires EPS, EPS Participations, BRC and Rayvax, as well as any other holder of certificates issued by the Reference Shareholder, to vote their Shares in the same manner as the Shares held by the Reference Shareholder. The parties agree to effect any free transfers of their Shares in an orderly manner of disposal that does not disrupt the market for the Shares and in accordance with any conditions established by the Issuer to ensure such orderly disposal. In addition, under the 2016 Shareholders' Agreement, EPS, EPS Participations and BRC agree not to acquire any shares of Ambev's capital stock, subject to limited exceptions.

Pursuant to the 2016 Shareholders' Agreement, the Reference Shareholder board of directors will propose to the Shareholders' Meeting nine candidates for appointment to the Board, among which each of BRC and EPS/EPS Participations will have the right to nominate four candidates, and one candidate will be nominated by the Reference Shareholder board of directors.

The 2016 Shareholders' Agreement will remain in effect for an initial term until 27 August 2034. The 2016 Shareholders' Agreement will be automatically renewed for successive terms of ten years each unless, not later than two years prior to the expiration of the initial or any successive ten-year term, either party to the 2016 Shareholders' Agreement notifies the other of its intention to terminate the 2016 Shareholders' Agreement.

#### *Voting agreement between the Reference Shareholder and the foundations*

In addition, the Reference Shareholder has entered into a voting agreement with Fonds Baillet Latour SPRL with a social purpose and Fonds Voorzitter Verhelst SPRL with a social purpose. This agreement provides for consultations between the three bodies before any Shareholders' Meetings to decide how they will exercise the voting rights attached to their Shares. Consensus is required for all items that are submitted to the approval of any Shareholders' Meetings. If the parties fail to reach a consensus, Fonds Baillet Latour SPRL with a social purpose and Fonds Voorzitter Verhelst SPRL with a social purpose will vote their Shares in the same manner as the Reference Shareholder.

#### *Voting agreement between the Reference Shareholder and Restricted Shareholders*

On 8 October 2016, the Reference Shareholder and each holder of Restricted Shares (such holders being the **"Restricted Shareholder"**) holding more than 1 per cent. of the Issuer's total share capital have entered into a voting agreement, to which the Issuer is also a party, under which notably:

- the Reference Shareholder is required to exercise the voting rights attached to its Ordinary Shares to give effect to the directors' appointment principles set out in articles 19 and 20 of the articles of association of the Issuer (the "**Articles of Association**");
- each Restricted Shareholder is required to exercise the voting rights attached to its Ordinary Shares and Restricted Shares, as applicable, to give effect to the directors' appointment principles set out in articles 19 and 20 of the Articles of Association; and
- each Restricted Shareholder is required not to exercise the voting rights attached to their Ordinary Shares and Restricted Shares, as applicable, in favour of any resolutions which would be proposed to modify the rights attached to Restricted Shares, unless such resolution has been approved by a qualified majority of the holders of at least 75 per cent. of the Restricted Shareholder Voting Shares (as defined in the Articles of Association).

## ***Capital and Shares***

### *Amount and value of share capital*

The detailed number of the Issuer's Shares currently outstanding and the amount of the Issuer's issued and paid-up capital can be found on ([www.ab-inbev.com](http://www.ab-inbev.com)). As of 11 October 2016, the issued, paid-up capital of the Issuer is EUR 1,238,608,344.12 and is represented by 2,019,241,973 fully paid up Shares without nominal value, each share representing 1/2,019,241,973 of the total share capital.

### *Categories of Shares*

The Issuer's share capital is divided in two categories of Shares: all Shares are Ordinary Shares, except for 325,999,817 restricted shares ("**Restricted Shares**"). Ordinary Shares and Restricted Shares have the same rights except as set out in the Articles of Association.

## **Legal and Arbitration Proceedings**

Litigation is subject to uncertainty and the Issuer and each of its subsidiaries named as a defendant in the cases described herein believe, and have so been advised by counsel handling the respective cases, that it has valid defences to the litigation pending against them, as well as valid bases for appeal of adverse verdicts, if any. All such cases are, and will continue to be, vigorously defended. However, the Issuer and its subsidiaries may enter into settlement discussions in particular cases if they believe that it is in their best interests to do so.

## **AB InBev**

### ***Grupo Modelo Transaction***

On 31 January 2013, the Former AB InBev Group announced that the U.S. Department of Justice had filed an action seeking to block the combination with Grupo Modelo, and specifically, the Group's proposal at that time to acquire the remaining stake in Grupo Modelo.

Thereafter, on 19 April 2013, the Former AB InBev Group announced that together with Grupo Modelo and Constellation Brands, Inc., it had reached a final settlement agreement with the U.S. Department of Justice. The terms of the settlement were substantially in line with the revised transaction announced on 14 February 2013, and included binding commitments to the revised transaction, designed to ensure a prompt divestiture of assets by the Former AB InBev Group to Constellation Brands, Inc., the necessary build-out of the Piedras Negras brewery by Constellation Brands, Inc., as well as certain distribution guarantees for Constellation Brands, Inc. in the fifty states of the United States, the District of Columbia and Guam.

The Former AB InBev Group announced the completion of the combination with Grupo Modelo on 4 June 2013, and on 7 June 2013, it announced that in a related transaction, Grupo Modelo completed the sale of its business in the fifty states of the United States, the District of Columbia and Guam to Constellation Brands, Inc. for approximately USD 4.75 billion, in aggregate, subject to post-closing adjustment, which was paid by Constellation Brands, Inc. on 6 June 2014. The post-closing adjustment was USD 558 million.

As part of the settlement with the U.S. Department of Justice, the Former AB InBev Group completed the sale of its glass production plant and other assets on the same site in Nava, Coahuila, Mexico to Constellation Brands, Inc. in a transaction related to the Grupo Modelo combination. The aggregate sale price for all of these assets was approximately USD 300 million.

### ***European Commission Investigation***

On 30 June 2016, the European Commission announced an investigation into alleged abuse of a dominant position by Former AB InBev through certain practices aimed at restricting trade from other EU countries to Belgium. The fact that an investigation has been initiated does not mean that the European Commission has concluded that there is an infringement. AB InBev is fully cooperating with the investigation. It is not possible to indicate how long the investigation will take or what the outcome will be and no provision has been made in connection therewith. There is no connection between this investigation and the combination with SABMiller.

### ***Budweiser Trademark Litigation***

AB InBev has been involved in a longstanding trademark dispute with the brewer Budejovicky Budvar, n.p. located in Ceske Budejovice, Czech Republic. This dispute involves the BUD and BUDWEISER trademarks and includes actions pending in national trademark offices as well as courts. Currently there are approximately 80 pending disputes in around 40 jurisdictions. While there are a significant number of actions pending, taken in the aggregate, the actions do not represent a material risk to the Issuer's financial position or profitability.

### ***Alcohol-by-Volume Litigation***

In the first quarter of 2013, nine lawsuits were filed against Former AB InBev relating to the alcohol-by-volume in several of AB InBev's beer brands. Eight of these lawsuits were filed in Federal Courts located in California, Colorado, New Jersey, Ohio, Pennsylvania and Texas. The ninth was filed in state court in Missouri. The lawsuits generally allege that such products contain lower alcohol by volume levels than what is stated on the labels, in violation of various federal and state laws. In June 2013, the lawsuits in federal courts were consolidated into a multi-district litigation in Ohio. In June 2014, the lawsuits in federal courts were dismissed with prejudice. Plaintiffs' appeal of the dismissal was denied on 22 March 2016, and the dismissal is final. The Missouri case was stayed pending the appeal, and Former AB InBev renewed its motion to dismiss based upon the appellate ruling. The parties subsequently reached a settlement and the Missouri case was dismissed. All nine lawsuits are now concluded.

### ***U.S. Antitrust Investigation***

On 1 December 2015, a group of consumers filed an antitrust lawsuit in federal court in Oregon, seeking an injunction to block the Transaction. The court in this private litigation could delay the implementation of the Transaction. Former AB InBev filed a motion to dismiss the lawsuit on 3 February 2016. The Court heard oral arguments on the motion to dismiss on 14 June 2016. On 22 July 2016, the Magistrate judge entered a report recommending that the lawsuit be dismissed. On 3 October 2016, the federal court adopted the Magistrate judge's recommendations and entered a judgment dismissing the lawsuit with prejudice. On 2 November 2016, Plaintiffs filed a Notice of Appeal with the 9th Circuit Court of Appeals. AB InBev will vigorously defend against this appeal.

### ***Tax Matters***

As of 30 June 2016, the Issuer's material tax proceedings related to certain of its subsidiaries and Ambev and its subsidiaries. The most significant tax proceedings of Ambev are discussed below.

### ***Income Tax and Social Contribution***

During the first quarter of 2005, certain subsidiaries of Ambev received a number of assessments from Brazilian federal tax authorities relating to profits obtained by its subsidiaries domiciled outside Brazil. In December 2008, the Administrative Tax Court handed down a decision on one of the tax assessments relating to earnings of Ambev's foreign subsidiaries. This decision was partially favourable to Ambev, and in connection with the remaining part, Ambev filed an appeal to the Appellate Division of the Administrative Tax Court and is awaiting its decision. With respect to another of the tax assessments relating to foreign profits, the Administrative Tax Court rendered a decision favourable to Ambev in September 2011. In December 2013, Ambev received another tax assessment related to this matter. Ambev estimates its exposure to possible losses in relation to these assessments to be 4.7 billion reais (USD 1.5 billion) as of 30 June 2016 and its exposure to probable losses to be 40 million reais (USD 12 million) as of that date, for which Ambev has recorded a provision in the corresponding amount.

Ambev and certain of its subsidiaries received a number of assessments from Brazilian federal tax authorities relating to the offset of tax loss carry forwards arising in the context of business combinations. In February 2016, the Upper House of the Administrative Tax Court concluded the judgment of two tax assessments on this matter. In both cases the decision was unfavourable to Ambev. Ambev filed a judicial proceeding and awaits the

judgment. Ambev management estimates the total exposures of possible losses in relation to these assessments to be approximately 472 million reais real (USD 147 million) as of 30 June 2016. Ambev has not recorded any provision in connection with this dispute.

During 2014 and in the first quarter of 2015, Ambev received tax assessments from the Brazilian federal tax authorities related to the disallowance of deductions associated with alleged unproven taxes paid abroad, for which the decision from the Upper House of the Administrative Tax Court is still pending. Ambev management estimates the possible losses related to these assessments to be approximately 2.5 billion reais (USD 0.8 billion) as of 30 June 2016. Ambev has not recorded any provision in connection therewith.

In December 2015, Ambev received a tax assessment issued by the Brazilian federal tax authorities, relating to amounts allegedly due under "**Integration Programme / Social Security Financing Levy**" over bonus products granted to its customers in the first quarter of 2011. In March and June 2016, Ambev received new assessments related to the same issue, so that the total amount considered as possible loss was increased to 862.4 million reais (USD 269 million) as of 30 June 2016. Ambev filed defences against these assessments and currently awaits judgment by the Administrative Court. No related provision has been made.

#### ***ICMS Value Added Tax, Imposto sobre Produtos Industrializados ("IPI") Excise Tax and Taxes on Net Sales***

Ambev has been party to legal proceedings with the state of Rio de Janeiro where it is challenging that State's attempt to assess Imposto Sobre Operações Relativas à Circulação de Mercadorias e Serviços de Transporte Interestadual e Intermunicipal e de Comunicações ("**ICMS**") value-added tax with respect to unconditional discounts granted by Ambev from January 1996 to February 1998. In 2015, these proceedings were before the Brazilian Superior Court of Justice and the Brazilian Supreme Court (*Supremo Tribunal Federal*). In 2013, 2014 and 2015, Ambev received similar tax assessments issued by the States of Pará and Piauí relating to the same issue, which are currently under discussion. In October 2015 and January 2016, Ambev paid the amounts related to the state of Rio de Janeiro's proceedings with discounts under an incentive tax payment programme granted by that state in the total amount of 271 million reais (USD 84 million). After these payments, Ambev management estimates the possible losses involved in these proceedings to be approximately 514 million reais (USD 160 million) as of 30 June 2016. Ambev has not recorded any provisions in connection with these assessments.

In Brazil, goods manufactured within the Manaus Free Trade Zone ("**ZFM**") intended for remittance elsewhere in Brazil are exempt from the Brazilian IPI excise tax. Ambev's subsidiaries have been registering IPI excise tax presumed credits upon the acquisition of exempted inputs manufactured in the ZFM. Since 2009, Ambev has been receiving a number of tax assessments from the Brazilian federal tax authorities relating to the disallowance of such presumed tax credits, which are under discussion before the Brazilian Supreme Court. In April 2016, the judgment of the leading case before the Brazilian Supreme Court (which relates to another company) was suspended after three out of the ten participant ministers of the full bench of the Supreme Court voted in favour of such company (thus favourably to the thesis argued by Ambev). Ambev management estimates the possible losses in relation to these assessments to be approximately 2.0 billion reais (USD 0.6 billion) as of 30 June 2016. Ambev has not recorded any provision in connection with these assessments.

In 2014 and 2015, Ambev received tax assessments from the Brazilian federal tax authorities relating to IPI excise tax associated with remittances of manufactured goods to other related factories, with respect to which a decision from the Upper House of the Administrative Tax Court is still pending. Ambev management estimates the possible losses related to these assessments to be approximately 1.4 billion reais (USD 0.4 billion) as of 30 June 2016. Ambev has not recorded any provisions in connection with these assessments.

In June 2015, Ambev received a tax assessment issued by the State of Pernambuco, relating to ICMS value-added tax differences, based on alleged non-compliance with a state tax incentive agreement, PRODEPE, related to February 2014. In September 2015, Ambev was notified of a new tax assessment related to the periods spanning from March 2014 to July 2015 based on the fact that it presented a defence against the first assessment, in the amount of approximately 564 million reais (USD 176 million). In the fourth quarter of 2015, Ambev received other assessments related to the same tax incentive agreement. In March 2016, the fine applied in the first tax assessment was cancelled at the administrative court, in a definitive decision. Also, considering that the second proceeding discusses, in part, the same fine, Ambev has classified the correspondent amount as remote, considering it will probably be ruled in the same way by the administrative court. Ambev management estimates the possible losses related to this issue to be approximately 383 million reais (USD 119 million) as of 30 June 2016. Ambev has not recorded any provision in connection with these assessments.

Over the years, Ambev has received tax assessments relating to ICMS value-added tax differences that some Brazilian states consider due in the tax substitution system in cases where the price of the products sold by a factory reached levels above the price table basis established by such states. Ambev is currently challenging those charges before the courts. Ambev management estimates the possible losses related to this issue to be

approximately 1.1 billion reais (USD 0.3 billion) as of 30 June 2016. Ambev has not recorded any provision in connection with these assessments.

### ***Other Tax Matters***

In early 2014, Anheuser-Busch InBev Worldwide Inc., an indirectly wholly-owned subsidiary of the Issuer, received a net proposed tax assessment from the U.S. Internal Revenue Service ("**IRS**") of USD 306 million, predominately involving certain inter-company transactions related to tax returns for the years 2008 and 2009. In November 2015, the IRS issued an additional proposed tax assessment of USD 133 million for tax years 2010 and 2011. Anheuser-Busch InBev Worldwide Inc. has contested the proposed assessments for the 2008 to 2011 tax years with the IRS and intends to vigorously defend its position.

In February 2015, the European Commission opened an in-depth state aid investigation into the Belgian excess profit ruling system. On 11 January 2016, the European Commission adopted a negative decision finding that the Belgian excess profit ruling system constitutes an aid scheme incompatible with the internal market and ordering Belgium to recover the incompatible aid from a number of aid beneficiaries. The Belgian authorities must now determine which companies have benefitted from the system and the precise amounts of incompatible aid to be recovered from each company. Former AB InBev had a Belgian excess profit ruling, but Belgium has not yet formally required any recovery. In addition, the European Commission decision was appealed to the European Union's General Court by Belgium on 22 March 2016 and by Former AB InBev on 12 July 2016. The appeals do not suspend the recovery process, and the Issuer cannot at this stage estimate the outcome of such legal proceedings. Based on the estimated exposure related to the excess profit ruling applicable to the Issuer, the different elements referred to above, as well as the possibility that taxes paid abroad and non-recognised tax loss carry-forwards could eventually partly or fully offset amounts subject to recovery, if any, the Issuer has not recorded any provisions have been recorded in connection therewith as of 30 June 2016.

### ***Tax Amnesty and Refinancing Programme***

In December 2013, pursuant to Law No. 12,865/2013, which allowed the inclusion of additional disputed tax amounts in a tax amnesty and refinancing plan (hereafter, the "**2013 Tax Amnesty and Refinancing Programme**") with the same characteristics of a 2009 tax refinancing programme in which Former AB InBev had participated. Ambev included in the 2013 Tax Amnesty and Refinancing Programme certain disputed tax amounts that had been previously litigated by Ambev and agreed to pay 188.7 million reais (USD 59 million). In August 2014, Law No. 12,996/14 was issued, which allowed the inclusion of additional disputed tax amounts in a new Tax Amnesty and Refinancing Programme (hereafter, the "**2014 Tax Amnesty and Refinancing Programme**") and Ambev agreed to pay 52.6 million reais (USD 20 million). In November 2014, Ambev paid the debts enrolled in the amnesty related to the 2013 Tax Amnesty and Refinancing Programme, as well as the additional debts enrolled in the 2014 Tax Amnesty and Refinancing Programme, in the amount of 201 million reais (USD 63 million), which included 83 million reais (USD 26 million) in cash, and 119 million reais (USD 37 million) using tax losses of related companies. As of 31 December 2014, Ambev paid the total amounts due under both the 2013 and 2014 Tax Amnesty and Refinancing Programmes and awaits for homologation from the Brazilian federal tax authorities.

### ***Special Goodwill Reserve***

In December 2011, Ambev received a tax assessment from the Brazilian federal tax authorities related to the goodwill amortisation resulting from InBev Brasil's merger with Ambev. In June 2012, Ambev filed an appeal against the unfavourable first-level administrative decision. In November 2014 the Lower Administrative Tax Court concluded the judgment. The decision was partly favourable. Ambev was notified in August 2015 and presented an appeal to the Upper House of the Administrative Tax Court. No ruling has yet been issued on that appeal. In June 2016, Ambev received a new tax assessment charging the remaining value of the goodwill amortisation and will file a defence at the legal term. Ambev has not recorded any provisions for this matter and its management estimates possible losses in relation to this assessment to be approximately 7.4 billion reais (USD 2.3 billion) as of 30 June 2016. In the event that Ambev is required to pay these amounts, the Issuer will reimburse Ambev the amount proportional to the benefit received by it pursuant to the merger protocol (as agreed with AB InBev), as well as the related costs.

In October 2013, Ambev also received a tax assessment related to the goodwill amortisation resulting from the merger of Beverage Associate Holding into Ambev. Ambev filed its defence in November 2013 and in November 2014 the Lower Administrative Tax Court published a decision unfavourable to Ambev. Ambev filed an appeal on 2 December 2014 and has been awaiting the decision of the Appeals Administrative Tax Court. Ambev management estimates the amount of possible losses in relation to this assessment to be approximately 1.4 billion reais (USD 0.4 billion) as of 30 June 2016. Ambev has not recorded any provision in connection with this assessment.

## **Environmental Matters**

### ***Brazilian Beer Industry Litigation***

On 28 October 2008, the Brazilian Federal Prosecutor's Office (Ministério Público Federal) filed a suit for damages against Ambev and two other brewing companies claiming total damages of approximately 2.8 billion reais (USD 0.9 billion) (of which approximately 2.1 billion reais (USD 0.7 billion) are claimed against Ambev). The public prosecutor alleges that (i) alcohol causes serious damage to individual and public health, and that beer is the most consumed alcoholic beverage in Brazil, (ii) defendants have approximately 90 per cent. of the national beer market share and are responsible for heavy investments in advertising, and (iii) the advertising campaigns increase not only the market share of the defendants but also the total consumption of alcohol and, hence, cause damage to society and encourage underage consumption.

Shortly after the above lawsuit was filed, a consumer-protection association applied to be admitted as a joint-plaintiff. The association has made further requests in addition to the ones made by the Public Prosecutor, including the claim for "collective moral damages" in an amount to be ascertained by the court; however, it suggests that it should be equal to the initial request of 2.8 billion reais (USD 0.7 billion) (therefore, it doubles the initial amount involved). The court has admitted the association as joint plaintiff and has agreed to hear the new claims. After the exchange of written submissions and documentary evidence, the lower Court Judge dismissed the case in May 2016, rejecting all claims filed by the Federal Prosecutor's Office.

The lower Court decision is subject to appeal and Ambev believes, based on management assessments, that its chances of loss remain remote and, therefore, has not made any provision with respect to such claim.

### ***Brewers Retail Inc. Litigation***

On 12 December 2014, a lawsuit was commenced in the Ontario Superior Court of Justice against the Liquor Control Board of Ontario, Brewers Retail Inc. (known as The Beer Store or TBS) and the owners of Brewers Retail Inc. (Molson Coors Canada, Sleeman Breweries Ltd. and Labatt Breweries of Canada LP). The lawsuit was brought in Canada pursuant to the Ontario Class Proceedings Act, and sought, among other things (i) to obtain a declaration that the defendants conspired with each other to allocate markets for the supply of beer sold in Ontario since 1 June 2000, (ii) to obtain a declaration that Brewers Retail Inc. and the owners of Brewers Retail Inc. conspired to fix, increase and/or maintain prices charged to Ontario licensees (on-trade) for beer and the fees charged by TBS to other competitive brewers who wished to sell their products through TBS, and (iii) damages for unjust enrichment. As part of this third allegation, the plaintiffs allege illegal trade practices by the owners of Brewers Retail Inc. They are seeking damages not exceeding CAD \$1.4 billion (USD 1.1 billion), as well as, punitive, exemplary and aggravated damages of CAD \$5 million (USD 4 million) and changes/revokes of the affected legislation. Ambev has not recorded any provision in connection therewith.

## **Acquisition Antitrust Matters**

The combination with Grupo Modelo was subject, and required approvals or notifications pursuant, to various antitrust laws, including under the U.S. Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "**Hart-Scott-Rodino Act**").

### ***Mexico***

The Mexican Antitrust Commission approved the combination with Grupo Modelo without any condition by resolution dated on 8 November 2012. The term of the Mexican Antitrust Commission's approval was extended on 19 February 2013 for an additional period of six months, effective until 19 August 2013. The combination with Grupo Modelo was completed on 4 June 2013.

On 7 June 2013, in a transaction related to the combination with Grupo Modelo, Grupo Modelo completed the sale of its business in the 50 states of the United States, the District of Columbia and Guam to Constellation Brands, Inc. for approximately USD 4.75 billion, in aggregate, subject to post-closing adjustment of USD 558 million, which was paid by Constellation Brands, Inc. on 6 June 2014.

## **SABMiller**

The SABMiller Group has a number of activities in a wide variety of geographic areas and is subject to certain legal claims incidental to its operations. In the opinion of its directors, after taking appropriate legal advice, these claims are not expected to have, either individually or in aggregate, a material adverse effect upon the SABMiller Group's financial position, except insofar as already provided in SABMiller's audited consolidated financial statements as at and for the year ended 31 March 2016, incorporated by reference in this Base Prospectus.

Other than as set forth below, there have been no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened against SABMiller of which SABMiller is aware) which may have, or has had in the recent past, significant effects on SABMiller's financial position or profitability.

### ***Demerged entities***

During the year ended 31 March 1998, the SABMiller Group recognised a provision of USD 73 million for the disposal of certain demerged entities in relation to equity injections which were not regarded as recoverable, as well as potential liabilities arising on warranties and the sale agreements. During the year ended 31 March 2016 USD 1.0 million (years ended 31 March 2015 and 31 March 2014: each USD 1.0 million) of this provision was utilised in regard to costs associated with SAB Ltd's previously disposed of remaining retail interests. The residual balance of USD 4.0 million relates mainly to the disposal of OK Bazaars (1929) Ltd to Shoprite Holdings Ltd (Shoprite). As disclosed in the SABMiller Group's audited consolidated financial statements, a number of claims were made by Shoprite in relation to the valuation of the net assets of OK Bazaars at the time of the sale and for alleged breaches by SAB Ltd of warranties contained in the sale agreements. These claims are being contested by SAB Ltd.

### ***Taxation***

The SABMiller Group has recognised various provisions in relation to taxation exposures it believes may arise. The provisions principally relate to non-corporate taxation and interest and penalties on corporate taxation in respect of a number of SABMiller Group companies. Any settlement in respect of these amounts will occur as and when the assessments are finalised with the respective tax authorities.

### ***Ratings***

#### ***Expected ratings in relation to Notes issued under the Programme***

The Issuer has been assigned a credit rating of A3 by Moody's Investors Service, Inc. ("**Moody's**") and A- by Standard & Poor's Credit Market Services Europe Limited ("**S&P**").

Moody's is expected to rate Notes issued under the Programme with a maturity of one year or more "A3" and Notes issued under the Programme with a maturity of less than one year "P-2".

S&P is expected to rate Notes issued under the Programme with a maturity of one year or more "A-" and Notes issued under the Programme with a maturity of less than one year "A-2".

S&P is established in the European Union and is registered under the CRA Regulation. Moody's is not established in the EU but its ratings are endorsed by Moody's Investors Service Limited which is established in the EU and registered under the CRA Regulation.

Tranches of Notes to be issued under the Programme will be rated or unrated. Where a Tranche of Notes is to be rated, such rating will not necessarily be the same as the rating assigned to Notes already issued. Where a Tranche of Notes is rated, the applicable rating(s) will be specified in the relevant Final Terms.

A rating is not a recommendation to buy, sell or hold securities and may be subject to change, suspension or withdrawal at any time by the assigning rating agency.

For more detail on credit ratings risks see Section 2 (*Risk Factors - Risks related to the market generally – Credit ratings may not reflect all risks and Risk Factors - Risks related to the Obligors and their activities – The Group may not be able to obtain the necessary funding for its future capital or refinancing needs and it faces financial risks due to its level of debt and uncertain market conditions*).

### ***Material Contracts and arrangements of AB InBev***

The following contracts have been entered into by Former AB InBev within the two years immediately preceding the date of this Base Prospectus or contain provisions under which AB InBev or another member of its group has an obligation or entitlement which is material to the AB InBev Group:

#### ***2010 Senior Facilities Agreement***

On 26 February 2010, Former AB InBev entered into a senior facilities agreement (the "**2010 Senior Facilities Agreement**") with a syndicate of 13 banks, enabling Former AB InBev to fully refinance a previous senior facilities agreement related to its Anheuser-Busch merger in 2008. The 2010 Senior Facilities Agreement comprised a USD 5.0 billion term loan maturing in 2013, which has been fully prepaid and terminated, and a



USD 8.0 billion multi-currency revolving credit facility (the "**Revolving Facility**") maturing in 2015. In 2013, Former AB InBev amended the terms of the Revolving Facility, extending the provision of USD 7.2 billion to a revised maturity of July 2018. On 28 August 2015, Former AB InBev further amended the terms of the Revolving Facility to increase the total commitment to USD 9.0 billion and to extend the maturity to August 2020. The 2010 Senior Facilities Agreement was further amended in October 2015 in connection with the Transaction. The Revolving Facility is available to AB InBev, Anheuser-Busch InBev Worldwide Inc. and Cobre NV/S.A.

Effective 25 July 2011, Former AB InBev amended the Revolving Facility under the 2010 Senior Facilities Agreement. The termination date of the Revolving Facility was amended to 25 July 2016. On 5 July 2011, in connection with the amendment, Former AB InBev fully prepaid and terminated the term facility under the 2010 Senior Facilities Agreement. Effective 20 August 2013, Former AB InBev amended the terms of the USD 8.0 billion five-year Revolving Facility extending the provision of USD 7.2 billion to a revised maturity of July 2018. Effective 28 August 2015, Former AB InBev amended the terms of its Revolving Facility to increase the total commitment to USD 9.0 billion and to extend the maturity to August 2020.

The 2010 Senior Facilities Agreement contains customary representations and warranties, covenants and events of default. Among other things, an event of default is triggered if any of the Issuer's or its subsidiaries' financial indebtedness, subject to certain thresholds and limitations, is accelerated following an event of default. The 2010 Senior Facilities Agreement does not contain any financial covenants or mandatory prepayment provisions (except in the context of a change of control). The obligations of the borrowers under the 2010 Senior Facilities Agreement are jointly and severally guaranteed by each other borrower, Anheuser-Busch InBev Finance Inc., Anheuser-Busch Companies, LLC, Brandbev S.A. and Brandbev S.à r.l.

As of 31 December 2015, the Revolving Facility was fully undrawn.

### ***2015 Senior Facilities Agreement***

On 28 October 2015, Former AB InBev entered into an unsecured USD 75.0 billion senior facilities agreement with a syndicate of banks in connection with the Transaction. The 2015 Senior Facilities Agreement made the following five facilities available to AB InBev and its wholly-owned subsidiaries, subject to certain conditions (i) "**Cash/DCM ('Debt Capital Markets') Bridge Facility A**", a 364-day bridge facility for up to USD 15.0 billion principal amount available, (ii) "**Cash/DCM Bridge Facility B**", a 364-day bridge facility, with an option to extend for an additional 12 months, for up to USD 15.0 billion principal amount available, (iii) "**Disposals Bridge Facility**", a 364-day bridge facility for up to USD 10.0 billion principal amount available, (iv) "**Term Facility A**", a two-year term facility, with an option to extend for an additional 12 months, for up to USD 25.0 billion principal amount available, and (v) "**Term Facility B**", a five-year term facility for up to USD 10.0 billion principal amount available. The facilities are to be drawn in USD, except that a portion of each facility may be drawn in euro at AB InBev's option.

On 27 January 2016, Former AB InBev cancelled USD 42.5 billion of commitments available under the 2015 Senior Facilities Agreement following the issuance of the January 2016 Notes (as defined below), in which it received approximately USD 47.1 billion of net proceeds. Following the receipt of the proceeds from the issuance of the January 2016 U.S. Notes (as defined below), Former AB InBev was required to cancel Cash/DCM Bridge Facility A and Cash/DCM Bridge Facility B in accordance with the mandatory cancellation and prepayment provisions. In addition, Former AB InBev elected to cancel USD 12.5 billion of Term Facility A, as permitted under the terms of the 2015 Senior Facilities Agreement. On 4 April 2016, Former AB InBev cancelled the remaining USD 12.5 billion of Term Facility A, as permitted under the terms of the 2015 Senior Facilities Agreement, as a result of the bond issuance of 29 March 2016 (as defined below). See Section 5 (*Description of the Issuer – Material Contracts and arrangement of AB InBev – Replacement Bond Financing*) for further details on AB InBev's debt capital markets issuances.

On 6 October 2016, Former AB InBev (i) utilised USD 10.0 billion of the Disposals Bridge Facility and USD 8.0 billion of Term Facility B and (ii) cancelled the remaining USD 2.0 billion of Term Facility B. On 20 October 2016, AB InBev was required to prepay the utilisation under the Disposals Bridge Facility following the receipt of proceeds from certain Transaction-related Divestitures in accordance with the mandatory cancellation and prepayment provisions in the 2015 Senior Facilities Agreement.

On 6 October 2016, Former AB InBev drew down USD 8.0 billion under Term Facility B and USD 10.0 billion under the Disposals Bridge Facility to finance the combination with SABMiller and announced that it had chosen to make an additional voluntary cancellation of USD 2.0 billion of Term Facility B. On 20 October 2016, the Issuer fully repaid and cancelled the Disposals Bridge Facility following completion of the MillerCoors, CR Snow and Peroni, Grolsch and Meantime disposals. Accordingly, as of the date of this Base Prospectus, the total drawn amount under the 2015 Senior Facilities Agreement is USD 8.0 billion under Term Facility B.

The 2015 Senior Facilities Agreement contains customary representations, covenants and events of default. Among other things and subject to certain thresholds and limitations, an event of default is triggered if any of AB InBev's or AB InBev's subsidiaries' financial indebtedness is accelerated following an event of default. AB InBev's obligations as borrower under the 2015 Senior Facilities Agreement will be jointly and severally guaranteed by AB InBev itself (in the event an additional borrower is added at a later date), Anheuser-Busch InBev Worldwide Inc., Anheuser-Busch Companies, LLC, Anheuser-Busch InBev Finance Inc., Brandbrew S.A., Brandbev S.à r.l. and Cobrew SA/NV. Within six months of Completion, to the extent such entities remain obligors under SABMiller's existing publicly held debt securities (and subject to certain other conditions, including the absence of financial assistance, general statutory limitations, corporate benefit considerations, the absence of fraudulent preference or similar principles that may affect the ability of entities to provide a guarantee), SABMiller and certain of its key subsidiaries are required to accede as guarantors to the 2015 Senior Facilities Agreement.

#### *Replacement Bond Financing - January 2016 issuances*

On 25 January 2016, AB InBev's subsidiary ABIFI issued USD 46.0 billion aggregate principal amount of bonds guaranteed by AB InBev and certain other subsidiaries. The bonds comprise the following series (collectively, the "**January 2016 U.S. Notes**"):

<b>Title of Securities</b>	<b>1.900% Notes due 2019</b>	<b>2.650% Notes due 2021</b>	<b>3.300% Notes due 2023</b>	<b>3.650% Notes due 2026</b>	<b>4.700% Notes due 2036</b>	<b>4.900% Notes due 2046</b>	<b>Floating Rate Notes due 2021</b>
Aggregate principal amount sold:	USD 4 billion	USD 7.5 billion	USD 6 billion	USD 11 billion	USD 6 billion	USD 11 billion	USD 500 million
Maturity date:	1 February 2019	1 February 2021	1 February 2023	1 February 2026	1 February 2036	1 February 2046	1 February 2021
Public offering price:	99.729% of the principal	99.687% of the principal	99.621% of the principal	99.833% of the principal	99.166% of the principal	99.765% of the principal	100.00% of the principal
Interest payment dates:	Semi-annually on each 1 February and 1 August, commencing on 1 August 2016	Semi-annually on each 1 February and 1 August, commencing on 1 August 2016	Semi-annually on each 1 February and 1 August, commencing on 1 August 2016	Semi-annually on each 1 February and 1 August, commencing on 1 August 2016	Semi-annually on each 1 February and 1 August, commencing on 1 August 2016	Semi-annually on each 1 February and 1 August, commencing on 1 August 2016	Quarterly, on each 1 February, 1 May, 1 August and 1 November, commencing on 2 May 2016
Interest Rate:	1.900%	2.650%	3.300%	3.650%	4.700%	4.900%	Three-month LIBOR plus 126 bps
Optional Redemption:	Make-whole call at treasury rate plus 15 bps	Prior to 1 January 2021, make-whole call at treasury rate plus 20 bps; par call at any time thereafter	Prior to 1 December 2022, make-whole call at treasury rate plus 25 bps; par call at any time thereafter	Prior to 1 November 2025, make-whole call at treasury rate plus 25 bps; par call at any time thereafter	Prior to 1 August 2035, make-whole call at treasury rate plus 30 bps; par call at any time thereafter	Prior to 1 August 2045, make-whole call at treasury rate plus 35 bps; par call at any time thereafter	None

In addition, on 29 January 2016, ABIFI issued USD 1.47 billion aggregate principal amount of its notes due 2046 (the "**January 2016 Taiwan Notes**", and together with the January 2016 U.S. Notes, the "**January 2016 Notes**"). The January 2016 Taiwan Notes were offered and sold in Taiwan to "professional institutional investors" as defined under Paragraph 2, Article 4 of the Financial Consumer Protection Act of the Republic of China. The January 2016 Taiwan Notes were admitted to listing and trading on the Taipei Exchange on 29 January 2016.

The January 2016 Notes are fully, unconditionally and irrevocably guaranteed by AB InBev, Brandbrew S.A., Brandbev S.à r.l., Cobrew NV/SA, Anheuser-Busch InBev Worldwide Inc. and Anheuser-Busch Companies, LLC. The January 2016 Notes are senior unsecured obligations of ABIFI and rank equally with all other existing and future unsecured and unsubordinated debt obligations of ABIFI. The January 2016 Notes are denominated in U.S. dollars, and both principal and interest will be paid in U.S. dollars.

Substantially all of the net proceeds of the January 2016 Notes were used to fund a portion of the cash consideration under the Transaction. The remainder of the net proceeds were used for general corporate purposes.

### *Replacement Bond Financing - March 2016 issuances*

On 29 March 2016, Former AB InBev issued EUR 13.25 billion aggregate principal amount of notes under its Euro Medium-Term Note Programme (the "**March 2016 Notes**"). The March 2016 Notes comprise the following series:

<b>Title of Securities</b>	<b>4-year 0.625% Notes due 2020</b>	<b>6-year 0.875% Notes due 2022</b>	<b>9-year 1.500% Notes due 2025</b>	<b>12-year 2.000% Notes due 2028</b>	<b>20-year 2.750% Notes due 2036</b>	<b>4-year Floating Rate Notes due 2020</b>
Aggregate principal amount sold:	EUR 1,750,000,000	EUR 2,000,000,000	EUR 2,500,000,000	EUR 3,000,000,000	EUR 2,750,000,000	EUR 1,250,000,000
Maturity date:	17 March 2020	17 March 2022	17 March 2025	17 March 2028	17 March 2036	17 March 2020 Quarterly on 17 March, 17 June, 17 September and 17 December, Commencing 17 June 2016 up to and including the Maturity Date Three-month EURIBOR plus 75 basis points
Interest payment dates:	Annually on 17 March of each year with first coupon payable on 17 March 2017	Annually on 17 March of each year with first coupon payable on 17 March 2017	Annually on 17 March of each year with first coupon payable on 17 March 2017	Annually on 17 March of each year with first coupon payable on 17 March 2017	Annually on 17 March of each year with first coupon payable on 17 March 2017	
Interest Rate:	0.625%	0.875%	1.500%	2.000%	2.750%	

The March 2016 Notes are fully, unconditionally and irrevocably guaranteed by Anheuser-Busch Companies LLC, Anheuser-Busch InBev Worldwide Inc., ABIFI, Brandbev S.a r.l, Brandbrew S.A. and Cobrew NV. The March 2016 Notes are senior unsecured obligations of AB InBev and rank equally with all other existing and future unsecured and unsubordinated debt obligations of AB InBev.

The proceeds of the offering were applied for the realisation of the strategy of AB InBev, including to fund a portion of the cash consideration paid by Former AB InBev for each ordinary share in the capital of Newbelco tendered in connection with the Transaction and for general corporate purposes. The notes were issued by Former AB InBev under the base prospectus dated 13 January 2016, as supplemented by a first supplemental prospectus dated 22 January 2016 and a second supplemental prospectus dated 15 March 2016.

### ***Grupo Modelo Transaction Agreement***

On 28 June 2012, Former AB InBev, Anheuser-Busch International Holdings, Inc., a Delaware corporation and predecessor of Anheuser-Busch International Holdings, LLC, Anheuser-Busch México Holding, S. de R.L. de C.V., a Mexican corporation and Grupo Modelo and Diblo, S.A. de C.V., then a subsidiary of Grupo Modelo, entered into a transaction agreement.

In a transaction related to, and following the settlement of, the tender offer for Grupo Modelo contemplated by the transaction agreement, two Grupo Modelo shareholders, María Asuncion Aramburuzabala and Valentín Díez Morodo, purchased a deferred share entitlement to acquire the equivalent of approximately 23.1 million Former AB InBev shares, to be delivered within five years, for consideration of approximately USD 1.5 billion. This investment occurred on 5 June 2013. María Asuncion Aramburuzabala and Valentín Díez Morodo were appointed to the Former AB InBev Board in accordance with the terms of the Grupo Modelo combination with Former AB InBev. They have also agreed to a non-competition provision for three years following the completion of the tender offer for Grupo Modelo.

### ***Crown Imports Membership Interest Purchase Agreement and Brewery Sale and Purchase Agreement***

In a sale related to the completion of the combination with Grupo Modelo, Former AB InBev, Grupo Modelo and Constellation Brands, Inc. announced on 29 June 2012 that Grupo Modelo would sell its existing 50 per cent. stake in Crown Imports, the joint venture that imports and markets Grupo Modelo's brands in the 50 states of the United States, the District of Columbia and Guam, to Constellation Brands, Inc. for USD 1.85 billion, giving Constellation Brands, Inc. 100 per cent. ownership and control of Crown Imports.

Thereafter, on 14 February 2013, Former AB InBev, Grupo Modelo and Constellation Brands, Inc. announced a revised agreement that establishes Crown Imports as a fully owned entity of Constellation Brands, Inc., and provides Constellation Brands, Inc. with independent brewing operations, Grupo Modelo's full profit stream from all sales in the 50 states of the United States, the District of Columbia and Guam, and rights in perpetuity to certain of Grupo Modelo's brands in the United States. In addition, on 14 February 2013, Former AB InBev entered into an agreement to sell Compañía Cervecería de Coahuila, Grupo Modelo's state-of-the-art brewery in Piedras Negras, Mexico, and grant perpetual brand licences to Constellation Brands, Inc. for USD 2.9 billion, subject to a post-closing adjustment. Upon closing, Former AB InBev and Constellation Brands, Inc. also

entered into a three-year transition services agreement to ensure the smooth transition of the operation of the Piedras Negras brewery, which is fully self-sufficient, utilises top-of-the-line technology and was built to be readily expanded to increase production capacity.

On 4 June 2013 Former AB InBev announced the completion of the combination with Grupo Modelo, and on 7 June 2013, Grupo Modelo completed the sale of its business in the 50 states of the United States, the District of Columbia and Guam to Constellation Brands, Inc. for approximately USD 4.75 billion, in aggregate, subject to post-closing adjustment of USD 558 million, which was paid by Constellation Brands, Inc. on 6 June 2014.

#### ***Grupo Modelo Settlement Agreement***

On 19 April 2013 Former AB InBev, Grupo Modelo, Constellation Brands, Inc. and Crown Imports LLC, reached a final agreement with the U.S. Department of Justice on the terms of a settlement of the Department of Justice's litigation challenging Former AB InBev's acquisition of Grupo Modelo. The settlement required the divestiture to Constellation Brands, Inc. of Grupo Modelo's brewery in Piedras Negras, Mexico and Grupo Modelo's 50 per cent. stake in Crown Imports LLC, as well as the grant of perpetual brand licences to Constellation Brands, Inc. The final judgment was approved by the Court in October 2013.

Under the terms of the stipulation order and final judgment (i) Constellation Brands, Inc. was joined as a party to the action for the purposes of settlement and for the entry of a final judgment, (ii) Former AB InBev and Grupo Modelo agreed to the prompt and certain divestiture of certain rights and assets held by them, (iii) AB InBev and Constellation Brands, Inc. agreed to amend certain agreements that were executed in connection with the acquisition of the equity interest in Crown Imports LLC and the brewery, (iv) Constellation Brands, Inc. is obligated to build out and expand the Brewery to a nominal capacity of at least 20 million hectolitres of packaged beer annually by 31 December 2016, and to use its best efforts to achieve certain construction milestones by specified dates, (v) the United States has approval rights, in its sole discretion, for amendments or modifications to the agreements between Former AB InBev and Constellation Brands, Inc., and (vi) the United States has a right of approval, in its sole discretion, of any extension beyond three years of the term of the interim supply agreement, which was executed by Former AB InBev and Constellation Brands, Inc. at the closing of the acquisition.

As part of the settlement with the U.S. Department of Justice, Former AB InBev completed the sale of its glass production plant and other assets on the same site in Nava, Coahuila, Mexico to Constellation Brands, Inc. in a transaction related to the Grupo Modelo combination. The sale price for all of these assets was approximately USD 300 million. Former AB InBev's transition services agreement and interim supply agreement with Constellation Brands, Inc. were amended as part of this sale and in 2015; the interim supply agreement was extended for an additional year.

#### ***Co-operation Agreement – Covenants and Agreements***

On 11 November 2015, Former AB InBev and SABMiller entered into an agreement related to, among other things, the implementation of the Transaction (as amended from time to time, the "**Co-operation Agreement**"), pursuant to which Former AB InBev agreed to use its best efforts to secure the regulatory clearances and authorisations necessary to satisfy the pre-conditions and regulatory conditions to the Transaction, as set out in Appendix 1 and Appendix 2 to the Rule 2.7 Announcement.

The Co-operation Agreement contains certain obligations that the Group must meet following completion of the Transaction. For example, Former AB InBev and SABMiller agreed to certain undertakings to co-operate and provide each other with reasonable information, assistance and access in relation to the filings, submissions and notifications to be made in relation to such regulatory clearances and authorisations. Former AB InBev and SABMiller also agreed to provide each other with certain information, assistance and access for the preparation of the key shareholder documentation and in relation to the obtaining of certain other official authorisations or regulatory clearances required in relation to the implementation of the Transaction. Former AB InBev agreed that if any clearance remains outstanding by the date falling 18 months after the date of the Rule 2.7 Announcement or such later date as may be agreed in writing between Former AB InBev and SABMiller (with the consent of the UK Panel on Takeovers and Mergers (the "**UK Panel**") and as may be approved by the High Court of Justice in England and Wales) (the "**Long Stop Date**"), AB InBev will use its best endeavours to enter into any arrangements which may be necessary with the relevant regulatory authorities to maintain the relevant regulatory authorities' ability to obtain an effective remedy under the relevant merger control provisions including any conditions, undertakings or hold-separate arrangements.

Former AB InBev and SABMiller agreed to work together in good faith to develop a proposal in relation to each of the participants in SABMiller's Zenzele Broad Based Black Economic Empowerment scheme (the "**Zenzele Scheme**") as soon as reasonably practicable following the date of the Co-operation Agreement (and will provide

each other with reasonable assistance to do so). For six months following the date of the Co-operation Agreement (or such longer period that SABMiller and Former AB InBev agree, each acting reasonably and in good faith) and, if applicable, from the date of agreement between AB InBev and SABMiller on any such proposals, SABMiller will not cause or give notice of an acceleration of the expiry of the Zenzele Scheme or any proposal without AB InBev's consent. Agreement has been reached on a proposal to amend the Zenzele Scheme. See Section 5 (*Description of the Issuer – Transaction-related Divestitures; Regulation Approvals and Conditions – Public Interest Commitments in South Africa*) for more information on the Zenzele scheme.

### ***Deed of Indemnity***

Former AB InBev and SABMiller entered into a deed of indemnity on 19 August 2016 (the "**Deed of Indemnity**"), pursuant to which, in consideration for SABMiller:

- providing selected financial and commercial information and representation letters to AB InBev for various purposes, including certain regulatory filings made in connection with AB InBev's bond financing arrangements (see Section 5 (*Description of the Issuer – Material Contracts and arrangement of AB InBev – Replacement Bond Financing*) for further detail), assessments by certain ratings agencies of the potential credit rating of a new entity to be carved out of SABMiller in the event of completion of the Transaction under a range of different scenarios, the preparation of certain reports by Ernst & Young LLP at the instruction of AB InBev relating to the Peroni, Grolsch and Meantime brands and their associated businesses in Italy, the Netherlands and the UK (the "**PGM Business**"), and for information purposes in connection with the proposed sale of the PGM Business;
- agreeing to consider and/or conduct a bondholder consent solicitation process with regard to SABMiller's USD 300,000,000 6.625 per cent. guaranteed notes due 2033;
- entering into an engagement letter with and agreeing to indemnify the third party agent appointed by certain shareholders of SABMiller pursuant to the scheme of arrangement under Part 26 of the United Kingdom Companies Act 2006 in connection with the Transaction (the "**UK Agent**") and hold it and its connected persons harmless against any liabilities (other than those that are finally judicially determined to have arisen out of the gross negligence or wilful misconduct of the UK Agent) which arise out of matters contemplated by or consequent upon the UK Agent's engagement in relation to the Transaction,

AB InBev has agreed to indemnify and hold SABMiller and its connected persons harmless from and against any losses, liabilities and claims made against SABMiller and its connected persons (and any costs and expenses stemming from such claims) in connection with the items mentioned above other than when finally judicially determined to have arisen from the gross negligence, wilful misconduct, bad faith or fraud by SABMiller or its connected persons, as well as to reimburse SABMiller for any expenses incurred in connection with the bondholder consent solicitation process. SABMiller consented to the ongoing inclusion and/or provision of such information and letters in certain places and/or situations.

### ***Information Rights Agreement***

On 11 November 2015, Former AB InBev and Altria entered into an information rights agreement (the "**Information Rights Agreement**"), pursuant to which AB InBev will share certain information to enable Altria to comply with its financial reporting, financial controls and financial planning requirements as they apply to Altria's investment in the Issuer. As of 10 October 2016, this information rights agreement replaced the prior relationship agreement that was in place between Altria and SABMiller. See Section 5 (*Description of the Issuer – Material Contracts and arrangement of AB InBev – Altria irrevocable*).

Under the terms of the Transaction, any other UK Scheme Shareholder in addition to Altria will be entitled, from Completion, to enter into an agreement with the Issuer on substantially the same terms as the Information Rights Agreement, provided that it is able to demonstrate to the reasonable satisfaction of the Issuer's Board that it meets the following criteria:

- (i) it will be the sole legal and beneficial holder of no less than 10 per cent. of the share capital of the Issuer in issue from time to time;
- (ii) for the purposes of its financial reporting it accounts for its shareholding in the Issuer on the basis of the equity method of accounting in accordance with U.S. GAAP; and
- (iii) it is a U.S. listed company subject to the reporting requirements under the Exchange Act and section 404 of the Sarbanes-Oxley Act of 2002.

### ***Tax Matters Agreement***

On 11 November 2015, Former AB InBev entered into a tax matters agreement (the "**Tax Matters Agreement**") with Altria, pursuant to which Former AB InBev (and, following Completion, the Issuer) will provide assistance and co-operation to, and will give certain representations and undertakings to, Altria in relation to certain matters that are relevant to Altria under U.S. tax legislation, including the structure and implementation of the Transaction.

The Tax Matters Agreement sets out the framework for ongoing co-operation between AB InBev and Altria in relation to certain matters that are relevant to Altria under U.S. tax legislation. The Tax Matters Agreement provides that, upon Completion, the existing tax matters agreement in place between Altria and SABMiller were terminated.

On 25 August 2016, Former AB InBev and Altria entered into an amended and restated Tax Matters Agreement, in order to make certain adjustments to the representations as to the structure and implementation of the Transaction to reflect additional details which developed after 11 November 2015.

Under the terms of the Transaction, any other UK Scheme Shareholder in addition to Altria is entitled, from Completion, to enter into an agreement with the Issuer on substantially the same terms as the Tax Matters Agreement, provided that it is able to demonstrate to the reasonable satisfaction of the Issuer's Board that it meets the following criteria:

- (i) it is a United States corporation;
- (ii) it owned (or was deemed to own for U.S. Federal income tax purposes) no less than 5 per cent. of the UK Scheme Shares; and
- (iii) it owned (or was deemed to own for U.S. Federal income tax purposes) no less than 10 per cent. of the Restricted Newbelco Shares at Completion.

### ***Molson Coors Purchase Agreement***

On 11 November 2015, Former AB InBev and Molson Coors entered into a purchase agreement pursuant to which Molson Coors upon Completion acquired all of SABMiller's interest in MillerCoors and certain assets (including trademarks, other intellectual property, contracts, inventory and other assets) related to SABMiller's portfolio of Miller brands outside the U.S. for an aggregate purchase price of USD 12 billion in cash, subject to certain adjustments described in the Molson Coors purchase agreement, as amended (the "**Molson Coors Purchase Agreement**"). Following the closing of the MillerCoors Divestiture on 11 October 2016, Molson Coors acquired SABMiller's 50 per cent. voting interest and 58 per cent. economic interest in MillerCoors. MillerCoors has become a wholly owned subsidiary of Molson Coors and Molson Coors has full control of the operations and resulting economic benefits of MillerCoors.

On 20 July 2016, the U.S. Department of Justice approved the Transaction. As part of the U.S. Department of Justice's consent decree, Former AB InBev agreed to the MillerCoors Divestiture subject to the successful closing of the Transaction. The terms of the consent decree formalise prior commitments made by AB InBev's subsidiary Anheuser-Busch Companies LLC, including that Anheuser-Busch Companies LLC (i) will not acquire control of a distributor if doing so would result in more than 10 per cent. of its annual volume being distributed through AB InBev- controlled distributorships in the U.S., and (ii) will not terminate any wholesalers as a result of the Transaction. In addition, certain aspects of the Group's U.S. sales programs and policies will be reviewed and modified to conform to the consent decree.

### **Transaction-related Divestitures; Regulatory Approvals and Conditions**

#### ***MillerCoors Divestiture***

On 11 November 2015, Former AB InBev and Molson Coors entered into the Molson Coors Purchase Agreement pursuant to which Molson Coors acquired all of SABMiller's interest in MillerCoors, and certain assets (including trademarks, other intellectual property, contracts, inventory and other assets) related to SABMiller's portfolio of Miller brands outside the U.S. for an aggregate purchase price of USD 12.0 billion in cash, subject to certain adjustments described in the Molson Coors Purchase Agreement. Following the closing of the MillerCoors Divestiture on 11 October 2016, AB InBev announced that the MillerCoors Divestiture had been completed, that MillerCoors has become a wholly owned subsidiary of Molson Coors, and Molson Coors has full control of the operations and resulting economic benefits of MillerCoors. See Section 5 (*Description of the Issuer – Material Contracts and arrangement of AB InBev – Molson Coors Purchase Agreement*) above)

above for further details on the Molson Coors Purchase Agreement, including the conditions to which the MillerCoors Divestiture was subject.

### ***CR Snow Divestiture***

On 2 March 2016, Former AB InBev announced that it had entered into an agreement to sell SABMiller's 49 per cent. interest in CR Snow to China Resources Beer (Holdings) Company Limited, which currently owns 51 per cent. of CR Snow. The agreement valued SABMiller's 49 per cent. stake in CR Snow at USD 1.6 billion.

On 29 July 2016, the Ministry of Commerce of the People's Republic of China approved the Transaction conditional upon the sale of SABMiller's 49 per cent. interest in CR Snow to China Resources Beer (Holdings) Co. Ltd., which currently owns 59 per cent. of CRS (the "**CR Snow Divestiture**").

On 11 October 2016, AB InBev announced that the CR Snow Divestiture had been completed and that CR Snow has become a wholly owned subsidiary of China Resources Beer (Holdings) Company Limited.

### ***European Divestitures***

On 10 February 2016, Former AB InBev announced that it had received a binding offer from Asahi to acquire certain of the SABMiller Group's European premium brands and their related businesses (excluding certain rights in the U.S.). Asahi's offer values the PGM Business, at EUR 2,550 million on a debt-free/cash-free basis. On 19 April 2016, Former AB InBev announced it had accepted Asahi's binding offer following completion of the relevant employee information and consultation processes applicable to the sale of these brands and businesses. On 24 May 2016, the European Commission approved Asahi as a suitable purchaser of the Peroni, Grolsch and Meantime brand families and related businesses.

In addition, on 29 April 2016, Former AB InBev announced that it had submitted an updated package of commitments to the European Commission, in line with its approach to proactively address potential regulatory considerations in the context of the Transaction. AB InBev has offered the entirety of the assets of SABMiller in Central and Eastern Europe (Hungary, Romania, the Czech Republic, Slovakia and Poland), subject to certain third party rights, for divestiture. The divestment of SABMiller's business in Central and Eastern Europe is conditional on the European Commission's approval of the purchaser(s) as suitable purchaser(s) and is expected to take place after Completion.

On 24 May 2016, the European Commission approved the Transaction in Phase I of the EU merger review process conditional upon compliance with the proposed commitments described above. On 11 October 2016, AB InBev announced that the divestiture of the Peroni, Grolsch and Meantime brand families described above had been completed.

### ***Distell Divestiture***

AB InBev has agreed to sell SABMiller's 26.5 per cent. shareholding in Distell Group Limited in order to address regulatory considerations raised in the context of the Transaction by the Competition Commission of South Africa. The sale is expected to take place after Completion in accordance with the approval (with conditions) given by the Competition Tribunal of South Africa.

### ***Ambev Business Exchange***

On 13 May 2016, Former AB InBev announced that it had entered into an agreement with its subsidiary, Ambev, pursuant to which AB InBev has agreed to transfer SABMiller's Panamanian business to Ambev, in exchange for which Ambev has agreed to transfer to AB InBev its businesses in Colombia, Peru and Ecuador. The business transfers will take effect after Completion.

### ***Public interest commitments in South Africa***

On 14 April 2016, Former AB InBev announced that it had entered into an agreement with the South African Government in terms of which Former AB InBev made commitments to contribute to South Africa (the "**EDD Agreement**").

The commitments to South Africa made by Former AB InBev in the EDD Agreement relate to employment, agricultural development, enterprise development, local production and procurement, the maintenance of the Zenzele Scheme, the participation of small beer brewers in the South African market, investment in initiatives aimed at promoting advancements in education, business and environmental sustainability and the reduction of harmful use of alcohol in South African society, and a commitment to locate the regional head office for Africa in Johannesburg.

The Issuer will make available over a five-year period commencing on Completion, through direct investments and through a fund to be established by the Issuer, an aggregate amount of ZAR 1.0 billion for investment in the programmes in South Africa contemplated by the EDD Agreement.

As a sign of its commitment to South Africa, in January 2016, Former AB InBev completed a secondary (inward) listing of its ordinary shares on the Johannesburg Stock Exchange. On 11 October 2016, AB InBev's ordinary shares were listed on the Johannesburg Stock Exchange, through a secondary listing, which replaced Former AB InBev's previous secondary listing.

The Issuer has also announced a partnership with the City of Johannesburg. The goal of the partnership will be to reduce the harmful use of alcohol and promote enterprise development and it is intended that the partnership will be subject to Completion. As part of this partnership, the Issuer intends to commit to an investment of ZAR 50 million over five years.

The Issuer will establish an African board in South Africa, on which Jabu Mabuza, chairman of the board of Telkom SA, Sphere Holdings and Business Unity South Africa, has agreed to serve as chairman. In the coming months, Jabu Mabuza and Carlos Brito, who will also join the African board, will work together to finalise the governance and constitution of the African board.

### **Material Contracts and arrangements of SABMiller**

In addition to the agreements to which SABMiller is a party referred to above, the following contracts have been entered into by SABMiller within the two years immediately preceding the date of this Base Prospectus or contain provisions under which SABMiller or another member of its group has an obligation or entitlement which is material to the SABMiller Group.

### ***Financing documents***

As at the date of Completion, SABMiller had approximately USD 11 billion of bonds outstanding.

SABMiller has entered into the following financing arrangements:

- USD 1,000 million multicurrency commercial paper programme established by SABMiller on 11 October 2006.
- ZAR 6,000 million multicurrency domestic medium term note programme established by SABMiller and SABSA Holdings Limited on 13 December 2012, under which both bonds and commercial paper may be issued by SABSA Holdings Limited, in each case guaranteed by SABMiller.
- USD 500 million multicurrency commercial paper programme established by SABMiller Holdings Inc. on 30 September 2013. On 15 January 2015, the programme limit was increased to USD 1,000 million. Commercial paper issued under this programme is guaranteed by SABMiller.

Following Completion, AB InBev aims to simplify its capital structure, and to centralise AB InBev's reporting requirements under its various debt instruments. AB InBev has undertaken various liability management transactions in order to achieve this aim.

- The SABMiller Group has the following core bank credit facilities, which are available for general corporate purposes:
  - SABMiller: USD 2,500 million committed syndicated revolving credit facility; and
  - SABMiller Holdings Inc. (guaranteed by SABMiller) USD 1,000 million committed syndicated revolving credit facility.

In April 2016, the SABMiller Group extended its existing USD 2,500 million and USD 1,000 million committed syndicated facilities by one year to May 2021, with the exception of USD 117 million, for which the maturity date is May 2020. Each facility contains provisions entitling the lenders to cancel their commitments and demand repayment upon a change of control of SABMiller. In respect of each of the USD 2,500 million and USD 1,000 million committed syndicated facilities, unanimous lender consent to the change of control of SABMiller as a result of the Transaction was received on 6 October 2016, and as such, these facilities remain available to the SABMiller Group.

On 11 June 2012, SABMiller Holdings Inc. entered into a contingent guarantee of the obligations of SABMiller in respect of the SABMiller bonds and loan facilities described above and certain of SABMiller's other present



and future external borrowings. This guarantee takes effect upon the occurrence of certain insolvency events relating to SABMiller.

#### *Anadolu agreements*

In January 2012, SABMiller entered into a definitive transaction agreement with Anadolu Endüstri Holding A.Ş., Yazıcılar Holding A.Ş., and Özilhan Sinai Yatırım A.Ş. (collectively, the "**Anadolu Group**") and Anadolu Efes for the establishment of a strategic alliance in Turkey, Russia, the CIS, Central Asia and the Middle East. The strategic alliance was completed on 6 March 2012. Pursuant to the agreement, SABMiller transferred its Russian and Ukrainian beer business to Anadolu Efes in return for a 24 per cent. stake in the enlarged issued share capital of Anadolu Efes. Customary representations, warranties and indemnities were given by the parties. Pursuant to a relationship agreement entered into at completion, the Anadolu Group continues to exercise majority control over Anadolu Efes, while the Group is represented on the Anadolu Efes Board and on its committees, has customary minority investment protection rights and is represented on the board of the combined business in Russia. In addition, each of the Group and the Anadolu Group must provide rights of first offer to the other at fair market value if it wishes to sell any shares in Anadolu Efes.

#### *Pan-African Coke bottling transaction implementation agreement*

On 27 November 2014, SABMiller entered into a transaction implementation agreement (as amended on 1 July 2016, the "**TIA**") with The Coca-Cola Company ("**TCCC**") and Gutsche Family Investments Proprietary Limited, to set out the basis on which each of those parties agreed to consolidate certain of their respective non-alcohol ready to drink beverage ("**NARTD**") bottling businesses in Africa under CCBA, in which the Group has a controlling interest. The TIA sets out the steps in terms of which the CCBA transaction was implemented, as well as the warranties and indemnities given by each party in respect of the businesses that it is contributing to CCBA.

The TIA also sets out the various conditions to completion of the transaction, which have now been fulfilled and the transaction accordingly completed on and with effect from 2 July 2016.

Under a separate but inter-conditional asset sale agreement entered into contemporaneously with the TIA, SABMiller agreed to sell to TCCC certain NARTD brands, including certain water brands and SABMiller's Appletiser and related brands. This transaction also completed on and with effect from 2 July 2016. These brands, along with the various TCCC brands, are bottled by CCBA following completion of the CCBA transaction.

The relationship between the shareholders of CCBA is governed by a shareholders' agreement that came into effect on 2 July 2016. The shareholders' agreement contains customary provisions including provisions relating to governance matters, economic rights and share transfers, as well as certain rights in the event of a change of control of SABMiller or TCCC. SABMiller was, at completion of the CCBA transaction, and remains as of the date hereof, the controlling shareholder of CCBA, subject to various minority protections. However, on 10 October 2016, TCCC announced its intention to acquire the Group's stake in CCBA, following completion of the Transaction AB InBev will negotiate the terms of the transaction with The Coca-Cola Company according to the contractual arrangements and does not anticipate that this transaction would have a material impact.

## DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES OF THE ISSUER

### Directors and Senior Management

#### *Administrative, Management, Supervisory Bodies and Senior Management Structure*

The management structure of the Issuer is a "one-tier" governance structure comprised of the board of directors (the "**Board**"). The Board is in charge of approving AB InBev's strategy, overseeing AB InBev's principal objectives, and assuming ultimate responsibility for the oversight of AB InBev's activities. The executive management will be entrusted with the Chief Executive Officer who will be assisted by the AB InBev executive board of management ("**EBM**") and be responsible for the day-to-day management. The Board will be assisted by four committees: the Audit Committee, the Finance Committee, the Remuneration Committee and the Nomination Committee (together the "**Board Committees**").

#### *Board of Directors*

##### *Role and Responsibilities, Composition, Structure and Organisation*

The role and responsibilities of the Issuer's Board, its composition, structure and organisation are described in detail in its corporate governance charter ("**Corporate Governance Charter**"), which is available on the Issuer's website: <http://www.ab-inbev.com/investors/corporate-governance/corporate-governance-charter.html>.

The Board is the ultimate decision-making body, except for the powers reserved to the Issuer's shareholders exercisable at shareholders' meetings by law, or as specified in the Articles.

Pursuant to article 19.1 of the Articles, the Issuer is managed by a board of directors comprising a minimum of three and a maximum of fifteen directors. The appointment and renewal of all directors is subject to approval by the Issuer's shareholders' meeting. Pursuant to the Articles, the directors may be natural persons or legal entities who may but need not be shareholders and are appointed by the shareholders' meeting and are dismissible by it at any time. The Corporate Governance Charter provides that members of the Board are expected to be natural persons.

Name	Principal function	Nature of directorship	Start of mandate	Expiry of term
María Asuncion Aramburuzabala	Director	Non-executive	8 October 2016	2018
Alexandre Behring	Director	Non-executive	8 October 2016	2018
M. Michele Burns	Independent director	Non-executive	8 October 2016	2020
Paul Cornet de Ways Ruat	Director	Non-executive	8 October 2016	2018
Stéfan Descheemaeker	Director	Non-executive	8 October 2016	2018
	Independent director, Chairman of the Board			
Olivier Goudet		Non-executive	8 October 2016	2020
Paulo Alberto Lemann	Director	Non-executive	8 October 2016	2018
Elio Leoni Sceti	Independent director	Non-executive	8 October 2016	2020
Carlos Alberto da Veiga Sicupira	Director	Non-executive	8 October 2016	2018
Grégoire de Spoelberch	Director	Non-executive	8 October 2016	2018
Marcel Herrmann Telles	Director	Non-executive	8 October 2016	2018
Alexandre Van Damme	Director	Non-executive	8 October 2016	2018
Martin J. Barrington	Director	Non-executive	8 October 2016	2017*
William F. Gifford	Director	Non-executive	8 October 2016	2017*
Alejandro Santo Domingo	Director	Non-Executive	8 October 2016	2017*

\* The appointment of these directors will be submitted for confirmation by the next shareholders' meeting.

The business address for all of the Issuer's directors is: Brouwerijplein 1, 3000 Leuven, Belgium.

No member of the Board has any conflicts of interests between any duties he/she owes to it and any private interests and/or other duties.

**Ms. Aramburuzabala** is a non-executive member of the Board. Born in 1963, she is a citizen of Mexico and holds a degree in Accounting from ITAM (Instituto Tecnológico Autónomo de México). She has served as CEO of Tresalia Capital since 1996. She is currently chairman of the Boards of Directors of Tresalia Capital, KIO Networks, Abilia and Red Universalia. She is also a member of the Advisory Board of Grupo Modelo and was formerly a member of the Grupo Modelo Board of Directors, and is currently on the Boards of Consejo Mexicano de Negocios, Fresnillo plc, Calidad de Vida, Progreso y Desarrollo para la Ciudad de México and El Universal, Compania Periodistica Nacional, and is an Advisory Board member of ITAM School of Business.

**Mr. Behring** is a representative of the AB InBev Reference Shareholder (nominated by class B holders of certificates in the AB InBev Reference Shareholder). Born in 1967, he is a Brazilian citizen and received a BS in Electrical Engineering from Pontificia Universidade Catolica in Rio de Janeiro and an MBA from Harvard Business School, having graduated as a Baker Scholar and Loeb Scholar. He is a co-founder and the Managing Partner of 3G Capital, a global investment firm with offices in New York and Rio de Janeiro, since 2004. Mr. Behring has served as Chairman of Restaurant Brands International since 3G Capital's acquisition of Burger King in October 2010 and following Burger King's subsequent acquisition of Tim Hortons in December 2014. Mr. Behring also serves as Chairman of the Kraft Heinz Company following the acquisition of H.J. Heinz Company by Berkshire Hathaway and 3G Capital in June 2013 and subsequent combination with Kraft Foods Group in July 2015. Additionally, Mr. Behring formerly served as a Director of CSX Corporation, a leading U.S. rail-based transportation company, from 2008 to 2011. Previously, Mr. Behring spent approximately ten years at GP Investments, one of Latin America's premier private-equity firms, including eight years as a partner and member of the firm's Investment Committee. He served for seven years, from 1998 through 2004, as a Director and CEO of one of Latin America's largest railroads, ALL (America Latina Logistica).

**Ms. Burns** is an independent member of the Board. Born in 1958, she is an American citizen and graduated Summa Cum Laude from the University of Georgia with a Bachelor's Degree in Business Administration and a Master's Degree in Accountancy. Ms. Burns was the Chairman and Chief Executive Officer of Mercer LLC from 2006 until 2012. She currently serves on the Boards of Directors of The Goldman Sachs Group, where she chairs the Risk Committee, Alexion Pharmaceuticals, where she chairs the Strategy and Risk Committee, Cisco Systems, Etsy, where she chairs the Audit Committee and Circle Online Financial, a private company. From 2003 until 2013, she served as a director of Wal-Mart Stores, where she chaired the Compensation and Nominating Committee and the Strategic Planning and Finance Committee. She also serves as the Center Fellow and Strategic Advisor to the Stanford Center on Longevity at Stanford University. Ms. Burns is on the Executive Board of the Elton John Aids Foundation, where she serves as Treasurer. Ms. Burns began her career in 1981 at Arthur Andersen, where she became a partner in 1991. In 1999, she joined Delta Air Lines, assuming the role of Chief Financial Officer from 2000 to 2004. From 2004 to 2006, Ms. Burns served as Chief Financial Officer and Chief Restructuring Officer of Mirant Corporation, an independent power producer. From March 2006 until September 2006, Ms. Burns served as the Chief Financial Officer of Marsh and McLennan Companies.

**Mr. Cornet de Ways Ruart** is a representative of the AB InBev Reference Shareholder (nominated by class A holders of certificates in the AB InBev Reference Shareholder). Born in 1968, he is a Belgian citizen and holds a Master's Degree as a Commercial Engineer from the Catholic University of Louvain and an MBA from the University of Chicago. He has attended the Master Brewer program at the Catholic University of Louvain. From 2006 to 2011, he worked at Yahoo! and was in charge of Corporate Development for Europe before taking on additional responsibilities as Senior Financial Director for Audience and Chief of Staff. Prior to joining Yahoo!, Mr. Cornet was Director of Strategy for Orange UK and spent seven years with McKinsey & Company in London and Palo Alto, California. He is also a member of the Board of Directors of Bunge Limited, EPS, Rayvax, Adrien Invest, Floridienne S.A. and several privately held companies.

**Mr. Descheemaeker** is a representative of the AB InBev Reference Shareholder (nominated by class A holders of certificates in the AB InBev Reference Shareholder). Born in 1960, he is a Belgian citizen and graduated from Solvay Business School. He is the CEO of Nomad Food, a leader in the European frozen food sector. He joined Interbrew in 1996 as head of Strategy & External Growth, managing its M&A activities, culminating with the combination of Interbrew and Ambev. In 2004, he transitioned to operational management, first in charge of Interbrew's operations in the United States and Mexico, and then as InBev's Zone President Central and Eastern Europe and eventually, Western Europe. In 2008, Mr. Descheemaeker ended his operational responsibilities at AB InBev and joined the AB InBev Board as a non-executive Director. He was appointed Chief Financial Officer of Delhaize Group in January 2009 and served as Chief Executive Officer of Delhaize Europe from January 2012 until October 2013. He is a professor in Business Strategy at the Solvay Business School.

**Mr. Goudet** is an independent member of the Board. Born in 1964, he is a French citizen, holds a degree in Engineering from l'Ecole Centrale de Paris and graduated from the ESSEC Business School in Paris with a major in Finance. Mr. Goudet is Partner and CEO of JAB Holding Company, LLC, a position he has held since June 2012. He started his professional career in 1990 at Mars, Inc., serving on the finance team of the French business. After six years, he left Mars to join the VALEO Group, where he held several senior executive positions, including Group Finance Director. In 1998 he returned to Mars, where he became Chief Financial Officer in 2004. In 2008, his role was broadened to become the Executive Vice President as well as CFO. Between June 2012 and November 2015 he served as an Advisor to the Board of Mars. Mr. Goudet is also a Board member of Jacobs Douwe Egberts, the world's leading pure play FMCG coffee and tea company; a Board member of Keurig Green Mountain, a leader in single-serve coffee and beverage technologies; Chairman of Peet's Coffee & Tea, a premier specialty coffee and tea company and of Caribou Einstein, a premium coffee and bagel restaurant chain;

a Board member of Coty Inc., a global leader in beauty; a Board member of Espresso House, the largest branded coffee shop chain in Scandinavia; and a Board member of Jimmy Choo PLC, a luxury leather goods company.

**Mr. Lemann** is a representative of the AB InBev Reference Shareholder (nominated by class B holders of certificates in the AB InBev Reference Shareholder). Born in Brazil in 1968, he is a Brazilian citizen and graduated from Faculdade Candido Mendes in Rio de Janeiro, Brazil with a B.A. in Economics. Mr. Lemann interned at PriceWaterhouse in 1989 and was employed as an Analyst at Andersen Consulting from 1990 to 1991. Mr. Lemann also performed equity analysis while at Banco Marka and Dynamo Asset Management (both in Rio de Janeiro). From 1997 to 2004, he developed the hedge fund investment group at Tinicum Inc., a New York-based investment office that advised the Synergy Fund of Funds, where he served as Portfolio Manager. In May 2005, Mr. Lemann founded Pollux Capital and is currently the Portfolio Manager there. Mr. Lemann is a board member of Lojas Americanas, the Lemann Foundation and Ambev.

**Mr. Leoni Sceti** is an independent member of the Board. Born in 1966, he is an Italian citizen who lives in the UK. He graduated Magna Cum Laude in Economics from LUISS in Rome, where he passed the Dottore Commercialista post-graduate bar exam. Mr. Leoni Sceti has over 25 years' experience in the fast-moving consumer goods and media sectors. He was CEO of Iglo Group, a European food business whose brands are Birds Eye, Findus & Iglo. Iglo group was sold in May 2015 to Nomad Foods. He previously served as CEO of EMI Music from 2008 to 2010. Prior to EMI, Mr. Leoni Sceti had an international career in marketing and held senior leadership roles at Procter & Gamble and Reckitt Benckiser. Mr. Leoni Sceti is a private early investor in Media & Tech, the Chairman of London based LSG holdings and a Counsellor and Trustee at One Young World.

**Mr. Sicupira** is a representative of the AB InBev Reference Shareholder (nominated by class B holders of certificates in the AB InBev Reference Shareholder). Born in 1948, he is a Brazilian citizen and received a Bachelor of Business Administration from Universidade Federal do Rio de Janeiro and attended the Owners/Presidents Management Program at Harvard Business School. He has been Chairman of Lojas Americanas since 1981, where he also served as Chief Executive Officer until 1992. He is a member of the Board of Directors of Restaurant Brands International Inc. and the Harvard Business School's Board of Dean's Advisors and a co-founder and Board member of Fundação Estudar, a non-profit organisation that provides scholarships for Brazilians.

**Mr. de Spoelberch** is a representative of the AB InBev Reference Shareholder (nominated by class A holders of certificates in the AB InBev Reference Shareholder). Born in 1966, he is a Belgian citizen and holds an MBA from INSEAD. Mr. de Spoelberch is an active private equity shareholder and his recent activities include shared Chief Executive Officer responsibilities for Lunch Garden, the leading Belgian self-service restaurant chain. He is a member of the board of several family-owned companies, such as Eugénie Patri Sébastien S.A., Verlinvest and Cobehold (Cobepa). He is also an administrator of the Baillet-Latour Fund, a foundation that encourages social, cultural, artistic, technical, sporting, educational and philanthropic achievements.

**Mr. Telles** is a representative of the AB InBev Reference Shareholder (nominated by class B holders of certificates in the AB InBev Reference Shareholder). Born in 1950, he is a Brazilian citizen and holds a degree in Economics from Universidade Federal do Rio de Janeiro and attended the Owners/Presidents Management Program at Harvard Business School. He was Chief Executive Officer of Brahma and Ambev and has been a member of the Board of Directors of Ambev since 2000. He served as member of the Board of Directors of H.J. Heinz Company and now serves as member of the Board of Directors of the Kraft Heinz Company and of the Board of associates of Insper. He is co-founder and Board member of Fundação Estudar, a non-profit organisation that provides scholarships for Brazilians and a founder and Chairman of Ismart, a non-profit organisation that provides scholarships to low-income students. He is also an ambassador for Endeavor, an international non-profit organisation that supports entrepreneurs in developing markets.

**Mr. Van Damme** is a representative of the AB InBev Reference Shareholder (nominated by class A holders of certificates in the AB InBev Reference Shareholder). Born in 1962, he is a Belgian citizen and graduated from Solvay Business School, Brussels. Mr. Van Damme joined the beer industry early in his career and held various operational positions within Interbrew until 1991, including Head of Corporate Planning and Strategy. He has managed several private venture holding companies and is currently a director of Patri S.A. (Luxembourg), Restaurant Brands International (formerly Burger King Worldwide Holdings) and Jacobs Douwe Egberts (JDE) and Keurig Green Mountain (KGM). He is also an administrator of the Baillet-Latour Fund, a foundation that encourages social, cultural, artistic, technical, sporting, educational and philanthropic achievements, as well as a director of the charitable, non-profit organisation DKMS, the largest bone marrow donor centre in the world.

**Mr. Barrington** is Chairman, Chief Executive Officer and President of Altria Group. During his more than 20 years at Altria Group, he has served in numerous executive roles – business and legal, domestic and international – for virtually all the companies in the Altria family. These include Vice Chairman of Altria Group; Executive Vice President and Chief Administrative Officer of Altria Group; Senior Vice President and General Counsel of

Philip Morris International (a separate public company spun-off from Altria Group in 2008); and Senior Vice President and General Counsel of Philip Morris USA.

**Mr. Gifford** serves as Chief Financial Officer, Altria Group. In this role, he is responsible for the Accounting, Tax, Treasury, Audit, Investor Relations, Finance Decision Support and Strategy & Business Development organizations. He also oversees the financial services business of Philip Morris Capital Corporation. Prior to his current position, Mr Gifford was Senior Vice President, Strategy & Business Development. Since joining Philip Morris USA in 1994, he has served in numerous leadership roles in Finance, Marketing Information & Consumer Research and as President and Chief Executive Officer of Philip Morris USA. Prior to that, he was Vice President and Treasurer for Altria where he led various functions including Risk Management, Treasury Management, Benefits Investments, Corporate Finance and Corporate Financial Planning & Analysis. Prior to joining Philip Morris USA, Mr Gifford worked at the public accounting firm of Coopers & Lybrand, which currently is known as PricewaterhouseCoopers.

**Mr. Santo Domingo** is a Senior Managing Director at Quadrant Capital Advisors, Inc. in New York City. He was a member of the Board of Directors of SABMiller plc. He was also Vice-Chairman of SABMiller plc for Latin America. Mr. Santo Domingo was Chairman of the Board of Bavaria S.A. in Colombia, and Chairman of Backus & Johnston, in Perú. He is Chairman of the Board of Valorem, a company which manages a diverse portfolio of industrial & media assets in Latin America. Mr. Santo Domingo is also a director of Millicom, JDE (Jacobs Douwe Egberts), Keurig Green Mountain, Florida Crystals, the world's largest sugar refiner, Caracol TV, Colombia's leading broadcaster, El Espectador, a leading Colombian Daily, and Cine Colombia, Colombia's leading film distribution and movie theater company. In the non-profit sector, he is Vice Chairman of the Wildlife Conservation Society, a Member of the Board of Trustees of the Metropolitan Museum of Art, and the Educational Broadcasting Corporation (WNET Channel Thirteen). Mr. Santo Domingo is a Member of the Board and Treasurer of Aid for AIDS, a foundation dedicated to helping HIV and AIDS patients. Furthermore he is Chairman of Alas; a foundation focused on early childhood development which was founded by artists such as Shakira & Alejandro Sanz. Mr. Santo Domingo is also a Member of the Board of DKMS Americas; a foundation dedicated to finding donors for leukemia patients. He is a Member of the Board of Endeavor Colombia and Fundacion Pies Descalzos. Mr. Santo Domingo is a graduate of Harvard College.

#### ***General Information on the Directors***

Over the five years preceding the date of this Base Prospectus, the members of the Issuer's Board hold or have held the following main directorships (apart from directorships they have held with the Issuer and its subsidiaries) or memberships of administrative, management or supervisory bodies and/or partnerships:

<b>Name</b>	<b>Current</b>	<b>Past</b>
Maria Asuncion Aramburuzabala	Tresalia Capital, Grupo Modelo, KIO Networks, Abilia, Red Universalia, Consejo Mexicano de Negocios, Fresnillo, plc, El Universal, Compania Periodistica Nacional, Calidad de Vida Progreso y Desarrollo para la Ciudad de Mexico and Instituto Tecnologico Autonomo de Mexico (ITAM) School of Business	Grupo Financiero Banamex, LLC, Banco Nacional de Mexico, Telmex, America Movil, Televisa, Cablevision, Empresas ICA, Aeromexico, Siemens, Tory Burch, LLC, Artega Automobol, Diblo, Direccion de Fabricas, Filantropia Modelo, Consejo Asesor para las Negociaciones Comerciales Internacionales, Compromiso Social por la Calidad de la Educacion, Latin America Conservation Council and Medica Sur
Alexandre Behring	3G Capital Partners., Restaurant Brands International and The Kraft Heinz Company	CSX Corporation
Michele Burns	Cisco Systems Inc., The Goldman Sachs Group Inc., Alexion Pharmaceuticals Inc., Etsy Inc., Circle Internet Financial	Wal-Mart Stores Inc.
Paul Cornet de Ways Ruart	Bunge Ltd, Eugenie Patri Sebastien S.A., Rayvax Societe d'Investissement S.A., Sebacoop SCRL, Adrien Invest SCRL, Floridienne S.A.. and the AB InBev	Sparflex

<b>Name</b>	<b>Current</b>	<b>Past</b>
	Reference Shareholder	
Stéfan Descheemaeker	Nomad Foods, Eugenie Patri Sebastien S.A. and the AB InBev Reference Shareholder	Telenet Group Holding NV, Delhaize Group
Olivier Goudet	JAB Holding Company, Peet's Coffee & Tea Inc., Coty Inc., Jacobs Douwe Egberts (JDE) BV, Acorn Holdings B.V., Jimmy Choo PLC, Espresso House Holding AB, Keurig Green Mountain Inc. and Caribou Coffee Company Inc.	Mars Inc., Wm. Wrigley Jr. Company, Agence Francaise des Investissements Internationaux and the Washington Performing Arts Society
Paulo Alberto Lemann	Pollux Capital, Lojas Americanas S.A., Lemann Foundation and Ambev, Lone Pine Capital LLC	
Elio Leoni Sceti	LSG Holdings	EMI Music, Iglo Group, Beamly Ltd and Nomad Foods
Carlos Alberto Sicupira	Restaurant Brands International, Lojas Americanas S.A., 3G Capital Partners, Instituto de Desenvolvimento Gerencial—INDG, Fundacao Estudar and the AB InBev Reference Shareholder	B2W Companhia Global do Varejo, Sao Carlos Empreendimentos e Participacoes S.A., Movimento Brasil Competitivo—MBC, ALL America Latina Logistica S.A. and GP Investimentos
Grégoire de Spoelberch	Agemar S.A., Wernelin S.A., Fiprolux S.A., Eugenie Patri Sebastien S.A., the AB InBev Reference Shareholder, G.D.S. Consult, Cobehold, Compagnie Benelux Participations, Vervodev, Wesparc, Groupe Josi, <sup>(1)</sup> Financiere Stockel, <sup>(1)</sup> Immobiliere du Canal, <sup>(1)</sup> Verlinvest, <sup>(1)</sup> Midi Developpement, <sup>(1)</sup> Solferino Holding S.A., Navarin S.A., Zencar S.A., Clearvolt S.A. and Fonds InBev Baillet Latour	Atanor, <sup>(1)</sup> Amantelia, <sup>(1)</sup> Demeter Finance, Lunch Garden Services, <sup>(1)</sup> Lunch Garden, <sup>(1)</sup> Lunch Garden Management, <sup>(1)</sup> Lunch Garden Finance, <sup>(1)</sup> Lunch Garden Concepts, <sup>(1)</sup> HEC Partners, <sup>(1)</sup> Q.C.C., <sup>(1)</sup> A.V.G. Catering Equipment, <sup>(1)</sup> Immo Drijvers-Stevens and <sup>(1)</sup> Elpo-Cuisinex Wholesale <sup>(1)</sup>
Marcel Herrmann Telles	3G Capital Partners, The Kraft Heinz Company, Instituto de Desenvolvimento Gerencial—INDG, Fundacao Estudar, Instituto Social Maria Telles, Ambev and the AB InBev Reference Shareholder	Lojas Americanas S.A., Sao Carlos Empreendimentos e Participacoes S.A., Editora Abril S.A. GP Investimentos and Instituto Veris—IBMEC Sao Paulo, Burger King Worldwide Holdings, Inc., Itau/Unibanco International and Harvard Business School's Board of Dean's Advisors
Alexandre Van Damme	Jacobs Douwe Egberts (JDE), Restaurant Brands International, the AB InBev Reference Shareholder, Eugenie Patri Sebastien S.A. and Keurig Green Mountain (KGM)	UCB S.A.
Martin J. Barrington	Altria Group Inc., Virginia Museum of Fine Arts, Richmond Performing Arts Center L.L.L.P., NextUp (formerly Middle School Renaissance 2020, LLC)	The College of Saint Rose
William F. Gifford	Virginia Commonwealth University – School of Business Foundation, Greater Richmond Partnership Inc.	Virginia Foundation for Independent Colleges, National Museum of Manufacturers
Alejandro Santo	Bavaria S.A., Union de Cervecerias	SABMiller plc., Celumóvil S.A.,

<b>Name</b>	<b>Current</b>	<b>Past</b>
Domingo	Perunas Backus & Johnston S.A.A., Valorem S.A., Millicom International Cellular SA, Jacobs Douwe Egberts (JDE), Keurig Green Mountain (KGM), Cine Colombia S.A., Organización Decameron S. d R.L., Florida Crystals Corporation, Caracol Televisión S.A., Metropolitan Museum of Art, Wildlife Conservation Society, DKMS and Fundación Mario Santo Domingo	Avianca S.A., Sofasa S.A., Cervecería Nacional S.A. (Panamá), Compañía de Cervezas Nacionales S.A. (Ecuador)

<sup>(1)</sup> As permanent representative

## **Chief Executive Officer and Senior Management**

### ***Role and Responsibilities, Composition, Structure and Organisation***

The CEO is responsible for the day-to-day management of the Issuer and oversees the organisation and efficient day-to-day management of subsidiaries, affiliates and joint ventures. The CEO reports to the Board. The CEO is responsible for the execution and management of all Board decisions.

As of 10 October 2016 Mr. Carlos Brito, the chief executive officer of the Former AB InBev, will serve as CEO of the Issuer.

The CEO is supported by the EBM which reports to the CEO. The EBM is comprised of the CEO, functional heads (or 'chiefs') and zone presidents. The EBM performs such duties as may be assigned to it from time to time by the CEO or the Board.

Directors may not hold executive roles in the Issuer (be it as members of the EBM or otherwise) or be employees of the Issuer.

The EBM is composed as follows:

<b>Carlos Brito CEO</b>			
<u><i>Functional heads (chiefs)</i></u>		<u><i>Zone presidents</i></u>	
<b>Sabine Chalmers</b>	Chief Legal & Corporate Affairs Officer	<b>Jan Craps</b>	Asia Pacific South
<b>Michael Doukeris</b>	Chief Sales Officer (effective January 2017) <sup>(1)</sup>	<b>Jean Jereissati</b>	Asia Pacific North (effective January 2017) <sup>(2)</sup>
<b>Felipe Dutra</b>	Chief Financial & Technology Officer	<b>Mauricio Leyva</b>	Middle Americas
<b>Pedro Earp</b>	Chief Disruptive Growth Officer	<b>Carlos Lisboa</b>	Latin America South (effective January 2017) <sup>(3)</sup>
<b>Claudio Garcia</b>	Chief People Officer	<b>Stuart MacFarlane</b>	Europe
<b>Peter Kraemer</b>	Chief Supply Officer	<b>Ricardo Moreira</b>	Latin America COPEC
<b>Tony Milikin</b>	Chief Procurement Officer	<b>João Castro Neves</b>	North America
<b>Miguel Patricio</b>	Chief Marketing Officer	<b>Bernardo Pinto</b>	Latin America North
<u><i>Transitional roles</i></u>		<b>Ricardo Tadeu</b>	Africa
<b>David Almeida</b>	Chief Integration Officer		
<b>Claudio Braz Ferro</b>	Chief Supply Integration Officer		

Notes:

- (1) Until January 2017, Luiz Fernando Edmond will be AB InBev's Chief Sales Officer. Michel Doukeris will replace Luiz Fernando Edmond as AB InBev's Chief Sales Officer as from January 2017.
- (2) Until January 2017, Michel Doukeris will be AB InBev's Zone President Asia Pacific North. Jean Jereissati will replace Michel Doukeris as AB InBev's Zone President Asia Pacific North as from January 2017.
- (3) Until January 2017, Marcio Froes will be AB InBev's Zone President Latin America South. Carlos Lisboa will replace Marcio Froes as AB InBev's Zone President Latin America South as from January 2017.

The business address for all of these executives is: Brouwerijplein 1, 3000 Leuven, Belgium.

**Carlos Brito** is AB InBev's CEO. Born in 1960, he is a Brazilian citizen and received a Degree in Mechanical Engineering from the Universidade Federal do Rio de Janeiro and an MBA from Stanford University. He held positions at Shell Oil and Daimler Benz prior to joining Ambev in 1989. At Ambev he had roles in Finance, Operations, and Sales, before being appointed Chief Executive Officer in January 2004. He was appointed Zone President North America at InBev in January 2005 and Chief Executive Officer in December 2005. He is also a member of the board of directors of Ambev and of the Advisory Board of Grupo Modelo and was formerly a member of the Grupo Modelo board of directors.

**Sabine Chalmers** is AB InBev's Chief Legal and Corporate Affairs Officer and Secretary to the board of directors. Born in 1965, Ms. Chalmers is a U.S. citizen of German and Indian origin and holds an LL.B. from the London School of Economics. She is qualified as a solicitor in England and is a member of the New York State Bar. Ms. Chalmers joined AB InBev in January 2005 after over 12 years with Diageo plc where she held a number of senior legal positions in various geographies across Europe, the Americas and Asia including as General Counsel of the Latin American and North American businesses. Prior to Diageo, she was an associate at the law firm of Lovells in London, specialising in mergers and acquisitions. Ms. Chalmers is a member of the advisory board of Grupo Modelo and was formerly a member of the Grupo Modelo board of directors. She also serves on several professional councils and not-for-profit boards, including the Association of Corporate Counsel and Legal Momentum, the United States' oldest legal defence and education fund dedicated to advancing the rights of women and girls.

**Michel Doukeris** will be AB InBev's Chief Sales Officer (effective January 2017). Born in 1973, he is a Brazilian citizen and holds a Degree in Chemical Engineering from Federal University of Santa Catarina in Brazil and a Master's Degree in Marketing from Fundação Getulio Vargas, also in Brazil. He has also completed post-graduate programs in Marketing and Marketing Strategy from the Kellogg School of Management and Wharton Business School in the United States. Mr. Doukeris joined AB InBev in 1996 and held sales positions of increasing responsibility before becoming Vice President, Soft Drinks for AB InBev's Latin America North zone in 2008. He was appointed President, AB InBev China in January 2010 and currently serves as Zone President, Asia Pacific of AB InBev, a position he has held since January 2013.

**Luiz Fernando Edmond** is AB InBev's Chief Sales Officer (until January 2017). Born in 1966, he is a Brazilian citizen and holds a Degree in Production Engineering from the Universidade Federal do Rio de Janeiro. Mr. Edmond joined Brahma, which later became Ambev, in 1990 as part of its first Management Trainee Program. At Ambev, he held various positions in the commercial, supply and distribution areas. He was appointed Zone President, Latin America North and Ambev's Chief Executive Officer in January 2005 and held the position of Zone President, North America from November 2008 to December 2014. He was also a member of the board of directors of Ambev until December 2014. Effective 1 January 2015, he became AB InBev's Chief Sales Officer.

**Felipe Dutra** is AB InBev's Chief Financial and Technology Officer. Born in 1965, Mr. Dutra is a Brazilian citizen and holds a Degree in Economics from Candido Mendes and an MBA in Controlling from Universidade de Sao Paulo. He joined Ambev in 1990 from Aracruz Celulose, a major Brazilian manufacturer of pulp and paper. At Ambev, he held various positions in Treasury and Finance before being appointed General Manager of one of AB InBev's subsidiaries. Mr. Dutra was appointed Ambev's Chief Financial Officer in 1999 and he became AB InBev's Chief Financial Officer in January 2005. In 2014, Mr. Dutra became AB InBev's Chief Financial and Technology Officer. He is also a member of the board of directors of Ambev and of the advisory board of Grupo Modelo and was formerly a member of the Grupo Modelo board of directors.

**Pedro Earp** is AB InBev's Chief Disruptive Growth Officer. Born in 1977, he is a Brazilian citizen and holds a Bachelor of Science degree in Financial Economics from the London School of Economics. Mr. Earp joined AB InBev in 2000 as a Global Management Trainee in AB InBev's Latin America North Zone. In 2002, he became responsible for the Zone's M&A team and in 2005 he moved to AB InBev's global headquarters in Leuven, Belgium to become Global Director, M&A. Later, he was appointed VP, Strategic Planning in Canada in 2006, Global VP, Insights and Innovation in 2007, Global VP, M&A in 2009 and VP, Marketing for the Latin America North Zone in 2013. He was appointed Chief Disruptive Growth Officer of AB InBev in February 2015.

**Claudio Garcia** is AB InBev's Chief People Officer. Born in 1968, he is a Brazilian citizen and holds a degree in Economics from the Universidade Estadual do Rio de Janeiro. Mr. Garcia joined Ambev as a management



trainee in 1991 and thereafter held various positions in Finance and Operations before being appointed Information Technology and Shared Services Director in 2002. Mr. Garcia was appointed InBev's Chief Information and Services Officer in January 2005 and its Chief People and Technology Officer in September 2006. To ensure a greater focus on building the best people pipeline globally, Mr. Garcia was appointed AB InBev's Chief People Officer in 2014 focusing on AB InBev's People organisation globally. This includes the Global Management Trainee Program, Global MBA recruitment, executive education and training and engagement initiatives.

**Peter Kraemer** is AB InBev's Chief Supply Officer. Born in 1965, he is a U.S. Citizen. A fifth-generation Brewmaster and a native of St. Louis, Peter holds a Master's degree in Business Administration from St. Louis University and a Bachelor's degree in Chemical Engineering from Purdue University. He joined AB InBev 27 years ago and has held various brewing positions over the years, including Group Director of Brewing and Resident Brewmaster of the St. Louis brewery. In 2008, Peter became VP, Supply, for AB InBev's North America Zone, leading all brewery operations, quality assurance, raw materials and product innovation responsibilities. He was appointed Chief Supply Officer of AB InBev in March 2016.

**Tony Milikin** is AB InBev's Chief Procurement Officer. Born in 1961, he is a U.S. citizen and holds an undergraduate Finance Degree from the University of Florida and an MBA in Marketing from Texas Christian University in Fort Worth, Texas. Mr. Milikin joined AB InBev in May 2009 from MeadWestvaco, where he was Vice President, Supply Chain and Chief Purchasing Officer, based in Richmond, Virginia, since 2004. Prior to joining MeadWestvaco, he held various purchasing and supply chain positions with increasing responsibilities at Monsanto and Alcon Laboratories.

**Miguel Patricio** is AB InBev's Chief Marketing Officer. Born in 1966, he is a Portuguese citizen and holds a Degree in Business Administration from Fundação Getulio Vargas in São Paulo. Prior to joining Ambev in 1998, Mr. Patricio held several senior positions across the Americas at Philip Morris, the Coca-Cola Company and Johnson & Johnson. At Ambev, he was Vice President, Marketing before being appointed Vice President, Marketing of InBev's North American zone based in Toronto in January 2005. In January 2006, he was promoted to Zone President, North America, and in January 2008 he moved to Shanghai to take on the role of Zone President, Asia Pacific. He became AB InBev's Chief Marketing Officer in July 2012.

**David Almeida** is AB InBev's Chief Integration Officer (transitional role). Born in 1976, David is a dual citizen of the U.S. and Brazil and holds a Bachelor's Degree in Economics from the University of Pennsylvania. Most recently, he served as Vice President, U.S. Sales, a role he took on in 2011, having previously held the position of Vice President, Finance for the North American organisation. Prior to that, he served as InBev's head of mergers and acquisitions, where he led the combination with Anheuser-Busch in 2008 and subsequent integration activities in the U.S. Before joining InBev in 1998, he worked at Salomon Brothers in New York as a financial analyst in the Investment Banking division.

**Claudio Braz Ferro** is AB InBev's Chief Supply Integration Officer (transitional role). Born in 1955, Mr. Ferro is a Brazilian citizen and holds a Degree in Industrial Chemistry from the Universidade Federal de Santa Maria, RS, and has studied Brewing Science at the Catholic University of Leuven. Mr. Ferro joined Ambev in 1977, where he held several key positions, including plant manager of the Skol brewery, Industrial Director of Brahma operations in Brazil and later VP Operations at Ambev in Latin America. Mr. Ferro also played a key role in structuring the supply organisation when Brahma and Antarctica combined to form Ambev in 2000. He was appointed Chief Supply Officer of AB InBev in January 2007 and then Chief Supply Integration Officer of AB InBev in March 2016.

**Jan Craps** will be AB InBev's Zone President Pacific South. Born in 1977, Jan is a Belgian citizen and received a Degree in Business Engineering from KU Brussels and a Master's Degree in Business Engineering from KU Leuven, both in Belgium. Jan joined InBev in 2002 following two years as an associate consultant with McKinsey & Company and subsequently acquired a range of international experience in a number of senior marketing and sales executive positions in France and Belgium. In 2011, he relocated to Canada to lead AB InBev's Quebec Sales Region and was then appointed Head of Sales for Canada followed by his appointment as Business Unit President in 2014.

**Jean Jereissati** will be AB InBev's Zone President Asia Pacific North (effective January 2017). Born in 1974, Jean is a Brazilian citizen and earned a Bachelor's degree in Business Administration from Fundação Getúlio Vargas in Brazil. Jean joined Ambev in 1998 in the commercial area. Prior to his current appointment as AB InBev's Business Unit President China in 2013, he served as Business Unit President Hispanic Latin America during which time he led the integration of Cerveceria Nacional Dominicana. Jean also integrated Corona and Modelo Especial into AB InBev's portfolio in Guatemala.

**Mauricio Leyva** is AB InBev's Zone President Middle Americas. Born in 1970, Mauricio is a Colombian citizen and received a Bachelor's Degree in Business Administration from Universidad de Los Andes in Colombia and an International Management Diploma from ICN Postgraduate Business School, University de Nancy in France. Mauricio joined SABMiller Colombia in January 2005 as Commercial Vice President. His background includes senior roles in Sales and Marketing. In 2009, he was appointed President of SABMiller Honduras and later moved to Peru as the President and CEO. In 2013 he was named Chairman and Managing Director for South Africa, which position he currently holds.

**Carlos Lisboa** will be AB InBev's Zone President Latin America South (effective January 2017). Born in 1969, Carlos is a Brazilian citizen and received a Degree in Business Administration from the Catholic University of Pernambuco and a Marketing specialization from FESP, both in Brazil. Carlos joined Ambev in 1993 and has built his career in Marketing and Sales. He was responsible for building the Skol brand in Brazil in 2001 and after that became Marketing Vice President for AB InBev's Latin America North Zone. Carlos then led the International Business Unit in AB InBev's Latin America South Zone for two years prior to becoming Business Unit President for Canada. In 2015, he was appointed Marketing Vice President for AB InBev's Global Brands.

**Marcio Froes** will be AB InBev's Zone President, Latin America South (until January 2017). Born in 1968, he is a Brazilian citizen and received a Degree in Chemical Engineering from the Universidade Federal do Rio de Janeiro and a Master's Degree in Brewing from the University of Madrid, Spain, in Industrial Technology. He joined Ambev in 1993 as a Management Trainee and has held roles in Supply, People and Sales, before being appointed Vice President, People for AB InBev's Canadian business in 2006. In Canada, he also served as Vice President, Supply and Sales prior to being appointed Business Unit President from 2008 to 2009. Most recently, he was Vice President, Supply in Latin America North and was appointed Zone President, Latin America South of AB InBev in January 2014.

**Stuart MacFarlane** is AB InBev's Zone President Europe. Born in 1967, he is a citizen of the UK and received a Degree in Business Studies from Sheffield University in the UK. He is also a qualified Chartered Management Accountant. He joined AB InBev in 1992 and since then has held senior roles in Finance, Marketing and Sales and was Managing Director for AB InBev's business in Ireland. Mr. MacFarlane was appointed President of AB InBev UK & Ireland in January 2008, and, in January 2012, became AB InBev's Zone President, Central & Eastern Europe. In January 2014, he was appointed as Zone President, Europe to lead AB InBev's new single European zone.

**Ricardo Moreira** is AB InBev's Zone President Latin America COPEC. Born in 1971, Ricardo is a Portuguese citizen and received a Degree in Mechanical Engineering from Rio de Janeiro Federal University in Brazil and a specialisation in Management from Chicago University in the U.S. Ricardo joined Ambev in 1995 and held various positions in the Sales and Finance organisations prior to becoming Regional Sales Director in 2001. He subsequently held positions as Vice President Logistics & Procurement for Latin America North, Business Unit President for Hispanic Latin America (HILA) and Vice President Soft Drinks Latin America North. In 2013, Ricardo moved to Mexico to head AB InBev's Sales, Marketing and Distribution organisations and lead the commercial integration of Grupo Modelo. Ricardo Moreira is currently AB InBev's Marketing Vice President for the Mexico Zone.

**João Castro Neves** is AB InBev's Zone President North America. Born in 1967, Mr. Castro Neves is a Brazilian citizen and holds a Degree in Engineering from Pontifícia Universidade Católica do Rio de Janeiro and an MBA from the University of Illinois. He joined Ambev in 1996 and has held positions in various departments such as Mergers and Acquisitions, Treasury, Investor Relations, Business Development, Technology and Shared Services. He was Ambev's Chief Financial Officer and Investor Relations Officer before being appointed Zone President Latin America South in January 2007. He took on the role of Zone President Latin America North and CEO of Ambev in January 2009 and was appointed Zone President North America of AB InBev effective 1 January 2015. He is also a member of the board of directors of Ambev.

**Bernardo Pinto Paiva** is AB InBev's Zone President, Latin America North. Born in 1968, he is a Brazilian citizen and holds a Degree in Engineering from Universidade Federal do Rio de Janeiro and an Executive MBA from Pontifícia Universidade Católica do Rio de Janeiro. Mr. Pinto Paiva joined Ambev in 1991 as a management trainee and during his career at AB InBev has held leadership positions in Sales, Supply, Distribution and Finance. He was appointed Zone President, North America in January 2008 and Zone President, Latin America South in January 2009 before becoming Chief Sales Officer in January 2012. Effective 1 January 2015, he became Zone President, Latin America North and CEO of Ambev.

**Ricardo Tadeu** is AB InBev's Zone President Africa. Born in 1976, he is a Brazilian citizen, and received a law degree from the Universidade Cândido Mendes in Brazil and a Master of Law from Harvard Law School in Cambridge, Massachusetts. He joined AB InBev in 1995 and has held various roles across the Commercial area. He was appointed Business Unit President for AB InBev's operations in Hispanic Latin America in 2005, and

served as Business Unit President, Brazil from 2008 to 2012. He is also a member of the advisory board of Grupo Modelo and was formerly a member of the Grupo Modelo board of directors.

***General Information on the Members of the Executive Board of Management***

No member of the EBM has any conflicts of interest between any duties he/she owes to the Issuer and any private interests and/or other duties.

Over the five years preceding the date of this Base Prospectus, the members of the EBM hold or have held the following main directorships (apart from directorships they have held with AB InBev and its subsidiaries, or SABMiller and its subsidiaries) or memberships of administrative, management or supervisory bodies and/or partnerships:

<b>Name</b>	<b>Current</b>	<b>Past</b>
Carlos Brito	Member of the Board of Trustees and Finance Committee of the Greenwich Academy, Inc; Member of the Advisory Board of the Tsinghua University School of Economics and Management; Chairman of the CEO Group at the International Alliance for Responsible Drinking (IARD); Member of the Global Brewers Initiative (GBI)	Advisory Council Member of Stanford Graduate School of Business; IAB Council Member of the China Europe International Business School (CEIBS)
Sabine Chalmers	Director of the Association of Corporate Counsel (ACC), Legal Momentum	—
Michel Doukeris	—	—
Luiz Fernando Edmond	—	—
Felipe Dutra	—	Director of Whitby School
Pedro Earp	—	Voxus
Claudio Garcia	Director of Lojas Americanas	—
Peter Kraemer	—	American Malting and Barley Association Inc
Tony Milikin	—	Director of the Institute of Supply Management and Director of Supply Chain Council
Miguel Patricio	—	—
David Almeida	—	—
Claudio Braz Ferro	Member of the Board of Touch Foundation	—
Jan Craps	—	—
Jean Jereissati	—	—
Mauricio Leyva	—	—
Marcio Froes	—	—
Carlos Lisboa	—	—
Stuart MacFarlane		

<b>Name</b>	<b>Current</b>	<b>Past</b>
Ricardo Moreira	—	—
Joao Castro Neves	—	Director of Fundação Antonio e Helena Zerrenner
Bernardo Pinto Paiva	Director of Fundação Antonio e Helena Zerrenner	—
Ricardo Tadeu		

## **Board Practices**

### ***General***

The Issuer's directors are appointed by its shareholders' meeting, which sets their remuneration and term of mandate. Their appointment is published in the Belgian Official Gazette (*Moniteur belge*). No service contract is concluded between the Issuer and its directors with respect to their Board mandates. The Board also may request a director to carry out a special mandate or assignment. In such cases a special contract may be entered into between the Issuer and the relevant director. For details of the current directors' terms of office, see Section 5 (*Description of the Issuer - Directors, Senior Management and Employees of the Issuer – Directors and Senior Management – Board of Directors*). The Issuer does not provide pensions, medical benefits or other benefit programs to directors.

### ***Information about the Issuer's Committees***

#### ***General***

The Board is assisted by four committees: the Audit Committee, the Finance Committee, the Remuneration Committee and the Nomination Committee.

The existence of the Committees does not affect the responsibility of the Board. Board committees meet to prepare matters for consideration by the Board. By exception to this principle, (i) the Remuneration Committee may make decisions on individual compensation packages, other than with respect to the CEO and the executive board of management (which are submitted to the Board for approval) and on performance against targets and (ii) the Finance Committee may make decisions on matters specifically delegated to it under the Issuer's Corporate Governance Charter, in each case without having to refer to an additional Board decision. Each of the Issuer's Committees operates under typical rules for such committees under Belgian law, including the requirement that a majority of the members must be present for a valid quorum and decisions are taken by a majority of members present.

#### ***Audit Committee***

##### ***Composition and functioning***

The Board shall appoint the chairman and the members of the Audit Committee from among the non-executive directors. The Audit Committee shall have minimum three and maximum five voting members. A majority of the voting members of the Audit Committee are independent directors as defined in the Corporate Governance Charter and all of them are independent as defined in Rule 10A-3(b)(1)(ii) under the U.S. Securities Exchange Act of 1934, as amended.

The Board may appoint a non-executive director who is a representative of an affiliate of the Issuer to the position of non-voting observer on the Audit Committee. Any such non-voting observer shall not be eligible to serve as chairman of the Audit Committee.

All members of the Audit Committee will have sufficient financial expertise to fulfil their role effectively. The chairman of the Audit Committee will not be the Chairman. He or she will have extensive experience in accounting and audit matters and be independent within the meaning of article 526ter of the Belgian Companies Code. The CEO, CFO and Chief Legal & Corporate Affairs Officer will be invited to the meetings of the Audit Committee, unless the chairman of the Audit Committee or a majority of the members decide to meet in closed session.

The Audit Committee shall hold as many meetings as necessary, with a minimum of four a year. In case of urgency, or other reasons, meetings can take place by conference call or similar communications equipment by means of which all persons participating in the meeting can hear each other. The Audit Committee will hold at least one of the physical meetings each year in Belgium. The Audit Committee meets separately periodically with management, the head of corporate audit and the statutory auditor of the Issuer to discuss matters that the Audit Committee or any of these persons or firms believes should be discussed privately.

Decisions of the Audit Committee shall be taken by a majority of the votes cast. In case of equality of votes, the chairman of the Audit Committee shall have a casting vote.

The head of corporate audit will act as secretary, within the rules the Audit Committee has established. Meeting agendas will be prepared and provided in advance to members, along with appropriate briefing materials. A summary of the Audit Committee's deliberations and recommendations shall be transmitted promptly to the Board, and will be documented in the minutes.

As of the date of this Base Prospectus, the following persons are members of the Audit Committee:

- Ms. Michèle Burns, Chair
- Mr. Olivier Goudet, member
- Mr. Martin J. Barrington, member
- Mr. Elio Leoni Sceti, member

#### *The Finance Committee*

The Finance Committee consists of at least three, but no more than six, members appointed by the Board, all of whom are non-executive directors. The Board has appointed a chairman and may, if deemed appropriate, appoint a vice-chairman from among the Finance Committee members. The CEO and the Chief Financial and Technology Officer are invited ex officio to the Finance Committee meetings unless explicitly decided otherwise. Other employees may be invited on an ad hoc basis as deemed useful.

The Finance Committee meets at least four times a year and as often as deemed necessary by its chairman or at least two of its members.

The Finance Committee assists the Board in fulfilling its oversight responsibilities in the areas of corporate finance, risk management, treasury controls, mergers and acquisitions, tax and legal, pension plans, financial communication and stock market policies and all other related areas as deemed appropriate.

As at the date of this Base Prospectus, the following persons are members of the Finance Committee:

- Mr. Alexandre Van Damme, Chairman
- Mr. Alex Behring, member
- Ms. Michèle Burns, member
- Mr. Stéfan Descheemaeker, member
- Mr. Paulo Lemann, member
- Mr. William F. Gifford, member

#### *The Remuneration Committee*

The Remuneration Committee consists of three members appointed by the Board, all of whom are non-executive directors. The chairman of the Remuneration Committee is a representative of the AB InBev Reference Shareholder and the other two members meet the requirements of independence as set out in the Issuer's Corporate Governance Charter and in the Belgian Companies Code. The CEO and the Chief People Officer are invited ex officio to the meetings of the Committee unless explicitly decided otherwise.

The Remuneration Committee meets at least four times a year and more often if required, and is convened by its chairman or at the request of at least two of its members.

The Remuneration Committee's principal role is to guide the Board with respect to all its decisions relating to the remuneration policies for the Board, the CEO and the EBM and on their individual remuneration packages. The Remuneration Committee ensures that the CEO and members of the EBM are incentivised to achieve, and are compensated for, exceptional performance. The Remuneration Committee also ensures the maintenance and continuous improvement of AB InBev's compensation policy which is based on meritocracy with a view to aligning the interests of its employees with the interests of all shareholders.

As at the date of this Base Prospectus, the following persons are members of the Remuneration Committee:

- Mr. Marcel Herrmann Telles, Chairman
- Mr. Olivier Goudet, member
- Mr. Elio Leoni Sceti, member

#### *The Nomination Committee*

The Nomination Committee consists of five members appointed by the Board, all of whom will be non-executive directors. The five members includes the Chairman of the Board and the chairman of the Remuneration Committee. Four of the five Nomination Committee members are representatives of the AB InBev Reference Shareholder. The CEO, the Chief People Officer and the Chief Legal and Corporate Affairs Officer are invited ex officio to attend the meetings of the Nomination Committee unless explicitly decided otherwise.

The Nomination Committee's principal role is to guide the Board appointment process. The Nomination Committee (i) identifies candidates qualified to become independent directors, (ii) reviews candidate directors proposed by the AB InBev Reference Shareholder and the Restricted Shareholders, and (iii) makes recommendations in view of the appointment of directors at the shareholders' meeting. The Nomination Committee also guides the Board with respect to all its decisions relating to the appointment and retention of key talent within AB InBev.

The Nomination Committee meets at least two times a year, and more, if required.

As at the date of this Base Prospectus, the following persons are members of the Nomination Committee:

- Mr. Marcel Herrmann Telles, Chairman
- Mr. Grégoire de Spoelberch, member
- Mr. Olivier Goudet, member
- Mr. Carlos Alberto da Veiga Sicupira, member
- Mr. Alexandre Van Damme, member

**6. PRO FORMA FINANCIAL INFORMATION**

## UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

The following unaudited pro forma condensed combined financial information (the "**unaudited pro forma financial information**") is based on the historical consolidated financial statements of Former AB InBev and the historical consolidated financial statements of SABMiller, and has been prepared to reflect the Transaction, including the financing structure established to fund the Transaction, as well as the Transaction-related Divestitures described herein. The unaudited pro forma financial information is presented for illustrative purposes only and does not necessarily reflect the results of operations or the financial position of the Combined Group that would have resulted had the Transaction been completed at the dates indicated, or project the results of operations or financial position of the Combined Group for any future date or period.

The unaudited pro forma financial information should be read in conjunction with:

- Former AB InBev's audited consolidated financial statements and related notes contained in Former AB InBev's Annual Report on Form 20-F as of and for the fiscal year ended 31 December 2015; and Former AB InBev's unaudited condensed consolidated financial statements and related notes contained in AB InBev's unaudited report on form 6-K as of and for the six months ended 30 June 2016; and
- SABMiller's audited consolidated financial statements and related notes as of and for the fiscal year ended 31 March 2016; and SABMiller's unaudited condensed consolidated financial statements and related notes as of and for the six months ended 30 September 2015, attached as Exhibit 99.2 to AB InBev's report on Form 6-K filed with the SEC on 21 December 2015.

AB InBev's historical consolidated financial statements were prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and in conformity with International Financial Reporting Standards as adopted by the European Union. SABMiller's historical consolidated financial statements were prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. Adjustments have been made to SABMiller's financial statements to conform to AB InBev's financial statement presentation and to reflect alignment of SABMiller's accounting policies to those of AB InBev, and were based on limited information available related to the above-mentioned periods. The unaudited pro forma financial information also includes adjustments to reflect the Transaction-related Divestitures and the financing structure to fund the Transaction. These adjustments reflect AB InBev's best estimates based upon the information available to date and are preliminary and subject to change once more detailed information is obtained.

The Transaction will be accounted for as a business combination using the acquisition method of accounting in conformity with IFRS 3 "Business combinations". Under this method, the assets acquired and liabilities assumed have been recorded based on preliminary estimates of fair value. The completion of the purchase price allocation may result in further adjustments and accordingly actual fair values may vary from these preliminary estimates.

Certain pro forma adjustments are based upon limited information available and certain assumptions that AB InBev believes to be reasonable as of the date of publication of this Base Prospectus. Further, these adjustments could materially change as the allocation of the purchase price for SABMiller has not been finalised. Accordingly, there can be no assurance that the final allocation of the purchase price will not differ from the preliminary allocation reflected in the unaudited pro forma financial information.

On 10 October 2016, AB InBev announced the successful completion of the Transaction.

As a result of the merger by absorption under Belgian law, the Former AB InBev has merged into Newbelco, and Newbelco has become the holding company for the combined Former AB InBev and SABMiller groups. All assets and liabilities of the Former AB InBev have been transferred to Newbelco, and Newbelco has automatically been substituted for the Former AB InBev in all its rights and obligations by operation of Belgian law. Newbelco has been renamed Anheuser-Busch InBev SA/NV, and the Former AB InBev has been dissolved by operation of Belgian law.

The shares in the Former AB InBev were delisted from Euronext Brussels, the Bolsa Mexicana de Valores and the Johannesburg Stock Exchange. The new ordinary shares of AB InBev were admitted to listing and trading on Euronext Brussels, the Johannesburg Stock Exchange and the Bolsa Mexicana de Valores at the opening of business in each market on 11 October 2016. In addition, ADSs trading on the New York Stock Exchange, each of which used to represent one ordinary share of the Former AB InBev, now each represent one new ordinary share of AB InBev, effective as of the opening of business in New York on 11 October 2016.



The share capital of AB InBev now amounts to EUR 1,238,608,344.12. It is represented by 2,019,241,973 shares without nominal value, of which 85,540,392 are held in treasury by AB InBev and its subsidiaries. All shares are new ordinary shares, except for 325,999,817 Restricted Shares.

AB InBev has announced: its completion of the divestiture of SABMiller's interests in the MillerCoors joint venture and certain of SABMiller's portfolio of Miller brands outside of the U.S. to Molson Coors Brewing Company ("**MolsonCoors**") (the "**MillerCoors Divestiture**"); its completion of the divestiture of the SABMiller Group's European premium brands to Asahi Group Holdings, Ltd ("**Asahi**"); its completion of the divestiture of SABMiller's interest in China Resources Snow Breweries Ltd. ("**CR Snow**") to China Resources Beer (Holdings) Co. Ltd; its commitment to divest SABMiller's assets in Central and Eastern Europe (Hungary, Romania, the Czech Republic, Slovakia and Poland); and its commitment to divest SABMiller's share of Distell Group Limited in South Africa (together, the "**Transaction-related Divestitures**").

In addition, AB InBev has announced its agreement to transfer SABMiller's Panamanian business to its Brazilian-listed subsidiary Ambev S.A. ("**Ambev**") in exchange for Ambev's businesses in Colombia, Peru and Ecuador, to allow Ambev to initiate operations in Panama through the established SABMiller business and further expand its businesses in Central America; however, no effect has been given to such asset exchange within the unaudited pro forma financial information as all businesses will remain within the Combined Group.

In July 2016, SABMiller, The Coca-Cola Company and Gutsche Family Investments completed a transaction combining the bottling operations of their non-alcoholic ready-to-drink beverages businesses in Southern and East Africa. SABMiller obtained a majority ownership in the new bottler called Coca-Cola Beverages Africa ("**CCBA**"). Following completion of the Transaction, AB InBev was notified by The Coca-Cola Company of its intention to exercise its right to acquire AB InBev's stake in CCBA. AB InBev will negotiate the terms of the transaction with The Coca-Cola Company according to the contractual arrangements. As the above transaction was not reflected in the historical periods presented in the unaudited pro forma financial information and it was not directly related to the Transaction, no effect for the CCBA transaction has been given within the unaudited pro forma financial information.

Any other potential divestitures are not reasonably certain at this time, and the effects of any such divestitures (other than the Transaction-related Divestitures described herein) have not been taken into account in the preparation of the unaudited pro forma financial information.

AB InBev

Unaudited pro forma Condensed Combined Income Statement for the year ended 31 December 2015

	Pro forma adjustments (US\$m)					
	Historical AB InBev for the fiscal year ended 31 December 2015	Adjusted SABMiller for the fiscal year ended 31 March 2016 (2)	Acquisition adjustments (4)	Financing adjustments (3)	Divesitures adjustments (6)	Total pro forma combined
	(US\$m)	(US\$m)				(US\$m)
<b>Revenue</b>	<b>43,604</b>	<b>14,895</b>	—	—	<b>(3,043)</b>	<b>55,456</b>
Cost of sales	(17,137)	(5,588)	(106)	—	1,306	(21,525)
<b>Gross profit</b>	<b>26,467</b>	<b>9,307</b>	<b>(106)</b>	—	<b>(1,737)</b>	<b>33,931</b>
Distribution expenses	(4,259)	(1,421)	(6)	—	236	(5,450)
Sales and marketing expenses	(6,913)	(2,211)	265	—	659	(8,200)
Administrative expenses	(2,560)	(1,798)	(8)	—	240	(4,126)
Other operating income/(expenses)	1,032	133	—	—	(68)	1,097
Restructuring	(171)	(17)	—	—	7	(181)
Business and asset disposal	524	—	—	—	—	524
Acquisition costs business combinations	(55)	(160)	194	—	—	(21)
Impairment of assets	(82)	(379)	—	—	—	(461)
Judicial settlement	(80)	—	—	—	—	(80)
<b>Profit from operations</b>	<b>13,904</b>	<b>3,454</b>	<b>339</b>	—	<b>(663)</b>	<b>17,033</b>
Finance cost	(3,142)	(763)	725	(2,052)	—	(5,232)
Finance income	1,689	257	—	—	—	1,946
<b>Net finance cost</b>	<b>(1,453)</b>	<b>(506)</b>	<b>725</b>	<b>(2,052)</b>	—	<b>(3,286)</b>
Share of result of associates and joint ventures	10	1,126	66	—	(952)	250
<b>Profit before tax</b>	<b>12,461</b>	<b>4,074</b>	<b>1,130</b>	<b>(2,052)</b>	<b>(1,615)</b>	<b>13,997</b>
Income tax expense	(2,594)	(1,152)	(51)	—	304	(3,493)
<b>Profit</b>	<b>9,867</b>	<b>2,922</b>	<b>1,079</b>	<b>(2,052)</b>	<b>(1,311)</b>	<b>10,504</b>
Attributable to:						
Equity holders of AB InBev ("parent")	8,273	2,699	1,072	(2,052)	(1,311)	8,680
Non—Controlling interest	1,594	223	7	—	—	1,824
<b>Earnings per share</b>						
Basic	5.05					4.42 (5)
Diluted	4.96					4.35 (5)
Basic weighted average number of ordinary shares	1,638		326			1,964 (5)
Diluted weighted average number of ordinary shares	1,668		326			1,994 (5)

AB InBev

Unaudited pro forma Condensed Combined Income Statement for the six months ended 30 June 2016

	Pro forma adjustments (US\$m)				
	Historical AB InBev for the fiscal year ended 30 June 2016	Adjusted SABMiller for the fiscal year ended 31 March 2016 (2)	Acquisition adjustments (4)	Financing adjustments (3)	Divesitures adjustments (6)
	(US\$m)	(US\$m)			
<b>Revenue</b>	<b>20,206</b>	<b>7,410</b>	—		<b>(1,332)</b>
Cost of sales	(8,002)	(2,760)	(60)	—	591
<b>Gross profit</b>	<b>12,204</b>	<b>4,650</b>	<b>(60)</b>	—	<b>(741)</b>
Distribution expenses	(1,964)	(718)	(4)	—	106
Sales and marketing expenses	(3,568)	(1,013)	127	—	288
Administrative expenses	(1,179)	(830)	(5)	—	116
Other operating income/(expenses)	422	108	(1)	—	(55)
Restructuring (including impairment losses)	(62)	(32)	—	—	6
Business and asset disposal (including impairment losses)	2	—	—	—	—
Acquisition costs business combinations	(79)	(160)	239	—	—
Impairment of assets	—	(379)	—	—	—
<b>Profit from operations</b>	<b>5,775</b>	<b>1,626</b>	<b>296</b>	—	<b>(280)</b>
Finance cost	(4,918)	(392)	2,607	(184)	—
Finance income	805	124	(268)	—	—
<b>Net finance cost</b>	<b>(4,113)</b>	<b>(268)</b>	<b>2,339</b>	<b>(184)</b>	—
Share of result of associates and joint ventures	3	389	34	—	(325)
<b>Profit before tax</b>	<b>1,664</b>	<b>1,747</b>	<b>2,669</b>	<b>(184)</b>	<b>(605)</b>
Income tax expense	(835)	(582)	(20)	—	125
<b>Profit</b>	<b>829</b>	<b>1,165</b>	<b>2,649</b>	<b>(184)</b>	<b>(480)</b>
Attributable to:					
Equity holders of AB InBev ("parent")	285	1,059	2,649	(184)	(480)
Non—Controlling interest	544	106	3	—	—
<b>Earnings per share</b>					
Basic	0.17				1.69
Diluted	0.17				1.66
Basic weighted average number of ordinary shares	1,641		326		1,967
Diluted weighted average number of ordinary shares	1,673		326		1,999

AB InBev

Unaudited pro forma Condensed Combined Balance Sheet as of 30 June 2016

	Pro forma adjustments (US\$M)					
	Historical AB InBev as of 30 June 2016	Adjusted SABMiller as of 31 March 2016 (2)	Reclassifications to assets held for sale (4)	Acquisition adjustments (4)	Financing adjustments (3)	Divestiture adjustments (6)
	US\$m	US\$m				
<b>Assets</b>						
<b>Non-current assets</b>						
Property, plant and equipment	19,309	7,750	(1,777)	907	-	-
Goodwill	65,210	14,268	-	68,783	-	-
Intangible assets	29,634	6,526	(634)	11,424	-	-
Investments in associates	286	4,114	(1,665)	2,251	-	-
Investments in joint ventures	-	5,512	(5,512)	-	-	-
Investment securities	49	19	(1)	-	-	-
Deferred tax assets	1,201	209	-	-	-	-
Employee benefits	5	-	-	-	-	-
Derivatives	213	565	-	-	-	-
Trade and other receivables	789	121	(61)	-	-	-
	<b>116,696</b>	<b>39,084</b>	<b>(9,650)</b>	<b>83,365</b>	<b>-</b>	<b>-</b>
<b>Current assets</b>						
Investment securities	55,982	-	-	-	(54,506)	-
Inventories	3,282	993	(202)	-	-	-
Income tax receivable	994	59	(1)	-	-	-
Derivatives	1,544	281	-	-	-	-
Trade and other receivables	6,534	1,742	(486)	-	-	-
Cash and cash equivalents	6,050	1,430	-	(67,157)	67,915	6,441
Assets held for sale	47	-	9,491	8,830	-	(16,441)
	<b>74,433</b>	<b>4,505</b>	<b>8,802</b>	<b>(58,327)</b>	<b>13,409</b>	<b>(10,000)</b>
<b>Total assets</b>	<b>191,129</b>	<b>43,589</b>	<b>(848)</b>	<b>25,038</b>	<b>13,409</b>	<b>(10,000)</b>

AB InBev

Unaudited pro forma Condensed Combined Balance Sheet as of 30 June 2016

	Pro forma adjustments (US\$M)					
	Historical AB InBev as of 30 June 2016	Adjusted SABMiller as of 31 March 2016 (2)	Reclassifications to assets held for sale (4)	Acquisition adjustments (4)	Financing adjustments (3)	Divestiture adjustments (6)
	US\$m	US\$m				
<b>Equity</b>						
Issued capital	1,736	168	-	(168)	-	--
Share premium	17,620	6,849	-	(6,849)	-	-
Reserves	(18,053)	(3,130)	-	39,902	5,924	-
Retained earnings	32,587	19,005	-	(19,805)	(1,403)	-
<b>Equity attributable to equity holders of AB InBev</b>	<b>33,890</b>	<b>22,892</b>	-	<b>13,080</b>	<b>4,521</b>	-
Non-controlling interest	3,847	1,196	-	3,820	-	-
	<b>37,737</b>	<b>24,088</b>	-	<b>16,900</b>	<b>4,521</b>	-
<b>Liabilities</b>						
<b>Non-current liabilities</b>						
<b>Interest-bearing loans and borrowings</b>	101,045	8,814	-	322	7,865	-
Employee benefits	2,678	179	(20)	-	-	-
Deferred tax liabilities	11,890	2,250	-	7,826	-	(4,915)
Derivatives	338	26	-	-	-	-
Trade and other payables	1,389	28	-	-	-	-
Provisions	705	95	(4)	-	-	-
<b>Current liabilities</b>	<b>118,045</b>	<b>11,392</b>	<b>(24)</b>	<b>8,148</b>	<b>7,865</b>	<b>(4,915)</b>
Bank overdrafts	55	159	-	-	-	-
Interest-bearing loans and borrowings	7,586	2,767	-	(10)	10,000	(10,000)
Income tax payable	430	830	(11)	-	-	4,915
Derivatives	9,547	213	(2)	-	(8,977)	-
Trade and other payables	17,601	3,870	(794)	-	-	-
Provisions	128	270	(17)	-	-	-
	<b>35,347</b>	<b>8,109</b>	<b>(824)</b>	<b>(10)</b>	<b>1,023</b>	<b>(5,085)</b>
<b>Total equity and liabilities</b>	<b>191,129</b>	<b>43,589</b>	<b>(848)</b>	<b>25,038</b>	<b>13,409</b>	<b>(10,000)</b>

## **Note 1. Basis of preparation**

The unaudited pro forma financial information is based on the historical consolidated financial statements of Former AB InBev and the historical consolidated financial statements of SABMiller, and has been prepared to reflect the Transaction, including the financing structure established to fund the Transaction, as well as the Transaction related Divestitures described herein. The unaudited pro forma financial information is presented for illustrative purposes only and does not necessarily reflect the results of operations or the financial position of the Combined Group that would have resulted had the Transaction been completed at the dates indicated, or project the results of operations or financial position of the Combined Group for any future dates or periods.

AB InBev's fiscal year ends on 31 December and SABMiller's fiscal year ends on 31 March. Because the fiscal year ends differ by less than 93 days, financial information for Former AB InBev for the fiscal year ended 31 December 2015 and the six months ended 30 June 2016 and financial information for SABMiller for the fiscal year ended 31 March 2016 and the six months ended 31 March 2016 has been used in preparation of the 2015 pro forma income statement and half year 2016 pro forma income statement, respectively. The financial information for SABMiller for the six months ended 31 March 2016 was calculated by taking the audited consolidated income statement of SABMiller for the fiscal year ended 31 March 2016, and subtracting the unaudited consolidated income statement for the six months ended 30 September 2015. Financial information for AB InBev as of 30 June 2016 and financial information of SABMiller as of 31 March 2016 has been used in preparation of the pro forma balance sheet.

The 2015 pro forma income statement and the half year 2016 pro forma income statement are based on the assumption that the Transaction was completed on 1 January 2015. The pro forma balance sheet as of 30 June 2016 is based on the assumption that the Transaction was completed on that day.

Pro forma adjustments reflected in the pro forma balance sheet are based on items that are factually supportable and directly attributable to the Transaction, the Transaction-related financing and the Transaction-related Divestitures. Pro forma adjustments reflected in the pro forma income statements are based on items that are factually supportable and directly attributable to the Transaction, the Transaction-related financing and the Transaction-related Divestitures, and which are expected to have a continuing impact on the Combined Group's results of operations. Any nonrecurring items directly attributable to the Transaction, the Transaction-related financing and the Transaction-related Divestitures are included in the pro forma balance sheet, but not in the pro forma income statements. In contrast, any nonrecurring items that were already included in Former AB InBev's or SABMiller's historical consolidated financial statements that are not directly related to the Transaction, the Transaction-related financing and the Transaction-related Divestitures have not been eliminated. Such pro forma adjustments are described in further detail in Note 3 and Note 4. The unaudited pro forma financial information does not reflect the cost of any integration activities or the value of any integration benefits from the Transaction, including potential synergies that may be generated in future periods.

Certain pro forma adjustments have been made to align SABMiller's financial statement presentation and accounting policies under IFRS to those of AB InBev, which are further described in Note 2.

The estimated income tax impacts of the pre-tax adjustments that are reflected in the unaudited pro forma financial information are calculated using an assumed estimated blended statutory rate, which is based on preliminary assumptions related to the jurisdictions in which the income (expense) adjustments will be recorded, or, where applicable, an estimated effective tax rate. The blended statutory rate and the effective tax rate of the Combined Group could be significantly different depending on the post-Transaction activities, and geographical mix of profit before taxes.

## **Note 2. Pro forma adjustments to SABMiller's financial statements**

Certain pro forma reclassifications and accounting policy adjustments have been made to SABMiller's financial statements to conform to AB InBev's financial statement presentation and to reflect alignment of SABMiller's accounting policies to those of AB InBev. These pro forma adjustments, set forth in the tables below, reflect AB InBev's best estimates based upon the information currently available to AB InBev, and could be subject to change once more detailed information is obtained.

	Historical SABMiller for the fiscal year ended 31 March 2016	Pro forma reclassifications and accounting policy adjustments (a)	Adjusted SABMiller for the fiscal year ended 31 March 2016
	(US\$m)		(US\$m)
<b>Revenue</b>	<b>19,833</b>	<b>(4,938)</b>	<b>14,895</b>
Cost of sales	—	(5,588)	(5,588)
<b>Gross profit</b>	<b>19,833</b>	<b>(10,526)</b>	<b>9,307</b>
Net operating expenses	(16,379)	16,379	—
Distribution expenses	—	(1,421)	(1,421)
Sales and marketing expense	—	(2,211)	(2,211)
Administrative expenses	—	(1,798)	(1,798)
Other operating income/(expenses)	—	133	133
Restructuring	—	(17)	(17)
Acquisition costs business combinations	—	(160)	(160)
Other impairment losses	—	(379)	(379)
<b>Profit from operations</b>	<b>3,454</b>	<b>—</b>	<b>3,454</b>
Finance cost	(763)	—	(763)
Finance income	257	—	257
<b>Net finance cost</b>	<b>(506)</b>	<b>—</b>	<b>(506)</b>
Share of result of associates and joint ventures	1,126	—	1,126
<b>Profit before tax</b>	<b>4,074</b>	<b>—</b>	<b>4,074</b>
Taxation	(1,152)	—	(1,152)
<b>Profit</b>	<b>2,922</b>	<b>—</b>	<b>2,922</b>
Attributable to:			
Equity holders of the parent	2,699		2,699
Non—controlling interest	223		223

	Historical SABMiller for the fiscal year ended 31 March 2016	Pro forma reclassifications and accounting policy adjustments (a)	Adjusted SABMiller for the six months ended 31 March 2016
	(US\$m)		(US\$m)
<b>Revenue</b>	<b>9,843</b>	<b>(2,433)</b>	<b>7,410</b>
Cost of sales	—	(2,760)	(2,760)
<b>Gross profit</b>	<b>9,843</b>	<b>(5,193)</b>	<b>4,650</b>
Net operating expenses	(8,217)	8,217	—
Distribution expenses	—	(718)	(718)
Sales and marketing expenses	—	(1,013)	(1,013)
Administrative expenses	—	(830)	(830)
Other operating income/(expenses)	—	108	108
Restructuring (including impairment losses)	—	(32)	(32)
Acquisition costs business combinations	—	(160)	(160)
Other impairment losses	—	(379)	(379)
<b>Profit from operations</b>	<b>1,626</b>	<b>—</b>	<b>1,626</b>
Finance cost	(392)	—	(392)
Finance income	124	—	124
<b>Net finance cost</b>	<b>(268)</b>	<b>—</b>	<b>(268)</b>
Share of result of associates and joint ventures	389	—	389
<b>Profit before tax</b>	<b>1,747</b>	<b>—</b>	<b>1,747</b>
Taxation	(582)	—	(582)
<b>Profit</b>	<b>1,165</b>	<b>—</b>	<b>1,165</b>
Attributable to:			
Equity holders of the parent	1,059		1,059
Non—controlling interest	106		106

	Historical SABMiller as of 31 March 2016 (US\$m)	Pro forma reclassifications adjustments (b)	Adjusted SABMiller as of 31 March 2016 (US\$m)
<b>Assets</b>			
<b>Non—current assets</b>			
Property, plant and equipment	7,750	—	7,750
Goodwill	14,268	—	14,268
Intangible assets	6,526	—	6,526
Investments in associates	4,114	—	4,114
Investments in joint ventures	5,512	—	5,512
Available for sale investments	19	(19)	—
Investment securities	—	19	19
Derivative financial instruments	565	—	565
Deferred tax assets	209	—	209
Trade and other receivables	121	—	121
	<b>39,084</b>	<b>—</b>	<b>39,084</b>
<b>Current assets</b>			
Inventories	993	—	993
Income tax receivable	59	—	59
Derivative financial instruments	281	—	281
Trade and other receivables	1,742	—	1,742
Cash and cash equivalents	1,430	—	1,430
	<b>4,505</b>	<b>—</b>	<b>4,505</b>
<b>Total assets</b>	<b>43,589</b>	<b>—</b>	<b>43,589</b>
<b>Equity</b>			
Issued capital	168	—	168
Share premium	6,849	—	6,849
Merger relief reserve	3,628	(3,628)	—
Reserves	(6,758)	3,628	(3,130)
Retained earnings	19,005	—	19,005
	<b>22,892</b>	<b>—</b>	<b>22,892</b>
<b>Equity attributable to equity holders of the parent</b>	<b>22,892</b>	<b>—</b>	<b>22,892</b>
Non—controlling interest	1,196	—	1,196
	<b>24,088</b>	<b>—</b>	<b>24,088</b>
<b>Liabilities</b>			
<b>Non—current liabilities</b>			
Interest—bearing loans and borrowings	8,814	—	8,814
Employee benefits	—	179	179
Deferred tax liabilities	2,250	—	2,250
Derivative financial instruments	26	—	26
Trade and other payables	28	—	28
Provisions	274	(179)	95
	<b>11,392</b>	<b>—</b>	<b>11,392</b>
<b>Current liabilities</b>			
Bank overdrafts	—	159	159
Interest—bearing loans and borrowings	2,926	(159)	2,767
Income tax payable	830	—	830
Derivative financial instruments	213	—	213
Trade and other payables	3,870	—	3,870
Provisions	270	—	270
	<b>8,109</b>	<b>—</b>	<b>8,109</b>
<b>Total equity and liabilities</b>	<b>43,589</b>	<b>—</b>	<b>43,589</b>

(a) ***Pro forma income statement reclassifications and accounting policy adjustments***

The following pro forma classification adjustments have been made to SABMiller's income statements in order to present them on a basis consistent with AB InBev's. These adjustments were based on limited information available related to the above mentioned periods, and could be subject to change once more detailed information is obtained:

- Presentation of net operating costs based on function (cost of sales, distribution expenses, sales and marketing expenses, administrative expenses and other operating income/expenses) rather than based on nature;



- Reclassification of excise taxes on a gross basis out of net operating expenses to a net basis within revenue, resulting in an offsetting adjustment to revenue and net operating expenses of USD 4.9 billion and USD 2.4 billion for the 2015 pro forma income statement and half year 2016 pro forma income statement, respectively; and
- Separate disclosure of exceptional items, including restructuring, business and asset disposals and other impairment losses line items in accordance with AB InBev's disclosure policy.

(b) ***Pro forma balance sheet reclassifications***

The following pro forma classification adjustments have been made to SABMiller's balance sheet in order to present them on a basis consistent with AB InBev's. These adjustments were based on limited information available related to the above mentioned periods, and could be subject to change once more detailed information is obtained:

- Available for sale investments are included as part of investment securities;
- Merger relief reserve<sup>1</sup> is included as part of reserves.
- Separate disclosure of employee benefits on the face of the balance sheet; and
- Separate disclosure of bank overdrafts on the face of the balance sheet.

**Note 3. Pro forma adjustments relating to financing**

(a) ***Sources of funding***

On 28 October 2015, Former AB InBev entered into the 2015 Senior Facilities Agreement, pursuant to which several lending institutions have agreed, subject to limited conditions, to provide the financing necessary to pay the cash portion of the consideration payable to SABMiller's shareholders upon completion of the Transaction (see Note 4(a)) and provide the financing for fees, costs and expenses in connection with the Transaction (the "**2015 Senior Facilities Agreement**"):

- Disposals Bridge Facility: A USD 10.0 billion multicurrency one year term loan facility;
- Cash/DCM Bridge Facility A: A USD 15.0 billion multicurrency one year term loan facility;
- Cash/DCM Bridge Facility B: A USD 15.0 billion multicurrency two year term loan facility;
- Term Facility A: A USD 25.0 billion multicurrency three year term loan facility; and
- Term Facility B: A USD 10.0 billion multicurrency five year term loan facility.

Each facility bears variable rate interest equal to LIBOR (or EURIBOR in relation to any loan in euro) plus margins ranging from 0.85% to 1.45%. The applicable margin is based on AB InBev's credit rating as assessed by S&P and Moody's. As the applicable margin to be applied is determined on a facility by facility basis, there are differing interest rates applied to each facility.

For the purposes of the unaudited pro forma financial information, AB InBev anticipates proceeds of USD 18.0 billion from the Disposals Bridge Facility and from Term Facility B. USD 10.0 billion of the net proceeds from the Transaction-related Divestitures described herein are used to cancel the Disposals Bridge Facility in entirety, as further discussed in Note 6. Further details for the calculation of the cash purchase consideration are included in Note 4(a).

Subject to certain exceptions, AB InBev is required to apply the entirety of the proceeds from any asset disposal in excess of USD 1.0 billion to cancel or repay the commitments or outstanding loans under the three bridge facilities, and is required to apply at least 80% of the net proceeds of any debt raising, including any debt capital markets offering (subject to certain exceptions) to cancel or repay the commitments or outstanding loans under the two Cash/DCM bridge facilities.

---

<sup>1</sup> The merger relief reserve of SABMiller represents the excess of value attributed to the share SABMiller issued historically as consideration for certain mergers over the nominal value of those shares issued in line with UK Companies Act 2006 requirements.

On 25 January 2016, AB InBev's subsidiary Anheuser-Busch InBev Finance Inc. ("**ABIFI**") issued USD 46.0 billion aggregate principal amount of bonds. The bonds comprise the following series (collectively, the "**January 2016 U.S. Notes**"):

- USD 4.0 billion aggregate principal amount of fixed rate Notes due 1 February 2019 bearing interest at an annual rate of 1.900%;
- USD 7.5 billion aggregate principal amount of fixed rate Notes due 1 February 2021 bearing interest at an annual rate of 2.650%;
- USD 6.0 billion aggregate principal amount of fixed rate Notes due 1 February 2023 bearing interest at an annual rate of 3.300%;
- USD 11.0 billion aggregate principal amount of fixed rate Notes due 1 February 2026 bearing interest at an annual rate of 3.650%;
- USD 6.0 billion aggregate principal amount of fixed rate Notes due 1 February 2036 bearing interest at an annual rate of 4.700%;
- USD 11.0 billion aggregate principal amount of fixed rate Notes due 1 February 2046 bearing interest at an annual rate of 4.900%; and
- USD 500 million aggregate principal amount of floating rate Notes due 1 February 2021 bearing interest at an annual rate of 126 basis points above three-month LIBOR.

On 29 January 2016, ABIFI issued USD 1.47 billion aggregate principal amount of its notes due 2046, and together with the January 2016 U.S. Notes, the "**January 2016 Notes**").

The above bond issuances result in aggregate net proceeds of approximately USD 47.0 billion. Substantially all of the net proceeds of the January 2016 Notes were used to fund a portion of the cash consideration to be used for the Transaction. USD 4.5 billion of the net proceeds was estimated to be used for general corporate purposes.

Following the receipt of the proceeds from the issuance of the January 2016 U.S. Notes, Former AB InBev was required to cancel the Cash/DCM Bridge Facility A and Cash/DCM Bridge Facility B for an aggregate principal amount of USD 30.0 billion in accordance with the mandatory prepayment provisions of the 2015 Senior Facilities Agreement. AB InBev also voluntarily cancelled USD 12.5 billion of Term Facility A, as permitted under the terms of the 2015 Senior Facilities Agreement.

On 29 March 2016, Former AB InBev issued EUR 13.25 billion aggregate principal amount of notes under its Euro Medium Term Note Programme. The notes comprise the following series (collectively, the "**March 2016 Notes**"):

- EUR 1.3 billion aggregate principal amount of floating rate Notes due 17 March 2020;
- EUR 1.8 billion aggregate principal amount of fixed rate Notes due 17 March 2020 bearing interest at an annual rate of 0.625%;
- EUR 2.0 billion aggregate principal amount of fixed rate Notes due 17 March 2022 bearing interest at an annual rate of 0.875%;
- EUR 2.5 billion aggregate principal amount of fixed rate Notes due 17 March 2025 bearing interest at an annual rate of 1.500%;
- EUR 3.0 billion aggregate principal amount of fixed rate Notes due 17 March 2028 bearing interest at an annual rate of 2.000%; and
- EUR 2.8 billion aggregate principal amount of fixed rate Notes due 17 March 2036 bearing interest at an annual rate of 2.750%.

The aggregate proceeds of the March 2016 issuance are approximately USD 14.8 billion, translated into US dollars for the purposes of this unaudited pro forma financial information at a rate of USD 1.1194 per euro.

Substantially all of the net proceeds of the March 2016 Notes were used to fund a portion of the cash consideration to be used for the Transaction. Following the receipt of these proceeds, Former AB InBev voluntarily cancelled the remaining USD 12.5 billion of Term Facility A, as permitted under the terms of the 2015 Senior Facilities Agreement. USD 2.3 billion of the net proceeds was estimated to be used for general corporate purposes.

On 6 October 2016, the company drew down USD 8.0 billion under the Term Facility B and USD 10.0 billion under the Disposal Bridge Facility to finance the Transaction and announced that it had chosen to make an additional voluntary cancellation of USD 2.0 billion of the Term Facility B. On 20 October 2016, AB InBev fully repaid and cancelled the Disposal Bridge Facility.

For the purposes of the pro forma debt adjustment, it is assumed that the facilities under the 2015 Senior Facilities Agreement were fully paid down as of 30 June 2016. The financing adjustment to cash reflected in the pro forma balance sheet is as follows:

**Note 3(a)**

**(US\$m)**

Gross proceeds from Disposals Bridge Facility	10,000	
Gross proceeds from Term Facility B	8,000	
Gross proceeds from January 2016 Notes	42,500	
Gross proceeds from March 2016 Notes	12,500	
<b>Gross sources of funding</b>	<b>73,000</b>	
Less: Non-qualifying portion of economic hedge	(4,456)	(i)
Less: Debt issuance costs	(629)	(ii)
<b>Net sources of funding</b>	<b>67,915</b>	
Investment securities historically recorded in AB InBev balance sheet	54,506	
Total cash financing adjustment	13,409	
<b>Net sources of funding</b>	<b>67,915</b>	

The following represents the reconciliation from the sources of funding detailed above to the debt adjustment in the pro forma balance sheet as of 30 June 2016:

**(US\$m)**

Gross proceeds from Disposals Bridge Facility	10,000	
Gross proceeds from Term Facility B	8,000	
Gross proceeds from January 2016 Notes	42,500	
Gross proceeds from March 2016 Notes	12,500	
<b>Total gross proceeds</b>	<b>73,000</b>	
Less: Debt issuance costs	(629)	(ii)
<b>Total net proceeds</b>	<b>72,371</b>	
Investment securities historically recorded in AB InBev balance sheet	54,506	
Current portion of interest-bearing loans and borrowing adjustment	10,000	
Non-current portion of interest-bearing loans and borrowings adjustment	7,865	
<b>Total net proceeds</b>	<b>72,371</b>	

- (i) During 2015 and 2016, Former AB InBev entered into derivative foreign exchange forward contracts in order to economically hedge against exposure to changes in the US dollar exchange rate for the cash component of the purchase consideration in pound sterling and South African rand. Although these derivatives are considered to be economic hedges, only a portion of such derivatives could qualify for hedge accounting under IFRS rules. Since inception of the Transaction and its subsequent completion, mark-to-market losses of approximately USD 4.5 billion were incurred in relation to the non-qualifying portion of these hedges. For the purposes of the pro forma balance sheet, it has been assumed that this USD 4.5 billion derivative liability has been settled in connection with the purchase consideration. Please refer to Note 4(a)(i) for further discussion of this derivative contract.

- (ii) In relation to the 2015 Senior Facilities Agreement, the January 2016 Notes and the March 2016 Notes, debt issuance costs were assumed to be USD 135 million, USD 376 million and USD 118 million of debt issuance costs, respectively, representing a total of USD 629 million.

The excess net liquidity resulting from the issuance of the January 2016 Notes and the March 2016 Notes of USD 54.5 billion was invested in U.S. Treasury Bills. As a result, USD 54.5 billion of "Investment securities" has been reclassified to "Cash and cash equivalents" to reflect the use of this cash to fund the Transaction for the purposes of the pro forma balance sheet.

(b) ***Interest expense***

Interest expense in the 2015 pro forma income statement and half year 2016 pro forma income statement has been adjusted as follows based on the expected sources of funding described above:

	<b>Average principal</b>	<b>Interest rate</b>	<b>Interest expense for the 2015 pro forma income statement</b>	<b>Interest expense for the half year 2016 pro forma income statement</b>
	<i>(US\$m)</i>		<i>(US\$m)</i>	
Term Facility B	8,000	2.12%	170	85
January 2016 Notes	42,500	3.74%	1,590	795
March 2016 Notes	12,500	1.57%	196	98
<b>Total average principal</b>	<b>63,000</b>		<b>1,956</b>	<b>978</b>
Debt issuance costs amortization - Senior Facilities Agreement	N/A	N/A	59	30
Debt issuance costs amortization - January 2016 Notes	N/A	N/A	26	13
Debt issuance costs amortization - March 2016 Notes	N/A	N/A	11	6
<b>Total interest expense</b>			<b>2,052</b>	<b>1,027</b>
Adjustment to interest expense			2,052	184
AB InBev historical interest expense 2016 Notes			-	843
<b>Total interest expense</b>			<b>2,052</b>	<b>1,027</b>

Pro forma adjustments to finance cost in the pro forma income statements include an adjustment to reflect the additional interest charges under Term Facility B, the January 2016 Notes and the March 2016 Notes. Term Facility B bears variable rate interest equal to LIBOR (or EURIBOR in relation to any loan denominated in euro) plus an applicable margin of 1.25%, as if the borrowing of USD 8.0 billion had occurred on 1 January 2015 for the pro forma income statements. For the purposes of the pro forma interest expense, it is assumed that the other senior facilities were fully paid down as of 1 January 2015, including the Disposals Bridge Facility, which is assumed to be paid down using USD 10.0 billion of the proceeds from divestitures, as described in Note 6.

As of the completion of the Transaction, AB InBev's credit rating is A- and A3 with S&P and Moody's, respectively. For purposes of the interest expense calculation relating to the 2015 Senior Facilities Agreement, AB InBev has assumed an interest rate based on the applicable margin matrix within the 2015 Senior Facilities Agreement for a credit rating of A-/A3. AB InBev has also considered the variability of the applicable margin based on AB InBev's credit rating in accordance with the applicable margin matrix, which includes a maximum rating of "A+/A1" to a minimum rating of "BBB-/Baa3 or lower (or no rating)". A change in the credit rating of AB InBev from A-/A3 to BBB-/Baa3 or lower (or no rating) would increase the interest expense for the pro forma income statements by approximately USD 16 million and USD 8 million for 2015 and half year 2016, respectively. A change in the credit rating of AB InBev from A-/A3 to A+/A1 would decrease the interest expense for the pro forma income statements by approximately USD 20 million and USD 10 million for 2015 and half year 2016, respectively.

For the purposes of the interest expense calculation relating to the January 2016 Notes, a weighted average interest rate of 3.74% has been applied to the USD 42.5 billion of notes reflected in the pro forma, based on the applicable interest rates of each tranche of the notes, since specific tranches were not identified to fund either the acquisition or for general corporate purposes.

For the purposes of the interest expense calculation relating to the March 2016 Notes, a weighted average interest rate of 1.57% has been applied to the USD 12.5 billion of notes reflected in the pro forma, based on the applicable interest rates of each tranche of the notes, since specific tranches were not identified to fund either the acquisition or for general corporate purposes.

For the purposes of calculating the above interest expense, a three month US dollar LIBOR rate of 0.87389% (plus applicable margin) as of the completion of the Transaction has been assumed. A hypothetical change in interest rates of 0.125% would increase or decrease total interest expense for the pro forma income statements by approximately USD 12 million and USD 6 million for 2015 and half year 2016, respectively.

In addition to incremental interest charges, AB InBev has also recorded a pro forma adjustment for debt issuance costs amortization relating to the 2015 Senior Facilities Agreement, the January 2016 Notes and the March 2016 Notes, which will be deferred and amortized over the duration of the borrowing in accordance with IAS 39 "Financial Instruments: Recognition and Measurement".

For the purposes of this unaudited pro forma financial information, it has been assumed that the interest expense on the debt financing incurred to fund the Transaction will not be deductible for tax purposes. This assumption may be subject to change and may not be reflective of the deductions that will be available in future periods after completion of the Transaction.

For the purposes of the unaudited pro forma financial information, AB InBev has assumed that the new borrowings under Term Facility B, the January 2016 Notes and the March 2016 Notes will remain unchanged during the fiscal year ended 31 December 2015 and the six-month period ended 30 June 2016.

AB InBev may continue to seek alternatives to refinance a portion of the 2015 Senior Facilities Agreement in order to achieve its long term capital structure target. Except as noted for the Disposals Bridge Facility, the January 2016 Notes and the March 2016 Notes, for the purposes of this unaudited pro forma financial information, AB InBev has assumed that no such financings, refinancings or repayments have occurred.

#### **Note 4. Pro forma adjustments related to the Transaction**

##### **(a) *Preliminary purchase consideration and allocation***

The Transaction will be accounted for as a business combination using the acquisition method of accounting in conformity with IFRS 3 "Business combinations". Under this method, the assets acquired and liabilities assumed have been recorded based on preliminary estimates of fair value. The completion of the purchase price allocation may result in further adjustments and accordingly actual fair values may vary from these preliminary estimates.

On 6 October 2016, Newbelco issued 163,276,737,100 ordinary shares ("**Initial Newbelco Shares**") to SABMiller shareholders through a capital increase of EUR 85,531 million as consideration for 1,632,767,371 ordinary shares of SABMiller pursuant to a UK law court-sanctioned scheme of arrangement (the "**UK Scheme**"). Following completion of the Belgian Offer, Former AB InBev acquired 102,890,758,014 Initial Newbelco Shares tendered into the Belgian Offer.

Based on the terms of the UK Scheme, all Initial Newbelco Shares not tendered to Former AB InBev in the context of the Belgian Offer (i.e. 60,385,979,086 Initial Newbelco Shares) were reclassified into 325,999,817 Restricted Shares, in accordance with the mechanism by which any Initial Newbelco Shares that were retained after closing of the Transaction were automatically reclassified and consolidated..

Following completion of the combination, AB InBev acquired the equivalent of 105,246 SABMiller shares from option holders that had not exercised their option rights prior to the completion of the combination for a total consideration of EUR 5 million.

The estimated purchase consideration is calculated as follows:

	<b>Newbelco number of shares</b>	<b>Newbelco valuation</b>	
		<i>(€m)</i>	
Tender offer (consideration in cash)	102,890,758,014	52,522	
Converted to restricted shares (consideration in equity)	60,385,979,086	33,009	(i)
	<b>163,276,737,100</b>	<b>85,531</b>	
Total equity value at offer (€m)		85,531	
Purchase from option holders		5	
Total equity value (€m)		85,536	
<b>Total equity value (\$m)</b>		<b>95,288</b>	
Foreign exchange hedge (recycled from equity) and other cost		7,841	(ii)
<b>Purchase consideration</b>		<b>103,129</b>	
Add: Fair market value of total debt assumed		12,052	
Less: Total cash acquired		(1,430)	
<b>Purchase consideration, including debt assumed and net of cash acquired (\$m)</b>		<b>113,751</b>	

(i) The Restricted Share valuation is based on the valuation of the Newbelco shares that were not tendered into the Belgian Offer and has regard to the AB InBev share price of the day of the closing of the Transaction, adjusted for the specificities of the Restricted Shares in line with fair value measurement rules under IFRS.

(ii) During 2015 and 2016, Former AB InBev entered into derivative foreign exchange forward contracts in order to economically hedge against exposure to changes in the US dollar exchange rate for the cash component of the purchase consideration in pound sterling and South African rand. Although these derivatives are considered to be economic hedges, only a portion of such derivatives could qualify for hedge accounting under IFRS rules. Since inception of the derivative contracts in 2015 and upon the completion of the Transaction, 12.3 billion US dollar negative mark-to-market adjustment related to such hedging were recognized cumulatively over 2015 and 2016, of which 7.8 billion US dollar qualified for hedge accounting and was, accordingly, allocated as part of the consideration paid.

The preliminary allocation of purchase consideration to fair value of acquired assets and liabilities is as follows:

	<i>(US\$m)</i>	
Net book value of the acquired assets and liabilities, excluding debt assumed and cash acquired	18,934	(ii)
Less: Total debt assumed, including overdrafts	(11,740)	(ii)
Add: Total Cash acquired	1,430	(ii)
Net book value of the acquired assets and liabilities	<b>8,624</b>	
Fair value adjustments:		
Property, plant and equipment	907	(ii)
Intangible assets	11,424	(ii)
Investments in associates	2,251	(ii)
Interest-bearing loans and borrowings	(312)	(ii)
Deferred taxes, net	(7,826)	(iii)
Assets held for sale, before tax	8,830	(ii)
Noncontrolling interests	(3,820)	(iv)
Goodwill	83,051	(v)
<b>Total allocation</b>	<b>103,129</b>	

The final allocation of the purchase price will be determined at a later date and is dependent on a number of factors, including the final evaluation of the fair value of the tangible and identifiable intangible assets acquired and liabilities assumed. The final purchase price allocation may result in a material change in the fair value of the net assets acquired and consequently in the value of residual goodwill.

Except as discussed below, the carrying value of SABMiller's assets and liabilities are considered to approximate their fair values.

The net book value of acquired assets and liabilities of USD 8.6 billion was derived from the SABMiller balance sheet as of 31 March 2016 and represents net assets (excluding historical goodwill) reduced by non-controlling interests.

The fair value of SABMiller's debt, including overdrafts, is estimated to be USD 12.0 billion compared to a carrying value of USD 11.7 billion, resulting in an adjustment of USD 0.3 billion. The book value of debt has been adjusted to reflect the premium at which SABMiller's debt trades in public markets.

The fair value of SABMiller's property, plant and equipment is estimated to be USD 6.9 billion or a net decrease of USD 870 million compared to a carrying value of USD 7.8 billion. The net decrease results from a positive fair value adjustment of USD 907 million and a reclassification of USD 1.8 billion of property, plant and equipment relating to the Transaction-related Divestitures to the assets held for sale category. Assuming an estimated effective tax rate of 29.6%, the increase in the deferred tax liability for the fair value adjustment to the remaining property, plant and equipment is estimated to be USD 268 million. The preliminary fair value estimates of property, plant and equipment have been determined by using a version of the indirect method of the cost approach. A secondary method of review was undertaken that consists of a benchmarking analysis, which compares the calculated value to net book value by asset category. However, a detailed analysis has not been completed and actual results may differ from these estimates.

The fair value of SABMiller's intangible assets is estimated to be USD 17.3 billion or a net increase of USD 10.8 billion compared to a carrying value of USD 6.5 billion. The net increase results from a fair value adjustment of USD 11.4 billion and a reclassification of USD 634 million of intangible assets relating to the Transaction-related Divestitures to the assets held for sale category. Assuming an estimated effective tax rate of 29.6%, the increase in the deferred tax liability for the fair value adjustment to the remaining intangible assets is estimated to be USD 3.4 billion. The primary intangible assets include brands and contracts, for which the fair value estimates of identifiable intangible assets have been determined based on publicly available benchmark data, as well as the income approach. The assumptions used by AB InBev to arrive at the estimated fair value of the identifiable intangible assets are derived primarily from publicly available information, including market transactions of varying degrees of comparability. However, a detailed analysis has not been completed and actual results may differ from these estimates. AB InBev considers brands as intangibles with indefinite life.

Depreciation and amortization expense has been adjusted in the 2015 pro forma income statement to reflect a net decrease of USD 145 million (half year 2016: USD 57 million). The adjustment to depreciation and amortization expense reflects an increase in expense in the 2015 pro forma income statement of USD 134 million (half year 2016: USD 78 million) based on the estimated weighted average useful lives and the estimated fair value for identified amortizable intangible assets (excluding brands and certain distribution rights) and property, plant and equipment. This increase is offset by a decrease in expense of USD 279 million in the 2015 pro forma income statement (half year 2016: USD 135 million) resulting from the reversal of amortization of brands and certain distribution rights reported in the SABMiller income statement for the twelve months ended 31 March 2016 (and six months ended 31 March 2016), as AB InBev considers brands and certain distribution rights as intangible assets with indefinite useful lives, per AB InBev's accounting policy. The related estimated net increase to income tax expense for the 2015 pro forma income statement is USD 51 million (half year 2016: USD 20 million). Share of result of associates and joint ventures has been adjusted in the 2015 pro forma income statement to reflect a decrease of USD 66 million (half year 2016: USD 34 million). This adjustment results from the reversal of amortization of brands and certain distribution rights held by SABMiller associates for the twelve months ended 31 March 2016 (and six months ended 31 March 2016), as AB InBev considers brands and certain distribution rights as intangible assets with indefinite useful lives.

The fair value of investments in associates is estimated to be USD 4.7 billion, a net increase of USD 586 million compared to a carrying value of USD 4.1 billion. The net increase results from a fair value adjustment of USD 2.3 billion and a reclassification of USD 1.7 billion of investments in associates relating to the Transaction-related Divestitures to the assets held for

sale category. For non-public entities, the preliminary fair value estimates are based on the market approach or cost approach, as appropriate.

The fair value of assets held for sale (the Transaction-related Divestitures) is estimated to be USD 18.3 billion compared to a carrying value of USD 9.5 billion, resulting in an adjustment of USD 8.8 billion. The preliminary fair value estimate has been determined with reference to the USD 12.0 billion proceeds from the MillerCoors Divestiture, the USD 1.6 billion proceeds from the divestiture CR Snow, the EUR 2.6 billion (USD 2.8 billion) proceeds from the divestiture of SABMiller's premium European brands, the USD 1.3 billion of SABMiller's assets in Central and Eastern Europe and the USD 0.6 billion of SABMiller's share of Distell Group Limited. The net deferred tax liability was increased by USD 4.1 billion relating to the assets held for sale. The total deferred tax liability of the Transaction-related Divestitures has been subsequently reclassified to current income tax payable.

- (i) The total net deferred tax liability is estimated to be USD 9.8 billion or a net increase of USD 7.8 billion compared to a carrying value of USD 2.0 billion. The net increase results from a fair value adjustment relating to property, plant and equipment, intangible assets and assets held for sale as discussed above.
- (ii) The adjustment to non-controlling interest reflects management's preliminary estimate of the fair value of the non-controlling interest of SABMiller that is anticipated to remain outstanding subsequent to the proposed Transaction. The fair value of non-controlling interest was derived primarily from a market based multiple valuation approach using publicly available information.
- (iii) The goodwill balance arising from the Transaction is estimated to be USD 83.1 billion, which results in a net adjustment to goodwill of USD 68.8 billion. The goodwill arising from the Transaction of USD 83.1 billion has been calculated as the excess of the purchase consideration (net of share option proceeds) of USD 103.1 billion over the fair value of the net assets acquired of USD 20.0 billion.

(b) ***Transaction costs***

(i) *2015 pro forma income statement*

Former AB InBev incurred USD 53 million in costs related to the Transaction during the fiscal year ended 31 December 2015, of which USD 34 million related to advisory, legal, audit, valuation and other fees and costs recorded on the income statement within "Acquisition costs business combinations" and USD 19 million related to commitment fees for the 2015 Senior Facilities Agreement recorded on the income statement within "Finance cost". SABMiller incurred USD 160 million in costs related to the Transaction during the fiscal year ended 31 March 2016, recorded on the income statement within "Acquisition costs business combinations".

Former AB InBev also incurred nonrecurring finance charges totaling USD 706 million during the fiscal year ended 31 December 2015. This includes USD 688 million related to derivative foreign exchange forward contracts entered into with respect to the purchase price to economically hedge against exposure to changes in the US dollar exchange rate for the cash component of the purchase consideration in pound sterling and USD 18 million related to mark-to-market adjustments on derivative instruments entered into to hedge the shares to be issued in relation to the Transaction.

For the purposes of the unaudited pro forma financial information, an adjustment has been made to remove those costs from the 2015 pro forma income statement as they are nonrecurring charges directly relating to the Transaction. This results in a total adjustment to "Acquisition costs business combinations" and "Finance cost" of USD 194 million and USD 725 million, respectively.

(ii) *Half year 2016 pro forma income statement*

Former AB InBev incurred USD 321 million in costs related to the Transaction during the six months ended 30 June 2016, of which USD 79 million related to advisory, legal, audit, valuation and other fees and costs recorded on the income statement within "Acquisition costs



business combinations" and USD 242 million related to accelerated accretion expenses associated with the 2015 Senior Facilities Agreement following the cancellation of USD 42.5 billion and USD 12.5 billion in January and April 2016, respectively, as well as commitment fees for the 2015 Senior Facilities Agreement recorded on the income statement within "Finance cost". SABMiller incurred USD 160 million in costs related to the Transaction during the six months ended 31 March 2016, recorded on the income statement within "Acquisition costs business combinations".

Former AB InBev also incurred net nonrecurring finance charges totaling USD 2.1 billion during the six months ended 30 June 2016. This includes a charge of USD 2.4 billion related to derivative foreign exchange forward contracts entered into with respect to the purchase price to economically hedge against exposure to changes in the US dollar exchange rate for the cash component of the purchase consideration in pound sterling, income of USD 127 million related to mark-to-market adjustments on derivative instruments entered into to hedge the shares to be issued in relation to the Transaction and income of USD 141 million that represents the portion of the mark-to-market adjustments on derivatives entered into to pre-hedge the March 2016 Notes issuance, which directly relates to the funding of the cash consideration to be used for the Transaction.

For the purposes of the unaudited pro forma financial information, an adjustment has been made to remove those costs from the half year 2016 pro forma income statement as they are nonrecurring charges directly relating to the Transaction. This results in a total adjustment to "Acquisition costs business combinations", "Finance cost" and "Finance income" of USD 239 million, USD 2.6 billion and USD 268 million, respectively.

(c) **Impact on shareholders' equity**

The estimated impact on total shareholders' equity as of 30 June 2016 is summarized as follows:

**Note 4(c)**

	Acquisition				Financing		
	Transaction Costs	Eliminate SABMiller's equity	Issuance of restricted shares for SABMiller ordinary shares	Transfer to reserves (1)	Total acquisition adjustments to equity	Foreign exchange contracts recognized in equity in relation to the Transaction (2)	Total adjustments to equity
(US\$m)							
Issued capital	-	(168)	9,296	(9,296)	(168)	-	(168)
Share premium	-	(6,849)	27,476	(27,476)	(6,849)	-	(6,849)
Reserves	-	3,130	-	36,772	39,902	5,924	45,826
Retained earnings	(800)	(19,005)	-	-	(19,805)	(1,403)	(21,208)
Total shareholders' equity	(800)	(22,892)	36,772	-	13,080	4,521	17,601

- (1) To reflect the fact that Newbelco's share capital and issue premium account were reduced to create reserves through certain steps decided on by a general meeting of Newbelco in the notarial deed approving the merger of Former AB InBev into Newbelco and in accordance with the Belgian Companies Code, each such step became effective simultaneously with the merger of Former AB InBev into Newbelco upon completion of the Transaction.
- (2) To reflect the settlement of derivative foreign exchange forward contracts recognized in equity reserves as of 30 June 2016 that qualified for hedge accounting (USD 5.9 billion), as well as to reflect USD 1.4 billion mark-to-market losses related to the non-qualifying portion the derivatives incurred from 30 June 2016 to the closing of the Transaction.

AB InBev expects to incur approximately USD 0.7 billion in transaction costs related to entering into the financing arrangements and approximately USD 1.0 billion in advisory, legal, audit, valuation and other fees. USD 0.8 billion is presented as an acquisition adjustment in the pro forma balance sheet that reduces cash with a

corresponding reduction in retained earnings, representing the portion of the transaction costs not incurred by AB InBev as of 30 June 2016.

## Note 5. Pro forma earnings per share

Pro forma earnings per share for the pro forma income statements have been recalculated to show the impacts of the Transaction and the Transaction-related Divestitures, on a constant diluted and basic outstanding share basis, assuming shares issued in connection with the Transaction were outstanding at the beginning of the period presented. The pro forma adjustments for the Transaction and Transaction-related Divestitures include the removal of any nonrecurring items directly attributable to the Transaction, which have been historically recorded in the income statements of the companies. The following table presents pro forma earnings per share for the 2015 pro forma income statement and half year 2016 income statement:

	2015 income statement		Half year 2016 income statement	
	Historical AB InBev	Pro forma combined group	Historical AB InBev	Pro forma combined group
	(US\$m)			
Profit attributable to equity holders of AB InBev	8,273	8,680	285	3,328
Weighted average number of ordinary shares	1,638	1,964	1,641	1,967
<b>Basic EPS</b>	<b>5.05</b>	<b>4.42</b>	<b>0.17</b>	<b>1.69</b>
Profit attributable to equity holders of AB InBev	8,273	8,680	285	3,328
Weighted average number of ordinary shares (diluted)	1,668	1,994	1,673	1,999
<b>Diluted EPS</b>	<b>4.96</b>	<b>4.35</b>	<b>0.17</b>	<b>1.66</b>

The share capital of AB InBev now amounts 2,019,241,973 shares without nominal value, of which 85,540,392 are held in treasury by AB InBev and its subsidiaries. All shares are new ordinary shares, except for 325,999,817 Restricted Shares.

## Note 6. Divestitures

The following Transaction-related Divestitures have been reflected in the pro forma income statements and the pro forma balance sheet.

### *MillerCoors and the Miller Brand Portfolio Outside of the U.S.*

On 10 October 2016, AB InBev completed the sale of SABMiller's 50% voting interest and 58% economic interest in MillerCoors, a joint venture in the U.S. and Puerto Rico between Molson Coors and SABMiller, to Molson Coors. Additionally, Molson Coors acquired full ownership of the Miller brand portfolio outside of the U.S. and retained the rights to all of the brands currently in the MillerCoors portfolio for the U.S. market, as well as related trademarks and other intellectual property rights.

Proceeds from the divestiture of the MillerCoors joint venture and the Miller brand portfolio outside of the U.S. were USD 12.0 billion before taxes and USD 7.5 billion after taxes, assuming an estimated statutory tax rate of 37.5%.

### *European Premium Brands*

On 10 October 2016, AB InBev completed the sale of SABMiller's Peroni, Grolsch and Meantime brand families and their associated businesses in Italy, the Netherlands, UK and internationally (excluding certain rights in the U.S.) to Asahi.

Proceeds from the divestiture of the Peroni, Grolsch and Meantime brand families and related businesses were EUR 2.6 billion (USD 2.8 billion) before and after taxes.

### *CR Snow*

On 10 October 2016, AB InBev completed the sale of SABMiller's 49% interest in CR Snow to China Resources Beer (Holdings) Co. Ltd. As a result, CR Snow is a direct wholly owned subsidiary of China Resources Beer (Holdings) Co. Ltd.

Proceeds from the divestiture of CR Snow were USD 1.6 billion before taxes and USD 1.4 billion after taxes, assuming an estimated statutory tax rate of 10%.

### ***Central and Eastern European Brands***

AB InBev has announced its offer to divest the entirety of the assets of SABMiller in Central and Eastern Europe (Hungary, Romania, the Czech Republic, Slovakia and Poland) as part of an updated package of commitments submitted to the European Commission in connection with its review of the Transaction. As a result, the Central and Eastern European assets are presented as assets held for sale in accordance with IFRS 5 "Non current Assets Held for Sale and Discontinued Operations" in the pro forma balance sheet with an adjustment to remove the corresponding income and expenses from the pro forma income statements.

### ***Ownership in Distell Group Limited***

AB InBev has agreed to divest SABMiller's 26.5% shareholding in Distell Group Limited in order to address regulatory considerations raised in the context of the Transaction by the Competition Commission of South Africa. The sale is to be concluded after the closing of the Transaction in accordance with the approval (with conditions) given by the South Africa Competition Tribunal. As a result, the 26.5% share of Distell Group assets is presented as an asset held for sale in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" in the pro forma balance sheet with an adjustment to remove the corresponding income and expenses from the pro forma income statements.

### ***Use of proceeds from Transaction-related Divestitures***

Under the terms of the 2015 Senior Facilities Agreement, the net proceeds from the Transaction-related Divestitures described herein are required to be used to pay down and cancel the Disposals Bridge Facility. Further details of the impact on the financing pro forma adjustment are included within Note 3(a). As a result, the proceeds from the Disposals Bridge Facility are presented net of USD 10.0 billion of the USD 11.7 billion in net proceeds received from the Transaction-related Divestitures within the unaudited pro forma financial information. The remaining USD 1.7 billion in net proceeds are presented as excess cash proceeds from the Transaction-related Divestitures since additional proceeds are not required to be used to pay down any other facilities under the 2015 Senior Facilities Agreement.

The unaudited pro forma financial information reflects the preliminary allocations of the assets, liabilities, revenues and expenses directly attributable to the Transaction-related Divestitures. The allocation methodologies developed for the purposes of these pro forma amounts are considered reasonable by AB InBev's management to present the unaudited pro forma financial information. The results of the Transaction-related Divestitures include certain allocated costs but the financial information does not necessarily reflect the financial position or results of operations as if these brands and assets were stand-alone entities for the periods presented.

Regulatory approval for the Transaction remains outstanding in certain jurisdictions. AB InBev may consider other potential asset or business divestitures in connection with the Transaction which may be material to the Combined Group. Any other potential divestitures are not reasonably certain at this time, and the effects of any such divestitures (other than the Transaction-related Divestitures described herein) have not been taken into account in the preparation of the unaudited pro forma financial information. Furthermore, in order to obtain regulatory approvals, AB InBev may be required to implement remedies or make changes to the business of the Combined Group that may have an adverse effect on the Combined Group's results of operations and the impact of such remedies or changes cannot be predicted at this time and has not been taken into account in the preparation of the unaudited pro forma financial information.

**7. AUDITOR'S REPORT ON THE COMPILATION OF PRO FORMA FINANCIAL INFORMATION**

The board of directors  
on behalf of Anheuser-Busch InBev SA/NV  
Grand-Place 1 / Grote Markt 1  
1000 Brussels

5 December 2016

## **Report on Pro Forma Financial Information**

Dear Sir/Dear Madam

In accordance with the terms of our engagement contract with Anheuser-Busch InBev SA/NV ("AB InBev", the "Company" or the "Issuer") dated 5 December 2016 (the "Contract"), we have completed our assurance engagement to report on the compilation of pro forma condensed combined financial information of Former AB InBev (as defined in the Base Prospectus, see below) and SABMiller plc ("SABMiller"), as compiled by AB InBev's directors.

The pro forma condensed combined financial information (the "Pro Forma Financial Information") consists of (i) the pro forma condensed combined balance sheet as at 30 June 2016 compiled on the basis of Former AB InBev's balance sheet as at 30 June 2016 and SABMiller's balance sheet as at 31 March 2016, (ii) the pro forma condensed combined income statement for the 6 months ended 30 June 2016 compiled on the basis of Former AB InBev's income statement for the 6 months ended 30 June 2016 and SABMiller's income statement for the 12 months ended 31 March 2016 subtracted by SABMiller's income statement for the 6 months ended 30 September 2015, (iii) the pro forma condensed combined income statement for the 12 months ended 31 December 2015 compiled on the basis of Former AB InBev's income statement for the 12 months ended 31 December 2015 and SABMiller's income statement for the 12 months ended 31 March 2016 and (iv) the related notes as approved by the board of directors of AB InBev on 10 November 2016, as set out in Section 6 of the prospectus relating to the EUR 40,000,000,000 Euro Medium Term Note Programme of AB InBev under which AB InBev may from time to time issue notes (hereafter the "Base Prospectus"). The applicable criteria on the basis of which the directors of AB InBev have compiled the Pro Forma Financial Information (the "Criteria") are specified in Annex II items 1 to 6 of the EC Regulation N° 809/2004 of 29 April 2004 (the "Prospectus Directive Regulation") and described in Note 1 "Basis of preparation".

The Pro Forma Financial Information has been compiled by AB InBev's directors to illustrate the impact of the Transaction (as defined in this Base Prospectus) on Former AB InBev's financial position as at 30 June 2016 as if the Transaction had taken place at 30 June 2016, its financial performance for the 6 months period ended 30 June 2016 and the 12 months period ended 31 December 2015, as if the Transaction was completed on 1 January 2015; in a manner consistent with the accounting policies adopted by Former AB InBev in its last consolidated financial statements, being International Financial Reporting Standard as adopted by the European Union.

As part of this process, information about Former AB InBev's financial position and financial performance has been extracted by the AB InBev directors from the financial statements of Former AB InBev for the 6 months ended 30 June 2016 and the 12 months ended 31 December 2015, as well as the financial statements of SABMiller for the year ended 31 March 2016, on which a review, respectively audit reports were published.

## **Responsibilities**

AB InBev's directors are responsible for compiling the Pro Forma Financial Information in accordance with Annex II items 1 to 6 of the Prospectus Directive Regulation.

Our responsibility is to express an opinion, as required by Annex II item 7 of the Prospectus Directive Regulation, about whether the Pro Forma Financial Information has been compiled, in all material respects, by AB InBev's directors on the basis of Annex II items 1 to 6 of the Prospectus Directive Regulation and to report that opinion to you in accordance with Annex II item 7 of the Prospectus Directive Regulation.

## **Basis of opinion**

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the International Auditing and Assurance Standards Board (IAASB). This standard requires that the auditor complies with ethical requirements and plans and performs procedures to obtain reasonable assurance about whether the directors have compiled, in all material respects, the Pro Forma Financial Information on the basis of the Criteria.

Save for any responsibility arising under Prospectus Rule 5.5.4R (2)(f) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in accordance with this report or our statement, required by and given solely for the purposes of complying with Annex II item 7 of the Prospectus Directive Regulation, consenting its inclusion in the prospectus. For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Pro Forma Financial Information.

The purpose of pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 30 June 2016 and 31 December 2015 would have been as presented.

A reasonable assurance engagement to report on whether the Pro Forma Financial Information has been compiled, in all material respects, on the basis of the Criteria involves performing procedures to assess whether the Criteria used by the directors in the compilation of the Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the auditor's judgment, having regard to the auditor's understanding of the nature of AB InBev, the event or transaction in respect of which the Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of AB InBev's Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Opinion**

In our opinion:

- The Pro Forma Financial Information has been properly compiled on the basis stated;
- That basis is consistent with both Former AB InBev's and the Issuer's accounting policies.

## **Other matter – Restriction on use and distribution of our report**

This report is intended for use outside the United States of America in connection with the Pro Forma Financial information. It is not to be used in the United States of America and we accept no responsibility for any use that you make of it in the United States of America. Our work has not been carried out in accordance with auditing standards generally accepted in the United States of America and accordingly should not be relied upon as if it had been in accordance with those standards.

## **Declaration**

For the purposes of Prospectus Rule 5.5.4R (2)(f) we are responsible for this report as part of the Base Prospectus and declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Base Prospectus in compliance with Annex II item 7 of the Prospectus Directive Regulation.

Diegem, 5 December 2016

## **The statutory auditor**

s/s Joël Brehmen

**DELOITTE Bedrijfsrevisoren/Reviseurs d'Entreprises**

BV o.v.v.e. CVBA / SC s.f.d. SCRL

Represented by Joël Brehmen

## **8. SELECTED FINANCIAL INFORMATION**

This section sets out highlights of the financial information of the Group.



## SELECTED FINANCIAL INFORMATION

The following tables set out in summary form balance sheet, income statement and cash flow information relating to the Former AB InBev Group. Such information is derived from the audited consolidated financial statements of the Former AB InBev Group as at and for the years ended 31 December 2014 and 31 December 2015. The financial statements of the Former AB InBev Group are prepared in accordance with the International Financial Reporting Standards as issued by the International Accounting Standards Board ("IASB") and in conformity with International Financial Reporting Standards as adopted by the European Union ("IFRS"). The audited consolidated financial statements and the accompanying notes as of 31 December 2014 and 2015, together with the audit report of PricewaterhouseCoopers Bedrijfsrevisoren BCVBA and the accompanying notes, are incorporated by reference in this Base Prospectus. The financial information presented below should be read in conjunction with such financial statements, notes and audit report thereto.

### Condensed Consolidated Income Statement for the years ended 31 December 2015 and 2014

	2015				2014			
	Group	Guarantors			Group	Guarantors		
		AB InBev Worldwide Inc	AB InBev Finance Inc	Subsidiary Guarantors		AB InBev Worldwide Inc	AB InBev Finance Inc	Subsidiary Guarantors
				<i>(million US dollar)</i>				
<b>Revenue</b>	<b>43,604</b>			<b>14,097</b>	<b>47,063</b>	-	-	<b>14,345</b>
	(17,137)			(6,179)	(18,756)	-	-	(6,312)
Cost of sales								
<b>Gross profit</b>	<b>26,467</b>			<b>7,918</b>	<b>28,307</b>	-	-	<b>8,033</b>
Distribution expenses	(4,259)			(1,009)	(4,558)	-	-	(969)
Sales and marketing expenses	(6,913)			(2,065)	(7,036)	-	-	(1,888)
Administrative expenses	(2,560)			(258)	(2,791)	-	-	(235)
Other operating income/(expenses)	1,168	701	-	(1,210)	1,189	815	-	(1,115)
<b>Profit from operations</b>	<b>13,904</b>	<b>701</b>	-	<b>3,376</b>	<b>15,111</b>	<b>815</b>	-	<b>3,826</b>
<b>Net finance cost</b>	<b>(1,453)</b>	<b>(1,791)</b>	<b>41</b>	<b>(311)</b>	<b>(1,319)</b>	<b>(2,181)</b>	<b>(35)</b>	<b>2,175</b>
Share of result of associates	10	-	-	2	9	-	-	3
<b>Profit before tax</b>	<b>12,461</b>	<b>(1,090)</b>	<b>41</b>	<b>3,067</b>	<b>13,801</b>	<b>(1,366)</b>	<b>(35)</b>	<b>6,004</b>
Income tax expense	(2,594)	659	(36)	(1,068)	(2,499)	597	17	(1,303)
<b>Profit</b>	<b>9,867</b>	<b>(431)</b>	<b>5</b>	<b>1,999</b>	<b>11,302</b>	<b>(769)</b>	<b>(18)</b>	<b>4,701</b>
Income from subsidiaries	-	1,374	-	3,484	-	1,797	-	2,327
<b>Profit</b>	<b>9,867</b>	<b>943</b>	<b>5</b>	<b>5,483</b>	<b>11,302</b>	<b>1,028</b>	<b>(18)</b>	<b>7,028</b>
Attributable to:								
Equity holders of AB InBev	<b>8,273</b>	943	5	5,483	9,216	1,028	(18)	7,028
Non-controlling interest	<b>1,594</b>	-	-	-	2,086	-	-	-

## Condensed Consolidated Statement of Financial Position as at 31 December 2015 and 2014

	2015				2014			
	Guarantors					Guarantors		
Group	AB InBev Worldwide Inc	AB InBev Finance Inc	Subsidiary Guarantors		Group	AB InBev Worldwide Inc	AB InBev Finance Inc	Subsidiary Guarantors
	(million US dollar)							
ASSETS								
Non-current assets								
Property, plant and equipment	18,952	-	-	4,895	20,263	-	-	4,959
Goodwill	65,061	-	-	32,831	70,758	-	-	32,718
Intangible assets	29,677	-	-	21,983	29,923	-	-	21,677
Investments in subsidiaries	-	56,214	-	44,555	-	58,087	-	33,351
Investments in associates	212	-	-	31	110	-	-	38
Deferred tax assets	1,181	456	-	-	1,058	-	3	-
Other non-current assets	1,258	13,745	9,680	38,555	1,897	391	10,286	44,329
	116,341	70,415	9,680	142,850	124,009	58,478	10,289	137,072
Current assets								
Inventories	2,862	-	-	581	2,974	-	-	579
Trade and other receivables	7,719	574	1,087	17,035	6,449	-	75	10,526
Cash and cash equivalents	6,923	739	525	10,042	8,357	4	460	6,727
Investment securities	55	-	-	-	301	-	-	-
Other current assets	735	526	-	(433)	460	551	-	-
					18,541	555	535	17,832
Total assets	18,294	1,839	1,612	27,225	142,550	59,033	10,824	154,904
EQUITY AND LIABILITIES								
Equity	134,635	72,254	11,292	170,075				
Equity attributable to equity holders of AB InBev	42,137	34,401	526	116,127	49,972	19,947	494	105,372
Minority interest	3,582	-	-	-	4,285	-	-	-
	45,719	34,401	526	116,127	54,257	19,947	494	105,372
Non-current liabilities								
Interest-bearing loans and borrowings	43,541	33,626	9,621	11,947	43,630	33,025	10,221	15,127
Employee benefits	2,725	-	-	1,404	3,050	-	-	1,596
Deferred tax liabilities	11,961	-	12	10,014	12,701	-	-	10,263
Other non-current liabilities	2,233	-	-	950	1,704	-	-	492
	60,460	33,626	9,633	24,315	61,085	33,025	10,221	27,478
Current liabilities								
Interest-bearing loans and borrowings	5,912	3,830	1,000	12,468	7,451	5,379	-	5,999
Income tax payable	669	-	15	2	629	-	-	404
Trade and other payables	21,642	397	118	6,009	18,922	438	109	3,123
Other current liabilities	233	-	-	11,154	206	244	-	12,528
	28,456	4,227	1,133	29,633	27,208	6,061	109	22,054
Total equity and liabilities	134,635	72,254	11,292	170,075	142,550	59,033	10,824	154,904

## Condensed Consolidated Cash Flow Statement for the years ended 31 December 2015 and 2014

	2015				2014			
	Guarantors				Guarantors			
	Group	AB InBev Worldwide Inc	AB InBev Finance Inc	Subsidiary Guarantors	Group	AB InBev Worldwide Inc	AB InBev Finance Inc	Subsidiary Guarantors
	<i>(million US dollar)</i>							
<b>OPERATING ACTIVITIES</b>								
Profit	9,867	943	5	5,483	11,302	1,028	(18)	7,028
Depreciation, amortisation and impairment	3,153	-	-	727	3,353	-	-	688
Net finance cost	1,453	1,791	(41)	311	1,319	2,181	35	(2,177)
Income tax expense	2,594	(659)	36	1,068	2,499	(597)	(17)	1,303
Investment income	-	(1,374)	-	(3,484)	-	(1,797)	-	(2,327)
Revaluation of initial investment in Grupo Modelo					-	-	-	-
Other items	(341)	-	-	85	(142)	1	-	(158)
<b>Cash flow from operating activities before changes in working capital and use of provisions</b>	<b>16,726</b>	<b>701</b>	<b>-</b>	<b>4,190</b>	<b>18,331</b>	<b>816</b>	<b>-</b>	<b>4,357</b>
Working capital and provisions	1,337	550	(2)	(630)	357	873	2	(1,527)
<b>Cash generated from operations</b>	<b>18,063</b>	<b>1,251</b>	<b>(2)</b>	<b>3,560</b>	<b>18,688</b>	<b>1,689</b>	<b>2</b>	<b>2,830</b>
Interest paid, net	(1,609)	(1,845)	48	1,820	(2,203)	(2,176)	29	2,267
Dividends received	22	1,891	-	19	30	4,100	-	2,826
Income tax paid	(2,355)	-	-	(846)	(2,371)	-	-	(667)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>14,121</b>	<b>1,297</b>	<b>46</b>	<b>4,553</b>	<b>14,144</b>	<b>3,613</b>	<b>31</b>	<b>7,256</b>
<b>INVESTING ACTIVITIES</b>								
Acquisition and sale of subsidiaries, net of cash acquired/disposed of	(918)	(2)	-	(312)	(6,700)	(3)	-	(146)
Acquisition of property, plant and equipment and of intangible assets	(4,749)	-	-	(646)	(4,395)	-	-	(468)
Proceeds from the sale of assets held for sale	397	-	-	244	(65)	-	-	-
Net proceeds from sale/(acquisition) of investment in short-term securities					(187)	-	-	-
Net proceeds/(acquisition) of other assets	386	-	-	44	196	-	-	54
Net repayments/(payments) of loans granted	(46)	508	(565)	598	(1)	-	(5,250)	(1,945)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(4,930)</b>	<b>506</b>	<b>(565)</b>	<b>(72)</b>	<b>(11,152)</b>	<b>(3)</b>	<b>(5,250)</b>	<b>(2,505)</b>
<b>FINANCING ACTIVITIES</b>								
Intra-group capital reimbursements	-	-	22	3,294	-	-	250	(135)
Proceeds from borrowings	16,237	24,078	565	6,933	18,382	6,657	5,250	2,095
Payments on borrowings	(15,780)	(24,869)	(3)	(3,845)	(15,159)	(7,966)	(30)	(967)
Cash received for deferred shares instrument					-	-	-	-
Other financing activities	(1,772)	(33)	(1)	(2,353)	322	-	(7)	(1,004)
Dividends paid	(7,966)	-	-	(3,370)	(7,400)	(2,510)	-	(6,600)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>(9,281)</b>	<b>(824)</b>	<b>583</b>	<b>659</b>	<b>(3,855)</b>	<b>(3,819)</b>	<b>5,463</b>	<b>(6,611)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(90)</b>	<b>979</b>	<b>64</b>	<b>5,140</b>	<b>(863)</b>	<b>(209)</b>	<b>244</b>	<b>(1,860)</b>
Cash and cash equivalents less bank overdrafts at beginning of year	8,316	(240)	460	(5,789)	9,833	(31)	216	(3,449)
Effect of exchange rate fluctuations	(1,316)	-	1	(451)	(654)	-	-	(480)
<b>Cash and cash equivalents less bank overdrafts at end of year</b>	<b>6,910</b>	<b>739</b>	<b>525</b>	<b>(1,100)</b>	<b>8,316</b>	<b>(240)</b>	<b>460</b>	<b>(5,789)</b>

The following tables set out in summary form balance sheet, income statement and cash flow information relating to the Former AB InBev Group. Such information is derived from the Former AB InBev Group's unaudited interim report for the six-month period ended 30 June 2016 as filed with the Securities and Exchange Commission on Form 6-K on 29 July 2016. The condensed consolidated interim financial statements of the Former AB InBev Group are prepared in accordance with the International Financial Reporting Standards as issued by the IASB and in conformity with IFRS. The condensed consolidated interim financial statements as of 30 June 2016, together with the accompanying notes, except for the section entitled "Outlook" on page 23 of the report, are incorporated by reference in this Base Prospectus. The financial information presented below should be read in conjunction with such financial statements and notes.

### Condensed Consolidated Income Statement for the six-month periods ended 30 June 2016 and 2015

	2016				2015			
	Group	Guarantors			Group	Guarantors		
		AB InBev Worldwide Inc	AB InBev Finance Inc	Subsidiary Guarantors		AB InBev Worldwide Inc	AB InBev Finance Inc	Subsidiary Guarantors
				(million US dollar)				
<b>Revenue</b>	<b>20,206</b>	-	-	<b>7,034</b>	<b>21,505</b>	-	-	<b>6,976</b>
Cost of sales	(8,002)	-	-	(2,924)	(8,662)	-	-	(3,096)
<b>Gross profit</b>	<b>12,204</b>	-	-	<b>4,110</b>	<b>12,843</b>	-	-	<b>3,880</b>
Distribution expenses	(1,964)	-	-	(477)	(2,125)	-	-	(495)
Sales and marketing expenses	(3,568)	-	-	(1,156)	(3,343)	-	-	(956)
Administrative expenses	(1,179)	-	-	(191)	(1,263)	-	-	(139)
Other operating income/(expenses)	283	313	-	(610)	494	346	-	(484)
<b>Profit from operations</b>	<b>5,775</b>	<b>313</b>	-	<b>1,676</b>	<b>6,606</b>	<b>346</b>	-	<b>1,806</b>
<b>Net finance cost</b>	<b>(4,113)</b>	<b>(637)</b>	<b>14</b>	<b>(3,353)</b>	<b>(128)</b>	<b>(1,106)</b>	<b>(3)</b>	<b>1,897</b>
Share of result of associates	3	-	-	-	8	-	-	1
<b>Profit before tax</b>	<b>1,664</b>	<b>(324)</b>	<b>14</b>	<b>(1,677)</b>	<b>6,486</b>	<b>(760)</b>	<b>(3)</b>	<b>3,704</b>
Income tax expense	(835)	158	10	(657)	(1,125)	326	1	(613)
<b>Profit</b>	<b>829</b>	<b>(166)</b>	<b>24</b>	<b>(2,334)</b>	<b>5,361</b>	<b>(434)</b>	<b>(2)</b>	<b>3,091</b>
Income from subsidiaries	-	716	-	2,472	-	860	-	560
<b>Profit</b>	<b>829</b>	<b>550</b>	<b>24</b>	<b>138</b>	<b>5,361</b>	<b>426</b>	<b>(2)</b>	<b>3,651</b>
Attributable to:								
Equity holders of AB InB	285	550	24	138	4,610	426	(2)	3,651
Non-controlling interest	544	-	-	-	751	-	-	-

## Condensed Consolidated Balance Sheet as at 30 June 2016 and 2015

	2016				2015			
	Guarantors				Guarantors			
	AB InBev Worldwide Inc	AB InBev Finance Inc	Subsidiary Guarantors		AB InBev Worldwide Inc	AB InBev Finance Inc	Subsidiary Guarantors	
Group				Group				
	(million US dollar)							
ASSETS								
Non-current assets								
Property, plant and equipment	19,309	-	5,858	19,295	-	-	4,854	
Goodwill	65,210	-	32,919	68,465	-	-	32,734	
Intangible assets	29,634	-	22,048	29,535	-	-	21,587	
Investments in subsidiaries	-	56,896	56,968	-	58,907	-	35,010	
Investments in associates and joint ventures	286	-	31	139	-	-	34	
Deferred tax assets	1,201	539	-	1,497	-	3	-	
Other non-current assets	1,056	13,745	41,778	1,811	383	9,220	40,356	
	116,696	71,180	158,809	120,742	59,290	9,223	134,575	
Current assets								
Inventories	3,282	-	662	3,112	-	-	568	
Trade and other receivables	6,534	1,472	17,578	7,395	-	1,073	12,832	
Cash and cash equivalents	6,050	225	11,580	6,453	4	485	8,051	
Investment securities	55,982	270	(247)	331	-	-	-	
Other current assets	2,585	-	11,668	322	305	-	-	
	74,433	1,967	41,241	17,613	309	1,558	21,451	
Total assets	191,129	73,147	200,050	138,355	59,599	10,781	156,026	
EQUITY AND LIABILITIES								
Equity								
Equity attributable to equity holders of AB InBev	33,890	35,130	550	134,729	47,501	20,378	511	106,774
Minority interest	3,847	-	-	3,942	-	-	-	-
	37,737	35,130	550	134,729	51,443	20,378	511	106,774
Non-current liabilities								
Interest-bearing loans and borrowings	101,045	35,720	10,410	44,067	32,014	9,160	14,072	
Employee benefits	2,678	-	1,359	2,965	-	-	1,588	
Deferred tax liabilities	11,890	-	10,062	12,179	-	-	9,933	
Other non-current liabilities	2,432	-	751	1,835	-	-	549	
	118,045	35,720	22,915	61,046	32,014	9,160	26,142	
Current liabilities								
Interest-bearing loans and borrowings	7,586	1,810	19,380	7,375	6,194	998	6,825	
Income tax payable	430	-	6	759	-	4	514	
Trade and other payables	17,601	-	10,458	17,522	516	108	3,305	
Other current liabilities	9,730	-	10,458	210	497	-	12,466	
	35,347	2,297	42,406	25,866	7,207	1,110	23,110	
Total equity and liabilities	191,129	73,147	200,050	138,355	59,599	10,781	156,026	

## Condensed Consolidated Cash Flow Statement for the six-month periods ended 30 June 2016 and 2015

	2016				2015			
	Guarantors					Guarantors		
	AB InBev Worldwide Inc	AB InBev Finance Inc	Subsidiary Guarantors		AB InBev Worldwide Inc	AB InBev Finance Inc	Subsidiary Guarantors	
Group				Group				
	(million US dollar)							
OPERATING ACTIVITIES								
Profit	829	752	24	138	5,361	426	(2)	3 651
Depreciation, amortisation and impairment	1,559	-	-	365	1,527	-	-	338
Net finance cost	4,113	637	(14)	3,353	128	1,106	3	(1,897)
Income tax expense	835	(360)	(10)	657	1,125	(326)	(1)	613
Investment income	-	(716)	-	(2,472)	-	(860)	-	(560)
Revaluation of initial investment in Grupo Modelo								
Other items	57	-	-	146	49	-	-	(36)
Cash flow from operating activities before changes in working capital and use of provisions	7,393	313	-	2,187	8,190	346	-	2,109
Working capital and provisions	(1,938)	637	-	(776)	(1,159)	662	-	(596)
Cash generated from operations	5,455	950	-	1,411	7,031	1,008	-	1,513
Interest paid, net	(834)	(586)	42	614	(904)	(1,131)	24	1,010
Dividends received	6	-	-	2	19	-	-	15
Income tax paid	(2,174)	-	-	(314)	(1,432)	-	-	(341)
CASH FLOW FROM OPERATING ACTIVITIES	2,453	364	42	1,713	4,714	(123)	24	2,197
INVESTING ACTIVITIES								
Acquisition and sale of subsidiaries, net of cash acquired/disposed of	(1,035)	-	-	(196)	(220)	-	-	(39)
Acquisition of property, plant and equipment and of intangible assets	(1,528)	-	-	(297)	(1,675)	-	-	(257)
Proceeds from the sale of assets held for sale	58	-	-	-	228	-	-	211
Net proceeds from sale/(acquisition) of investment in short-term securities	109	-	-	6	(71)	-	-	-
Net proceeds from sale/(acquisition) of other assets	(55,905)	-	-	(10,225)	(160)	-	-	11
Net repayments/(payments) of loans granted	2	(900)	(46,052)	(926)	(46)	-	-	3,715
CASH FLOW FROM INVESTING ACTIVITIES	(58,299)	(900)	(46,052)	(11,638)	(1,944)	-	-	3,641
FINANCING ACTIVITIES								
Intra-group capital reimbursements	-	-	-	2	-	-	-	-
Proceeds from borrowings	65,257	2,805	47,055	14,394	9,645	4,229	-	919
Payments on borrowings	(6,456)	(2,719)	(1,000)	(987)	(8,138)	(4,359)	-	(5,220)
Share buyback	-	-	-	-	(1,000)	-	-	-
Other financing activities	75	(65)	(3)	(1,612)	(193)	-	-	(60)
Dividends paid	(3,929)	-	-	1	(4,556)	-	-	-
CASH FLOW FROM FINANCING ACTIVITIES	54,947	21	46,052	11,798	(4,242)	(130)	-	(4,361)
Net increase/(decrease) in cash and cash equivalents	(899)	(515)	42	1,873	(1,472)	(253)	24	1,477
Cash and cash equivalents less bank overdrafts at beginning of year	6,910	739	525	(1,100)	8,316	(240)	460	(5,789)
Effect of exchange rate fluctuations	(16)	1	-	358	(453)	-	1	(97)
Cash and cash equivalents less bank overdrafts at end of year	5,995	225	567	1,131	6,391	(493)	485	(4,409)

The following table sets out in summary form income statement information relating to the Former AB InBev Group. Such information is derived from the Former AB InBev Group's unaudited condensed consolidated interim financial statements for the nine-month period ended 30 September 2016 as filed with the Securities and Exchange Commission on Form 6-K on 28 October 2016. The unaudited condensed consolidated interim financial statements for the nine-month period ended 30 September 2016 is prepared in accordance with the International Financial Reporting Standards as issued by the IASB and in conformity with IFRS. The unaudited condensed consolidated interim financial statements for the nine-month period ended 30 September 2016, together with the accompanying notes except for the section entitled "Outlook" on page 17 of the financial statements, are incorporated by reference in this Base Prospectus. The financial information presented below should be read in conjunction with such financial statements and notes.

**Condensed Consolidated Income Statement for the nine-month periods ended 30 September 2016 and 2015**

	<b>2016</b>	<b>2015</b>
	<b>Group</b>	<b>Group</b>
	<i>(million US dollar)</i>	
<b>Revenue</b>	31,315	32,881
Cost of sales	-12,395	-13,106
<b>Gross profit</b>	18,920	19,775
Distribution expenses	-3,059	-3,214
Sales and marketing expenses	-5,525	-5,166
Administrative expenses	-1,776	-1,878
Other operating income/(expenses)	569	712
<b>Normalised Profit from operations</b>	<b>9,129</b>	<b>10,229</b>
Non-recurring items above		
EBIT	-276	77
Net finance income / (cost)	-3,171	-1,273
Non-recurring net finance income / (cost)	-2,846	8
Share of result of associates	5	12
Income tax expense	-1,059	-1,920
<b>Profit</b>	<b>1,780</b>	<b>7,133</b>
Attributable to:		
Non-controlling interest	938	1,148
Equity holders of AB InBev	842	5,985
<b>Normalised EBITDA</b>	<b>11,505</b>	<b>12,526</b>
<b>Normalised profit attributable to equity holders of AB InBev</b>	<b>3,934</b>	<b>5,952</b>

**9. DESCRIPTION OF GUARANTORS**

This section sets out information about the Guarantors and the nature of their respective businesses.



## DESCRIPTION OF GUARANTORS

### BRANDBREW S.A.

Brandbrew S.A. ("**Brandbrew**") was incorporated on 15 May 2000 as a public limited liability company (*société anonyme*) under the Luxembourg Companies Act. Its registered office is located at Zone Industrielle Breedewues No. 15, L-1259 Senningerberg, Grand Duchy of Luxembourg (tel.: +352 261 596 23). The articles of association were published in the Memorial C n°636 on 6 September 2000.

The articles of association were amended on 26 September 2000, 15 February 2002, 25 July 2007, 15 June 2010, 28 November 2013, 15 January 2016 and 30 March 2016. The duration of Brandbrew is unlimited. Brandbrew is registered with the Luxembourg Register of Commerce and Companies under number B 75696.

### *Business Overview*

The business objectives of Brandbrew are to undertake, in Luxembourg and abroad, financing operations by granting loans to companies which are part of the Group. These loans will be refinanced by financial means and instruments such as, *inter alia*, loans from shareholders or group companies or bank loans.

### *Board of Directors*

As at the date of this description, the Board of Directors of Brandbrew comprises of the following persons:

Name	Principal activities performed by them outside Brandbrew which are significant with respect to Brandbrew
Yannick Bomans	Group Director Control Parent Companies
Gert Magis	Group Controller
Octavio Chino	Group General Director Treasury
Yann Callou	Group Manager Treasury Operations

For the purpose of this description, the address of the Board of Directors is Zone Industrielle Breedewues No. 15, L-1259 Senningerberg, Grand Duchy of Luxembourg.

No conflicts of interests exist between any duties to Brandbrew of the persons referred to above and their private interests.

Under Luxembourg company law, there is currently no legal corporate governance regime (other than ordinary corporate governance) that Brandbrew must comply with.

### *Share Capital*

The Issuer holds all 2,108,428 shares in Brandbrew.

Brandbrew's issued and authorised share capital at the date of this Base Prospectus was USD 303,740,129 represented by 2,108,428 ordinary shares without a nominal value. Brandbrew has no other classes of shares. The share capital is fully paid up in cash. Brandbrew has no notes cum warrants, nor convertible notes outstanding.

### *Coordinated Articles of Incorporation – Corporate Object*

Article 3 of Brandbrew's articles of association states:

- The corporate purpose of Brandbrew is to undertake, in Luxembourg and abroad, financing transactions by granting loans to companies which are part of the same international group to which Brandbrew belongs. These loans would be refinanced, amongst others but not exclusively, through financial means and instruments such as loans granted by shareholders, group companies or banks.
- Brandbrew may enter into any financial transaction to the benefit of its group companies.
- Brandbrew may also enter into any transaction directly or indirectly related to the acquisition of any interest in any company and to the administration, management, supervision and development of these interests. The corporate purpose of Brandbrew is also the holding of brands.

- Brandbrew may, among others, use its funds to create, manage, develop and to liquidate a portfolio comprised of any security and any type of brand; contribute to creating, developing and supervising any company; acquire by way of contribution, subscription, underwriting or call or in any other manner any security and brand; dispose of them by way of sale, transfer, exchange or in any other manner; develop these securities and brands; or grant any assistance, loan, advance or guarantee to the companies in which Brandbrew has an interest.
- In general, Brandbrew may enter into any financial, commercial, industrial, movable or immovable transaction, may take any measure to preserve its rights and may enter into any transaction directly or indirectly related to its corporate purpose or likely to contribute to its development.

#### ***Material Contracts***

Brandbrew has not entered into any material contracts that are not entered into in the ordinary course of Brandbrew's business, which could result in any Group member being under an obligation or entitlement that is material to Brandbrew's ability to meet its obligations under this Programme.

## ANHEUSER-BUSCH COMPANIES, LLC

### ***Business Overview***

Anheuser-Busch Companies, LLC ("**Anheuser-Busch Companies**") is a Delaware limited liability company that was organised in 2011 by statutory conversion of Anheuser-Busch Companies, Inc. into a limited liability company. Anheuser-Busch Companies, Inc. was originally incorporated in 1979 as the holding company of Anheuser-Busch, Incorporated (now, Anheuser-Busch, LLC).

The address of Anheuser-Busch Companies' principal place of business is One Busch Place, St. Louis, MO 63118, telephone number +1 314 577 2000. The purpose of Anheuser-Busch Companies, under its certificate of incorporation, is to engage in any lawful act or activity for which corporations may be organised under the General Corporation Law of Delaware. Anheuser-Busch Companies complies with the laws and regulations of the State of Delaware regarding organisational governance.

Following the Issuer's acquisition of Anheuser-Busch Companies in November 2008, Anheuser-Busch Companies is a holding company within the Group for various business operations, including, brewing operations within the United States, a major manufacturer of aluminium cans and one of the largest recyclers of aluminium cans in the United States by weight.

For further information on Anheuser-Busch Companies operations see Section 5 (*Description of the Issuer*).

### ***Board of Managers***

As at the date of this Base Prospectus, the Board of Managers of Anheuser-Busch Companies comprises the following persons:

<b>Name</b>	<b>Principal function within Anheuser-Busch Companies</b>	<b>Principal activities performed by them outside Anheuser-Busch Companies which are significant with respect to Anheuser-Busch Companies</b>
John Blood	Vice President and General Counsel	None
Joao Castro de Neves	North America Zone President	None

The business address for all managers is One Busch Place, St. Louis, MO 63118.

No conflicts of interests exist between any duties to Anheuser-Busch Companies of the persons referred to above and their private interests.

### ***Share Capital***

Anheuser-Busch Companies is a wholly-owned indirect subsidiary of the Issuer, its ownership is represented by 1,000,000 membership units with a nominal value of USD 0.01 each. Anheuser-Busch Companies has no notes cum warrants, nor convertible notes outstanding.

### ***Material Contracts***

Anheuser-Busch Companies has not entered into any material contracts that are not entered into in the ordinary course of Anheuser-Busch Companies' business, which could result in any Group member being under an obligation or entitlement that is material to Anheuser-Busch Companies' ability to meet its obligations under this Programme.

## **ANHEUSER-BUSCH INBEV FINANCE INC.**

Anheuser-Busch InBev Finance Inc. ("ABIFI") was incorporated on 17 December 2012 in the State of Delaware under Section 106 of the Delaware General Corporation Law. Its registered office is located at 1209 Orange Street, Wilmington, Delaware 19801. ABIFI complies with the laws and regulations of the State of Delaware regarding corporate governance.

### ***Business Overview***

#### *Principal activities*

ABIFI acts as a financing vehicle of the Group.

#### *Principal markets*

The Notes guaranteed by ABIFI may be admitted to listing on the Official List and trading on the Market. The debt securities may be sold to investors all over the world but within the scope of any applicable selling restrictions.

### ***Board of Directors***

The business and affairs of ABIFI are managed by or under the direction of its Board of Directors. The number of directors that comprise ABIFI's Board of Directors will be determined only by ABIFI's Board of Directors. ABIFI's Board of Directors currently consists of the following three directors, who also hold the offices parenthetically indicated after his name: Fernando Tennenbaum (President and Treasurer), Lucas Lira (Secretary), Matthew Amer (Assistant Secretary) and Gabriel Ventura (Assistant Secretary). Any action required or permitted to be taken at any meeting of the Issuer's Board of Directors, or of any committee thereof, may be taken without a meeting if the directors unanimously consent thereto in writing.

No conflicts of interests exist between any duties to ABIFI of the persons referred to above and their private interests.

The business address for all directors is 250 Park Avenue, 2<sup>nd</sup> floor, New York, NY 10177.

### ***Sole Shareholder***

The Issuer indirectly holds 1,000 shares in ABIFI, which represent 100 per cent. of the share capital of ABIFI.

### ***Share capital***

ABIFI's issued share capital at the date of this Base Prospectus is USD 1,000 represented by 1,000 ordinary shares of common stock par value USD 1.00 per share. ABIFI has no other classes of shares. The share capital is fully paid up in cash. ABIFI has no notes cum warrants, nor convertible notes outstanding.

### ***Certificate of Incorporation – Object***

ABIFI's object is to engage in any lawful act or activity for which corporations may be organised under the Delaware General Corporation Law.

### ***Material Contracts***

ABIFI has not entered into any material contracts that are not entered into in the ordinary course of ABIFI's business, which could result in any Group member being under an obligation or entitlement that is material to ABIFI's ability to meet its obligations under this Programme.

## **ANHEUSER-BUSCH INBEV WORLDWIDE INC.**

Anheuser-Busch InBev Worldwide Inc., ("ABIWW") was incorporated on 9 July 2008 under the name InBev Worldwide S.à r.l as a private limited liability company (*société à responsabilité limitée*) under the Luxembourg Companies Act. On 19 November 2008, ABIWW was domesticated as a corporation in the State of Delaware in accordance with Section 388 of the Delaware General Corporation Law and, in connection with such domestication, changed its name to Anheuser-Busch InBev Worldwide Inc. Its principal place of business is located at One Busch Place, St. Louis, MO 63118. ABIWW complies with the laws and regulations of the State of Delaware regarding corporate governance.

### ***Business Overview***

#### ***Principal activities***

ABIWW acts as a financing vehicle of the Group and the holding company of Anheuser-Busch Companies.

#### ***Principal markets***

The Notes guaranteed by ABIWW may be admitted to listing on the Official List and trading on the Market. The debt securities may be sold to investors all over the world but within the scope of any applicable selling restrictions.

### ***Board of Directors***

The business and affairs of ABIWW are managed by or under the direction of its Board of Directors. The number of directors that comprise ABIWW's Board of Directors will be determined by ABIWW's Board of Directors. ABIWW's Board of Directors currently consists of the following two directors, who each also hold the offices parenthetically indicated after his or her name: Katherine Barrett (Vice President and General Counsel) and Joao Castro de Neves (North America Zone President). Any action required or permitted to be taken at any meeting of ABIWW's Board of Directors, or of any committee thereof, may be taken without a meeting if the number of directors that would be necessary to authorise or take such action at a meeting of ABIWW's Board of Directors or of such committee, as the case may be, consent thereto in writing.

No conflicts of interests exist between any duties to ABIWW of the persons referred to above and their private interests.

The business address for all directors is One Busch Place, St. Louis, MO 63118.

### ***Sole Shareholder***

Anheuser-Busch InBev USA, LLC, a company formed under the laws of the State of Delaware, having its registered office at 1209 Orange Street, Wilmington, Delaware 19801, holds 2,620 shares in ABIWW, which represent 100 per cent. of the share capital of ABIWW.

### ***Share capital***

ABIWW's issued share capital at the date of this Base Prospectus is USD 2,620 represented by 2,620 ordinary shares of common stock par value USD 1.00 per share. ABIWW has no other classes of shares. The share capital is fully paid up in cash. ABIWW has no notes cum warrants, nor convertible notes outstanding.

### ***Certificate of Incorporation – Object***

ABIWW's object is to engage in any lawful act or activity for which corporations may be organised under the Delaware General Corporation Law.

### ***Material Contracts***

ABIWW has not entered into any material contracts, that are not entered into in the ordinary course of ABIWW's business, which could result in any Group member being under an obligation or entitlement that is material to ABIWW's ability to meet its obligations under this Programme.

## BRANDBEV

Brandbev S.A.R.L. ("**Brandbev**") was incorporated on 27 February 2001 as a *société à responsabilité limitée* (private limited liability company) under the Luxembourg Companies Act. Its registered office is located at Zone Industrielle Breedewues No. 15, L-1259 Senningerberg, Grand Duchy of Luxembourg (tel.: +352 261 596 23). The articles of association were published in the Memorial C n°861 on 9 October 2001.

The articles of association were amended several times and for the last time on 30 March 2016. Brandbev is established for an unlimited period. Brandbev is registered with the Luxembourg Register of Commerce and Companies under number B 80.984.

### ***Business Overview***

The business objectives of Brandbev are the holding of participations, in any form whatsoever, in other Luxembourg or foreign companies, the control, the management, as well as the development of these participations, and the holding of trademarks.

### ***Board of Managers***

As at the date of this description, the Board of Managers of Brandbev comprises of the following persons:

<b>Name</b>	<b>Principal activities performed by them outside Brandbev which are significant with respect to Brandbev</b>
Yannick Bomans	Group Director Control Parent Companies
Gert Magis	Group Controller
Yann Callou	Group Manager Treasury Operations

For the purpose of this description, the address of the Board of Managers is Zone Industrielle Breedewues No. 15, L-1259 Senningerberg, Grand Duchy of Luxembourg.

No conflicts of interests exist between any duties to Brandbev of the persons referred to above and their private interests.

Under Luxembourg company law, there is currently no legal corporate governance regime (other than ordinary corporate governance) that Brandbev must comply with.

### ***Share Capital***

Brandbev's subscribed and fully paid share capital at the date of this Base Prospectus was USD 43,150,760 represented by 1,078,769 ordinary shares having a nominal value of USD 40 each. Brandbev has no other classes of shares. The share capital is fully paid up in cash. Brandbev has no notes cum warrants, nor convertible notes outstanding.

Brandbev is an indirect subsidiary of the Issuer.

### ***Articles of Association – Corporate Object***

Article 2 of Brandbev's articles of association states:

- The object of Brandbev is the holding of participations, in any form whatsoever, in other Luxembourg or foreign companies, the control, the management, as well as the development of these participations.
- Brandbev may provide loans and financing in any kind or form to entities belonging to the Group. These loans and financing may be refunded through, including but not limited to, shareholder's loans, intercompany loans or banking loans.
- Brandbev may grant guarantees or security in any kind or form, in favour of third parties to guarantee or secure its obligations or those of companies and undertakings forming part of the Group.
- Brandbev may acquire any securities or rights by way of share participations, subscriptions, negotiations or in any manner, participate in the establishment, development and control of any companies or enterprises.

- Brandbev may borrow in any kind or form with or without security and raise funds through, including but not limited to, the private issue of bonds, notes, promissory notes and other debt instrument or debt securities, convertible or not.
- Brandbev may generally carry out any financial operation to the benefit of the entities belonging to the Group.
- The object of Brandbev is also the holding of trademarks, i.e. it may create, manage, enhance and wind up a portfolio of trademarks of any kind. In addition, Brandbev may develop, acquire and transfer trademarks by any way.
- In general fashion, Brandbev may carry on any commercial, industrial or financial operation as well as any transaction on real estate or movable property. In general, it may take any controlling and supervisory measures and carry out any operation which it may deem useful in the accomplishment and development of its purpose.

#### ***Material Contracts***

Brandbev has not entered into any material contracts that are not entered into in the ordinary course of Brandbev's business, which could result in any Group member being under an obligation or entitlement that is material to Brandbev's ability to meet its obligations under this Programme.

## COBREW NV

Cobrew NV ("**Cobrew**") was incorporated on 21 May 1986 as a public limited liability company (*naamloze vennootschap*) under Belgian law. The articles of association were published in the Annex of the Belgian State Gazette under number 860617-55/56 on 17 June 1986. Its registered office is located at Brouwerijplein 1, 3000 Leuven, Belgium.

The articles of association were amended on 9 April 1987, on 29 September 1988, on 20 September 1990, on 31 December 1990, on 28 February 1991, on 25 September 1991, on 27 March 1995, on 29 June 1995, 5 November 1997, on 10 August 1998, on 26 October 1998, on 28 February 2000, on 13 September 2000, on 5 December 2000, on 12 January 2001, on 31 May 2001, on 5 February 2002, on 15 December 2004, on 19 May 2006, on 13 June 2006, on 6 May 2010, on 8 December 2010, 16 December 2011 and on 30 September 2013.

Cobrew is established for an unlimited period. Cobrew is registered with the Register for Legal Entities under number 0428.975.372.

The business activities of Cobrew are publicity, providing and collecting of information, insurance and reinsurance, scientific research, relations with national and international authorities, centralisation of bookkeeping, administration, information technology and general services, centralisation of financial transactions and covering of risks resulting from fluctuations in exchange rates, financial management, invoicing, re-invoicing and factoring, finance lease of movable and immovable property, market studies, management and legal studies, fiscal advice, audits as well as all activities of a preparatory or auxiliary nature for the companies of the group. Within the framework of its objects, Cobrew can acquire, manufacture, hire and let out all movable and immovable goods and, in general, perform all civil, commercial, industrial and financial transactions, including the operation of all intellectual rights and all industrial and commercial properties relating to them.

### **Board of Directors**

As at the date of this Base Prospectus, the Board of Directors of Cobrew comprises the following persons:

<b>Name</b>	<b>Principal function with Cobrew</b>	<b>Principal activities performed by them outside Cobrew which are significant with respect to Cobrew</b>
Octavio Chino	Director	Group General Director Treasury
Ann Randon	Director	Group VP Control & Tax
Benoit Loore	Director	Group VP Corporate Governance
Frederik Rogge	Director	N/A

The business address for all directors is Brouwerijplein 1, 3000 Leuven, Belgium.

No conflicts of interests exist between any duties to Cobrew of the persons referred to above and their private interests.

Under Belgian company law, there is currently no legal corporate governance regime that Cobrew must comply with.

### **Share capital**

Cobrew's issued share capital at the date of this Base Prospectus is €12,315,269,358.01 represented by 5,238,229 ordinary shares of common stock without par value per share. Cobrew has no other classes of shares. The share capital is fully paid up in cash. Cobrew has no notes cum warrants, nor convertible notes outstanding.

Cobrew is a wholly-owned indirect subsidiary of the Issuer.

### **Material Contracts**

Cobrew has not entered into any material contracts that are not entered into in the ordinary course of Cobrew's business, which could result in any Group member being under an obligation or entitlement that is material to Cobrew's ability to meet its obligations under this Programme.

The accounting year begins on 1 January and ends on 31 December of each year.

In accordance with Article 113 of the Belgian Companies Code, Cobrew is exempt from the requirement to prepare consolidated accounts and a consolidated management report.



The results of Cobrew are consolidated within the financial statements of the Issuer. The consolidated accounts are available to the public and may be obtained from Anheuser-Busch InBev SA/NV, Grand Place 1, Brussels, Belgium.

### **Guarantees**

Information relating to the Issuer and the Group, including its audited consolidated annual financial statements for the financial year ended 31 December 2015, which are incorporated by reference, are set out elsewhere in this Base Prospectus. Therefore, for the purposes of article 23.4 of the EU Regulation No. 809/2004, save as stated in this Base Prospectus, no further information relevant to the subsidiary Guarantors is pertinent to an investor's assessment of the Issuer, the Guarantors or the Notes.

## **10. DOCUMENTS INCORPORATED BY REFERENCE**

This section sets out the information that is deemed to be incorporated by reference into this Base Prospectus. This Base Prospectus should be read together with all information which is deemed to be incorporated by reference.

## DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which have previously been published or are published simultaneously with this Base Prospectus and which have been approved by the Financial Conduct Authority or filed with it, shall be deemed to be incorporated in, and form part of, this Base Prospectus:

- The audited statement of financial position for the two years ended 31 December 2015 and the audited consolidated statements of income, comprehensive income, changes in equity and cash flows for the three years ended 31 December 2015 (together the "**audited consolidated financial statements**") together with the notes thereto and the audit report thereon as contained on pages F-1 to F-78 of the annual report on Form 20-F of the Former AB InBev Group as filed with the Securities and Exchange Commission on 14 March 2016.

*For so long as there are Notes admitted to the Official List and admitted to trading on the London Stock Exchange's Regulated Market, the Issuer will provide financial information in respect of the Guarantors on an annual basis, in the form set out in Note 32 to the audited financial statements for the three years ended 31 December 2015, which have been incorporated by reference in this Base Prospectus, or in such other form as may provide equivalent financial information.*

- The Former AB InBev Group's unaudited interim report for the six-month period ended 30 June 2016 as filed with the Securities and Exchange Commission on Form 6-K on 29 July 2016, except for the section entitled "Outlook" on page 23 of the report, which is not incorporated in and does not form part of this Base Prospectus.
- The Former AB InBev Group's unaudited interim report for the nine-month period ended 30 September 2016 as filed with the Securities and Exchange Commission on Form 6-K on 28 October 2016, except for the section entitled "Outlook" on pages 17 and 18 of the report, which is not incorporated in and does not form part of this Base Prospectus.
- The Former AB InBev Group's Third Quarter and Nine Months 2016 Results as filed with the Securities and Exchange Commission on Form 6-K on 28 October 2016, except for the section entitled "2016 Outlook" on pages 4 and 5 of the results, which is not incorporated in and does not form part of this Base Prospectus.
- The audited consolidated financial statements of SABMiller for the financial year ended 31 March 2015 together with the notes to the audited consolidated financial statements on pages 107 to 185 and the audit report thereon on pages 102 to 106 of the Annual Report 2015 of SABMiller Limited (formerly known as SABMiller plc) as filed with the London Stock Exchange, RNS number 9844Q on 23 June 2015.
- The audited consolidated financial statements of SABMiller for the financial year ended 31 March 2016 together with the notes to the audited consolidated financial statements on pages 103 to 185 and the audit report thereon on pages 98 to 102 of the Annual Report 2016 of SABMiller Limited (formerly known as SABMiller plc) as filed with the London Stock Exchange, RNS number 6834B on 20 June 2016.
- The section entitled "*Terms and Conditions of the Notes*" on pages 77 to 115 of the Base Prospectus dated 16 January 2009.
- The section entitled "*Terms and Conditions of the Notes*" on pages 80 to 119 of the Base Prospectus dated 24 February 2010.
- The section entitled "*Terms and Conditions of the Notes*" on pages 75 to 112 of the Base Prospectus dated 17 May 2011.
- The section entitled "*Terms and Conditions of the Notes*" on pages 75 to 114 of the Base Prospectus dated 16 May 2012.
- The section entitled "*Terms and Conditions of the Notes*" on pages 49 to 84 of the Base Prospectus dated 22 August 2013.

- The section entitled "*Terms and Conditions of the Notes*" on pages 53 to 81 of the Base Prospectus dated 21 August 2014.
- The section entitled "*Terms and Conditions of the Notes*" on pages 225 to 252 of the Base Prospectus dated 13 January 2016.

Following the publication of this Base Prospectus a supplement may be prepared by the Obligors and approved by the FCA in accordance with Section 87G of the FSMA. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Base Prospectus or in a document which is incorporated by reference in this Base Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus. Where only certain sections of a document referred to above are incorporated by reference in the Base Prospectus, the parts of the document which are not incorporated by reference are either not relevant to prospective investors in the Notes or covered elsewhere in this Base Prospectus.

Copies of documents incorporated by reference in this Base Prospectus will be published on the website of the Regulatory News Service operated by the London Stock Exchange at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>, the website of the Issuer, and may be inspected free of charge at the specified office of the Domiciliary Agent for the time being in Belgium.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Base Prospectus shall not form part of this Base Prospectus.

The Obligors will, in the event of any significant new factor, material mistake or inaccuracy relating to information included in this Base Prospectus which is capable of affecting the assessment of any Notes, prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Notes.

## **11. SUBSCRIPTION AND SALE**

This section contains an overview of certain restrictions around who can purchase the Notes in certain jurisdictions.

## SUBSCRIPTION AND SALE

The Dealers have, in a programme agreement (the "**Programme Agreement**") dated 6 December 2016, agreed with the Obligor a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under "*Form of the Notes*" and "*Terms and Conditions of the Notes*". In the Programme Agreement, the Issuer (failing which, the Guarantors) has agreed to reimburse the Dealers for certain of their expenses in connection with any update of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith.

### United States

The Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986 and Treasury regulations promulgated thereunder.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or deliver Notes (a) as part of their distribution at any time or (b) otherwise until 40 days after the completion of the distribution, as determined and certified by the relevant Dealer or, in the case of an issue of Notes on a syndicated basis, the relevant lead manager, of all Notes of the Tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Until 40 days after the commencement of the offering of any Notes comprising any Tranche, any offer or sale of such Notes or a solicitation of an offer to buy such Notes within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an available exemption from registration under the Securities Act.

### Public Offer Selling Restriction under the Prospectus Directive

In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**"), each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes which are the subject of the offering contemplated by the Prospectus as completed by the Final Terms in relation thereto (or are the subject of the offering contemplated by a Drawdown Prospectus, as the case may be) to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (a) *Approved prospectus*: if the Final Terms or Drawdown Prospectus in relation to the Notes specify that an offer of those Notes may be made other than pursuant to Article 3(2) of the Prospectus Directive in that Relevant Member State (a "**Non-exempt Offer**"), following the date of publication of a prospectus in relation to such Notes which has been approved by the competent authority in that Relevant Member State or, where appropriate, approved in another Relevant Member State and notified to the competent authority in that Relevant Member State, **provided that** any such prospectus which is not a Drawdown Prospectus has subsequently been completed by the Final Terms contemplating such Non-exempt Offer, in accordance with the Prospectus Directive, in the period beginning and ending on the dates specified in such prospectus or final terms, as applicable and the Issuer has consented in writing to its use for the purpose of that Non-exempt Offer;

- (b) *Qualified investors*: at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- (c) *Fewer than 150 offerees*: at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or
- (d) *Other exempt offers*: at any time in any other circumstances falling within Article 3(2) of the Prospectus Directive,

**provided that** no such offer of Notes referred to in (b) to (d) above shall require the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "**offer of Notes to the public**" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression "**Prospectus Directive**" means Directive 2003/71/EC as amended, including by Directive 2010/73/EU, and includes any relevant implementing measure in the Relevant Member State.

### **United Kingdom**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that:

- (a) **No deposit-taking**: in relation to any Notes having a maturity of less than one year:
  - (i) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and
  - (ii) it has not offered or sold and will not offer or sell any Notes other than to persons:
    - (A) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses; or
    - (B) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses,
 where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;
- (b) **Financial promotion**: it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received by it in connection with the issue or sale of any Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer or the Guarantors; and
- (c) **General compliance**: it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

### **Belgium**

With regard to Notes having a maturity of less than 12 months (and which therefore fall outside the scope of the Prospectus Directive), the Base Prospectus has not been, and it is not expected that it will be, submitted for approval to the Belgian Financial Services and Markets Authority. Accordingly, each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it shall refrain from taking any action that would be characterised as or result in a public offering of these Notes in Belgium in accordance with the Belgian Law on public offerings of investment instruments and the admission of investment instruments to trading on regulated markets, as amended or replaced from time to time.

## **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948), as amended (the "**FIEA**") and each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident in Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, FIEA and other relevant laws and regulations of Japan.

## **Luxembourg**

Each Dealer has represented and agreed, and each further Dealer will be required to represent and agree, that Notes with a maturity of less than 12 months that may qualify as securities and money market instruments in accordance with article 4 2. j) of the Luxembourg law dated 10 July 2005 on prospectuses for securities, as amended (the "**Luxembourg Prospectus Law**") may not be offered or sold to the public within the territory of the Grand-Duchy of Luxembourg unless:

- (a) a simplified prospectus has been duly approved by the Commission de surveillance du secteur financier of Luxembourg (the "**CSSF**") pursuant to part III of the Luxembourg Prospectus Law; or
- (b) the offer benefits from an exemption to or constitutes a transaction not subject to, the requirement to publish a simplified prospectus under part III of the Luxembourg Prospectus Law.

## **General**

Each Dealer has agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has (to the best of its knowledge and belief) complied and will comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Base Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and none of the Issuer, the Guarantors or any other Dealer shall have any responsibility therefor.

None of the Issuer, the Guarantors or any of the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with any additional restrictions agreed between the Issuer and the relevant Dealer.



## **12. TAXATION**

If you are considering applying for Notes, it is important that you understand the taxation consequences of investing in the Notes. It is recommended that you read this section and discuss the taxation consequences with your tax adviser, financial adviser or other professional adviser before deciding whether to invest in the Notes.

## TAXATION

*The following paragraphs are general summaries only and are not intended to constitute a complete analysis of all potential tax consequences relating to the ownership of Notes. Prospective investors should consult their own tax advisers concerning the consequences of an investment in the Notes in their particular circumstances.*

### **Luxembourg Taxation**

*The following is a general description of certain Luxembourg tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes, whether in Luxembourg or elsewhere. Prospective purchasers of the Notes should consult their own tax advisers as to which countries' tax laws could be relevant to acquiring, holding and disposing of the Notes, payments of interest, principal and/or other amounts under the Notes and the consequences of such actions under the tax laws of Luxembourg. This summary is based upon the law as in effect on the date of this Base Prospectus. Prospective investors should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the Notes.*

*Please be aware that the residence concept used under the respective headings below applies for Luxembourg income tax assessment purposes only. In addition, any reference to a tax, duty, levy, impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax encompasses corporate income tax (impôt sur le revenu des collectivités), municipal business tax (impôt commercial communal), a solidarity surcharge (contribution au fonds pour l'emploi), a temporary tax to balance the state budget (impôt d'équilibre budgétaire temporaire) as well as personal income tax (impôt sur le revenu) generally. Investors may further be subject to net wealth tax (impôt sur la fortune) as well as other duties, levies or taxes. Corporate income tax, municipal business tax as well as the solidarity surcharge invariably apply to most corporate taxpayers resident of Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax, the solidarity surcharge as well as the temporary tax to balance the state budget. Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.*

### **Luxembourg tax residency of the Noteholders**

A Noteholder will not become resident, or be deemed to be resident, in Luxembourg by reason only of the holding of the Notes, or the execution, performance, delivery and/or enforcement of the Notes.

### **Withholding tax**

#### *Taxation of Luxembourg non-residents*

Under Luxembourg tax law currently in force there is no Luxembourg withholding tax on payments of principal, premium or interest (including accrued but unpaid interest) made to non-resident Noteholders. There is also no Luxembourg withholding tax upon repayment of principal in case of reimbursement, redemption, repurchase or exchange of the Notes held by non-resident Noteholders.

#### *Taxation of Luxembourg residents*

Under Luxembourg general tax laws currently in force and subject to the law of 23 December 2005, as amended (the "**Relibi Law**") and mentioned below, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident Noteholders, nor on accrued but unpaid interest in respect of Notes, nor is any Luxembourg withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident Noteholders, provided that the interest on the Notes does not depend on the profit of the Issuer.

However, under the Relibi Law, payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the benefit of an individual beneficial owner who is resident of Luxembourg will be subject to a withholding tax of 10 per cent. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by the Luxembourg paying agent. Payments of interest under the Notes coming within the scope of the Relibi Law would be subject to a withholding tax of 10 per cent.

Further, Luxembourg resident individuals acting in the course of the management of their private wealth, who are the beneficial owners of interest or similar income made or ascribed by a paying agent established outside

Luxembourg in a Member State of the European Union or the European Economic Area may also opt for a final 10 per cent. levy, providing full discharge of Luxembourg income tax. In such case, the 10 per cent. levy is calculated on the same amounts as the 10 per cent. withholding tax for payments made by Luxembourg resident paying agents. The option for the 10 per cent. final levy must cover all interest payments made by the paying agents to the Luxembourg resident beneficial owner during the entire civil year. Responsibility for the declaration and the payment of the 10 per cent. final levy is assumed by the individual resident beneficial owner of the interest or similar income.

On 26 July 2016, the Luxembourg government submitted to the Luxembourg Parliament the bill of law N° 7020 on the implementation of the 2017 tax reform package providing that the 10 per cent. withholding tax levied on savings income as described above would be increased to 20 per cent. where the annual interest income received exceeds EUR 250 per taxpayer.

### ***Taxation of the Noteholders***

#### *Taxation of Luxembourg non-residents*

Noteholders who are non-residents of Luxembourg and who have neither a permanent establishment, a permanent representative nor a fixed base of business in Luxembourg with which the holding of the Notes is connected are not liable for any Luxembourg income tax, whether they receive payments of principal, payments of interest (including accrued but unpaid interest), payments received upon redemption or repurchase of the Notes, or realise capital gains on the sale of any Notes.

A non-resident corporate Noteholder or an individual Noteholder acting in the course of the management of a professional or business undertaking, who has a permanent establishment or permanent representative in Luxembourg to which or to whom such Notes are attributable, is subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, under the Notes and on any gains realised upon the sale or disposal, in any form whatsoever, of the Notes

#### *Taxation of Luxembourg residents*

Noteholders who are residents of Luxembourg will not be liable for any Luxembourg income tax on repayment of principal.

#### *Luxembourg resident individuals*

Luxembourg resident individuals, acting in the course of their private wealth, are subject to Luxembourg income tax on interest accrued or received, redemption premiums or issue discounts, under the Notes except if (i) the withholding tax of 10 per cent. has been levied, or (ii) the individual Noteholder has opted for the 10 per cent. levy.

The 10 per cent. levy or the withholding tax of 10 per cent. represent the final tax liability on interest received for the Luxembourg resident individuals receiving the interest payment in the course of the management of their private wealth and can be reduced in consideration of foreign withholding tax, based on double tax treaties concluded by Luxembourg. Individual Luxembourg resident Noteholders receiving the interest as business income must include this interest in their taxable basis; if applicable, the 10 per cent. levy or the withholding tax of 10 per cent. levied will be credited against their final income tax liability.

Luxembourg resident individual Noteholders are not subject to taxation on capital gains upon the disposal of the Notes, unless the disposal of the Notes precedes the acquisition of the Notes or the Notes are disposed of within six months of the date of acquisition of the Notes. However, upon the sale, redemption or exchange of the Notes, accrued but unpaid interest will be subject to the withholding tax of 10 per cent. tax or the 10 per cent. levy if the Luxembourg resident individuals opt for the 10 per cent. levy. Individual Luxembourg resident Noteholders receiving the interest as business income must include the portion of the price corresponding to this interest in their taxable income; if applicable, the withholding tax of 10 per cent. or the 10 per cent. levy will be credited against their final income tax liability

#### *Luxembourg resident companies*

Luxembourg resident companies (*société de capitaux*) and other entities of a collective nature (*organismes à caractère collectif*) which are Noteholders subject to corporate taxes in Luxembourg without the benefit of a special tax regime in Luxembourg or foreign entities of the same type which have a permanent establishment or a

permanent representative in Luxembourg with which the holding of the Notes is connected, must include in their taxable income any interest (including accrued but unpaid interest) and the difference between the sale or redemption price (received or accrued) and the lower of the cost or book value of the Notes sold or redeemed.

#### *Luxembourg resident companies benefiting from a special tax regime*

Noteholders who are undertakings for collective investment subject to the law of 17 December 2010, as amended, or specialised investment funds subject to the law of 13 February 2007, as amended, are tax exempt entities in Luxembourg, and are thus not subject to any Luxembourg tax (i.e. corporate income tax, municipal business tax and net wealth tax), other than the annual subscription tax calculated on their net asset value. This annual tax is paid quarterly on the basis of the total net assets as determined at the end of each quarter. Noteholders who are holding companies subject to the law of 11 May 2007, as amended, on family estate management companies are also not subject to income tax and are liable only for the so-called subscription tax at the rate of 0.25 per cent.

#### **Net Wealth Tax**

A corporate Noteholder, whether it is a resident of Luxembourg for tax purposes or, if not, it maintains a permanent establishment or a permanent representative in Luxembourg to which such Notes are attributable, is subject to Luxembourg net wealth tax on such Notes, except if the Noteholder is governed by (i) the law of 17 December 2010 on undertakings for collective investment, as amended; (ii) the law of 13 February 2007 on specialised investment funds, as amended; (iii) the law of 22 March 2004 on securitisation, as amended; (iv) the law of 15 June 2004 on investment companies in risk capital, as amended; or (v) the law of 11 May 2007 on family estate management companies, as amended.

Notwithstanding the provisions above, entities mentioned under sub-paragraphs (iii) and (iv) and entities incorporated as a public limited liability company (*société anonyme*), a private limited liability company (*société à responsabilité limitée*), a corporate partnership limited by shares (*société en commandite par actions*) or a cooperative company set up as a public limited liability company (*société coopérative organisée sous forme de société anonyme*) should however be subject to the minimum annual net wealth tax charge applicable from 1 January 2016. In this respect, a flat annual minimum net wealth tax of EUR 3,210 would be due assuming the Luxembourg company's assets, transferable securities and cash deposits represent at least (i) 90 per cent. of its total balance sheet and (ii) EUR 350,000 (the "**Asset Test**"). Alternatively, should the Asset Test not be met, a progressive annual minimum net wealth tax ranging from EUR 535 to EUR 3,210 depending on the Luxembourg company's total gross assets would be due. Finally, on 26 July 2016, the Luxembourg government submitted to the Luxembourg Parliament the bill of law N° 7020 on the implementation of the tax reform package providing that the minimum annual net wealth tax would increase from EUR 3,210 to EUR 4,815.

An individual Noteholder, whether he/she is resident of Luxembourg or not, is not subject to Luxembourg wealth tax on such Notes.

#### **Other Taxes**

There is no Luxembourg registration tax, stamp duty or any other similar tax or duty payable in Luxembourg by Noteholders as a consequence of the issuance of the Notes, nor will any of these taxes be payable as a consequence of a subsequent transfer, repurchase or redemption of the Notes. Proceedings in a Luxembourg court or the presentation of documents relating to the Notes, other than the Notes themselves, to an *autorité constituée* may require registration of the documents, in which case the documents will be subject to registration duties depending on the nature of the documents.

There is no Luxembourg VAT payable in respect of payments in consideration for the issuance of the Notes or in respect of the payment of interest or principal under the Notes or the transfer of the Notes.

Luxembourg VAT may, however, be payable in respect of fees charged for certain services rendered to the Issuer, if for Luxembourg VAT purposes such services are rendered or are deemed to be rendered in Luxembourg and an exemption from Luxembourg VAT does not apply with respect to such services.

No Luxembourg inheritance taxes are levied on the transfer of the Notes upon death of a Noteholder in cases where the deceased was not a resident of Luxembourg for inheritance tax purposes. No Luxembourg gift tax will be levied on the transfer of the Notes by way of gift unless the gift is recorded in a deed registered in Luxembourg.

## Belgian Taxation

The following is a general description of the principal Belgian tax consequences for investors receiving interest in respect of, or disposing of, the Notes and is of a general nature based on the Issuer's understanding of current law and practice. This general description is based upon the law as in effect on the date of this Base Prospectus and is subject to change potentially with retroactive effect. Investors should appreciate that, as a result of changing law or practice, the tax consequences may be otherwise than as stated below. Investors should consult their professional advisers on the possible tax consequences of subscribing for, purchasing, holding or selling the Notes under the laws of their countries of citizenship, residence, ordinary residence or domicile. The Belgian federal government has announced its intention to implement a number of tax measures, which include, among others, an increase of the Belgian withholding tax rate from 27 per cent. to 30 per cent. and an increase of the caps of the Belgian tax on stock exchange transactions. These changes are expected to apply as from 1 January 2017. The modalities are, however, not yet known since the draft bills have not yet been approved by Parliament. For the purpose of the following general description, a Belgian resident is: (a) an individual subject to Belgian personal income tax (i.e. an individual who has his domicile in Belgium or has his seat of wealth in Belgium, or a person assimilated to a Belgian resident); (b) a legal entity subject to Belgian corporate income tax (i.e. a company that has its registered office, its main establishment, its administrative seat or its seat of management in Belgium); or (c) a legal entity subject to Belgian legal entities tax (i.e. an entity other than a legal entity subject to corporate income tax having its registered office, its main establishment, its administrative seat or its seat of management in Belgium).

A non-resident is a person who is not a Belgian resident.

### **Belgian Withholding Tax**

All payments by or on behalf of the Issuer of interest on the Notes are in principle subject to the 27 per cent. Belgian withholding tax on the gross amount of the interest. Both Belgian domestic tax law and applicable tax treaties may provide for a lower or zero rate subject to certain conditions.

In this regard, "**interest**" means the periodic interest income, any amount paid by the Issuer or on the behalf of the Issuer in excess of the issue price (whether or not on the maturity date) and, in case of a realisation of the Notes between two interest payment dates, the *pro rata* of accrued interest corresponding to the detention period.

However, payments of interest and principal under the Notes by or on behalf of the Issuer may be made without deduction of withholding tax in respect of the Notes if and as long as at the moment of payment or attribution of interest they are held by certain eligible investors (the "**Eligible Investors**", see hereinafter) in an exempt securities account (an "**X Account**") that has been opened with a financial institution that is a direct or indirect participant (a "**Participant**") in the X/N Clearing System operated by the NBB (the "**X/N System**"). Euroclear and Clearstream, Luxembourg are directly or indirectly Participants for this purpose.

Holding the Notes through the X/N System enables Eligible Investors to receive the gross interest income on their Notes and to transfer the Notes on a gross basis.

Participants to the X/N System must enter the Notes which they hold on behalf of Eligible Investors in an X Account.

Eligible Investors are those entities referred to in article 4 of the Belgian Royal Decree of 26 May 1994 on the deduction of withholding tax (*Arrêté Royal du 26 mai 1994 relatif à la perception et à la bonification du précompte mobilier / Koninklijk Besluit van 26 mei 1994 over de inhouding en de vergoeding van de roerende voorheffing*) which include, *inter alia*:

- (i) Belgian corporations subject to Belgian corporate income tax;
- (ii) institutions, associations or companies specified in article 2, §3 of the law of 9 July 1975 on the control of insurance companies other than those referred to in (i) or (iii) subject to the application of article 262, 1° and 5° of the Belgian Income Tax Code of 1992;
- (iii) state regulated institutions (*institutions parastatales, parastatalen*) for social security, or institutions which are assimilated therewith, provided for in article 105, 2° of the Royal Decree implementing the Belgian Income Tax Code 1992;
- (iv) non-resident investors provided for in article 105, 5° of the same decree;

- (v) investment funds, recognised in the framework of pension savings, provided for in article 115 of the same decree;
- (vi) taxpayers provided for in article 227, 2° of the Belgian Income Tax Code 1992 which have used the income generating capital for the exercise of their professional activities in Belgium and which are subject to non-resident income tax pursuant to article 233 of the same code;
- (vii) the Belgian State in respect of investments which are exempt from withholding tax in accordance with article 265 of the Belgian Income Tax Code 1992;
- (viii) investment funds governed by foreign law which are an indivisible estate managed by a management company for the account of the participants, provided the fund units are not offered publicly in Belgium or traded in Belgium; and
- (ix) Belgian resident corporations, not provided for under (i), when their activities exclusively or principally consist of the granting of credits and loans.

Eligible Investors do not include, *inter alia*, Belgian resident investors who are individuals or non-profit making organisations, other than those mentioned under (ii) and (iii) above.

Participants to the X/N System must keep the Notes which they hold on behalf of the non-Eligible Investors in a non-exempt securities account (an "**N Account**"). In such instance all payments of interest are subject to the 27 per cent. withholding tax. This withholding tax is withheld by the NBB and paid to the Belgian Treasury.

Transfers of Notes between an X Account and an N Account give rise to certain adjustment payments on account of withholding tax:

- A transfer from an N Account (to an X Account or N Account) gives rise to the payment by the transferor non-Eligible Investor to the NBB of withholding tax on the accrued fraction of interest calculated from the last interest payment date up to the transfer date.
- A transfer (from an X Account or N Account) to an N Account gives rise to the refund by the NBB to the transferee non-Eligible Investor of withholding tax on the accrued fraction of interest calculated from the last interest payment date up to the transfer date.
- Transfers of Notes between two X Accounts do not give rise to any adjustment on account of withholding tax.

Upon opening of an X Account for the holding of Notes, the Eligible Investor is required to provide the Participant with a statement of its eligible status on a form approved by the Minister of Finance. There is no ongoing declaration requirement to the X/N System as to the eligible status, save that they need to inform the Participant of any change in the information contained in the statement of their eligible status. However, Participants are requested to make declarations to the NBB as to the eligible status of each investor from whom they held notes in an X Account during the preceding calendar year.

These identification requirements do not apply to Notes held in Euroclear or Clearstream, Luxembourg as Participants to the X/N Clearing System, **provided that** Euroclear or Clearstream, Luxembourg only hold X Accounts and that they are able to identify the holders for whom they hold Notes in such account.

### ***Belgian income tax***

#### ***Belgian resident individuals***

Belgian resident individuals, i.e. natural persons who are subject to the Belgian personal income tax (*Personenbelasting/Impôt des personnes physiques*) and who hold the Notes as a private investment, do not have to declare the interest on the Notes in their personal income tax return, **provided that** Belgian withholding tax has effectively been levied on the interest.

Nevertheless, Belgian resident individuals may choose to declare interest in respect of the Notes in their personal income tax return. Interest income which is declared in this way will in principle be taxed at a flat rate of 27 per cent. (or at the relevant progressive personal income tax rates taking into account the taxpayer's other declared

income, whichever is lower). The Belgian withholding tax levied may be credited against the income tax liability.

Capital gains realised on the sale of the Notes are in principle tax exempt, unless the capital gains are realised outside the scope of the normal management of one's private estate or unless the capital gains qualify as interest (as defined in Section 12 (*Taxation – Belgian Taxation – Belgian Withholding Tax*)). Capital losses are in principle not tax deductible.

Other tax rules apply to Belgian resident individuals who do not hold the Notes as a private investment.

#### *Belgian resident companies*

Interest attributed or paid to corporations Note holders who are Belgian residents for tax purposes, i.e. who are subject to the Belgian Corporate Income Tax (*Vennootschapsbelasting/Impôt des sociétés*), as well as capital gains realised upon the sale of the Notes are taxable at the ordinary corporate income tax rate of in principle 33.99 per cent. Capital losses realised upon the sale of the Notes are in principle tax deductible.

Other tax rules apply to investment companies within the meaning of Article 185 bis of the Belgian Income Tax Code.

#### *Belgian legal entities*

Belgian legal entities subject to the Belgian legal entities tax (*rechtspersonenbelasting, impôts des personnes morales*) which do not qualify as Eligible Investors are subject to a withholding tax of 27 per cent. on interest payments. The withholding tax constitutes the final taxation.

Belgian legal entities which qualify as Eligible Investors (see Section 12 (*Taxation – Belgian Taxation – Belgian Withholding Tax*)) and which consequently have received gross interest income are required to declare and pay the 27 per cent. withholding tax to the Belgian tax authorities.

Capital gains realised on the sale of the Notes are in principle tax exempt, unless the capital gains qualify as interest (as defined in Section 12 (*Taxation – Belgian Taxation – Belgian Withholding Tax*)). Capital losses are in principle not tax deductible.

#### *Organisations for Financing Pensions*

Interest paid or attributed to Organisations for Financing Pensions ("**OFP**") in the meaning of the Law of 27 October 2006 on the activities and supervision of institutions for occupational retirement provision and capital gains realised by OFP Noteholders, will be exempt from Belgian Corporate Income Tax. Subject to certain conditions, any Belgian withholding tax retained by the NBB is fully creditable against any corporate income tax due and any excess amount is in principle refundable.

#### *Belgian non-residents*

Noteholders who are not residents of Belgium for Belgian tax purposes and who are not holding the Notes through their permanent establishment in Belgium, will not become liable for any Belgian tax on income or capital gains by reason only of the acquisition or disposal of the Notes **provided that** they qualify as Eligible Investors and that they hold their Notes in an X Account.

#### *Tax on stock exchange transactions*

A stock exchange tax (*Taxe sur les opérations de bourse, Taks op de beursverrichtingen*) will be levied on the purchase and sale in Belgium of the Notes on the secondary market through a professional intermediary. The rate applicable for secondary sales and purchases in Belgium through a professional intermediary is 0.09 per cent. with a maximum amount of €650 per transaction and per party. The tax is due separately from each party to any such transaction, i.e. the seller (transferor) and the purchaser (transferee), both collected by the professional intermediary.

The acquisition of Notes upon their issuance (primary market) is not subject to the tax on stock exchange transactions.

A tax on repurchase transactions (*Taks op de reportverrichtingen/taxe sur les reports*) at the rate of 0.085 per cent. will be due from each party to any such transaction entered into or settled in Belgium in which a stockbroker acts for either party (with a maximum amount of Euro 650 per transaction and per party).

However, the tax referred to above will not be payable by exempt persons acting for their own account, including investors who are Belgian non-residents provided they deliver an affidavit to the financial intermediary in Belgium confirming their non-resident status and certain Belgian institutional investors, as defined in Article 126/1, 2° of the Code of various duties and taxes (*Code des droits et taxes divers, Wetboek diverse rechten en taksen*) for the taxes on stock exchange transactions.

As stated below, the European Commission has published a proposal for a Directive for a common financial transactions tax (the "FTT"). The proposal currently stipulates that once the FTT enters into force, the participating Member States shall not maintain or introduce taxes on financial transactions other than the FTT (or VAT as provided in the Council Directive 2006/112/EC of 28 November 2006 on the common system of value added tax). For Belgium, the tax on stock exchange transactions and the tax on repurchase transactions should thus be abolished once the FTT enters into force. The proposal is still subject to negotiation between the participating Member States and therefore may be changed at any time.

### **United States Taxation**

The following discussion is a general summary of the United States federal income tax withholding consequences of the ownership of the Notes. This summary is based on the Internal Revenue Code of 1986, Treasury regulations promulgated thereunder, rulings, judicial decisions and administrative pronouncements, all as in effect on the date hereof, and all of which are subject to change or changes in interpretation, possibly with retroactive effect. This summary does not address any aspects of United States federal income taxation, other than United States federal income tax withholding consequences, that may apply to holders. Holders should consult their tax advisers regarding the specific United States federal, state and local tax consequences of purchasing, owning and disposing of Notes in light of their particular circumstances as well as any consequences arising under the laws of any other relevant taxing jurisdiction.

If any U.S. subsidiary of the Issuer is appointed as an Issuer, then the applicable base prospectus will discuss the United States federal income tax consequences of owning Notes issued by that United States entity.

### **Withholding Tax**

If Anheuser-Busch Companies, ABIFI or ABIWW is required to make payment as a Guarantor on the Notes, there generally should be no United States withholding tax in respect of such payment because no current Issuer of the Notes is treated as a United States person for United States withholding tax purposes.

### **The Proposed Financial Transactions tax ("FTT")**

On 14 February 2013, the European Commission published a proposal for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**participating Member States**"). However, Estonia has since stated that it will not participate.

The proposed FTT has very broad scope and could, if introduced, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are expected to be exempt.

Under the 14 February 2013 proposal, FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "**established**" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.



### **13. IMPORTANT INFORMATION RELATING TO PUBLIC OFFERS OF NOTES**

The following section contains important information regarding the basis on which this Base Prospectus may be used for the purpose of making public offers of Notes.

## IMPORTANT INFORMATION RELATING TO PUBLIC OFFERS OF NOTES

If, in the context of a Public Offer (as defined below), you are offered Notes by any entity, you should check that such entity is authorised to use this Base Prospectus for the purposes of making such offer before agreeing to purchase any Notes. To be authorised to use this Base Prospectus in connection with a Public Offer (referred to below as an "**Authorised Offeror**"), an entity must either be:

- the Dealers specified in the applicable Final Terms and/or any financial intermediary named as an "Initial Authorised Offeror" in the applicable Final Terms; or
- any financial intermediary named on the Issuer's website (<http://www.ab-inbev.com>) as an Authorised Offeror in respect of the relevant Public Offer (if that financial intermediary has been appointed after the applicable Final Terms were published); or
- if Part B of the applicable Final Terms specifies "General Consent" as "Applicable", any financial intermediary authorised to make such offers under the Markets in Financial Instruments Directive (Directive 2004/39/EC) who has published the Acceptance Statement (as defined below) on its website during the Offer Period (as defined below).

Valid offers of Notes may only be made by an Authorised Offeror in the context of a Public Offer if the offer is made in the Public Offer Jurisdictions (as defined below) specified in the relevant Final Terms and within the time period referred to in the Final Terms as the "**Offer Period**". Other than as set out above, none of the Issuer, the Guarantors or any Dealer has authorised the making of any Public Offer of Notes in circumstances in which an obligation arises for the Issuer or any Dealer to publish or supplement a prospectus for such offer.

*Please see below for certain important legal information relating to Public Offers.*

### Public Offers of Notes in the European Economic Area

Certain Tranches of Notes with a denomination of less than EUR100,000 (or its equivalent in any other currency) may, subject as provided below, be offered in any Member State of the European Economic Area which has implemented the Prospectus Directive (each a "**Relevant Member State**") in circumstances where there is no exemption from the obligation under the Prospectus Directive to publish a prospectus. Any such offer is referred to in this Base Prospectus as a "**Public Offer**".

This Base Prospectus, has been prepared on a basis that permits Public Offers of Notes in Austria, Belgium, Germany, Ireland, Luxembourg, the Netherlands and the United Kingdom (each a "**Public Offer Jurisdiction**"). Any person making or intending to make a Public Offer of Notes in a Public Offer Jurisdiction on the basis of this Base Prospectus must do so only with the consent of the Issuer and the Guarantors – see Section 13 (*Important Information Relating to Public Offers of Notes – Consent*) below.

If, after the date of this Base Prospectus, the Issuer and the Guarantors intend to add one or more Relevant Member States to the list of Public Offer Jurisdictions for any purpose, they will prepare a supplement to this Base Prospectus specifying such Relevant Member State(s) and any relevant additional information required by the Prospectus Directive. Such supplement will also set out provisions relating to the consent of the Issuer and the Guarantors to the use of this Base Prospectus in connection with any Public Offer in any such additional Public Offer Jurisdiction.

### Consent

In the context of any Public Offer of Notes in a Public Offer Jurisdiction, the Issuer and Guarantors accept responsibility in that Public Offer Jurisdiction, for the content of this Base Prospectus in relation to any person (an "**Investor**") who purchases any Notes in that Public Offer Jurisdiction made by a Dealer or an Authorised Offeror (as defined below), where that offer is made during the Offer Period (as defined below).

Except in the circumstances described below, neither the Issuer nor any Guarantor has authorised the making of any offer by any offeror and neither the Issuer nor any Guarantor has consented to the use of this Base Prospectus by any other person in connection with any offer of the Notes in any jurisdiction. Any offer made without the consent of the Issuer or the relevant Guarantor(s) is unauthorised and neither the Issuer nor any

Guarantor, nor, for the avoidance of doubt, any of the Dealers accepts any responsibility or liability in relation to such offer or for the actions of the persons making any such unauthorised offer.

If, in the context of a Public Offer, an Investor is offered Notes by a person which is not an Authorised Offeror, the Investor should check with such person whether anyone is responsible for this Base Prospectus for the purpose of the relevant Public Offer and, if so, who that person is.

If an Investor is in any doubt about whether it can rely on this Base Prospectus and/or who is responsible for its contents, the Investor should take legal advice.

### ***Consent to the use of this Base Prospectus***

#### ***Common Conditions to Consent***

The conditions to the consent of the Issuer and the relevant Guarantor(s) are (in addition to the conditions described in either sub-paragraph (a) (*Specific Consent*) or sub-paragraph (b) (*General Consent*) under "Consent to the use of this Base Prospectus" below) that such consent:

- i is only valid in respect of the relevant Tranche of Notes;
- ii is only valid during the Offer Period specified in the applicable Final Terms; and
- iii only extends to the use of this Base Prospectus to make Public Offers of the relevant Tranche of Notes in such of the Public Offer Jurisdictions as are specified in the applicable Final Terms.

The consent referred to above relates to Public Offers occurring within twelve months from the date of this Base Prospectus.

#### ***Specific Consent and General Consent***

Subject to the conditions set out above under "Common Conditions to Consent", each of the Issuer and the Guarantor(s) consents to the use of this Base Prospectus in connection with a Public Offer of Notes in any Public Offer Jurisdiction by:

- (a) **Specific Consent:**
  - (i) the Dealers specified in the applicable Final Terms;
  - (ii) any financial intermediaries specified in the applicable Final Terms as being an Initial Authorised Offeror; and
  - (iii) any financial intermediary appointed after the date of the applicable Final Terms and whose name is published on the website of the Issuer and identified as an Authorised Offeror in respect of the relevant Public Offer; and
- (b) **General Consent:**

if "General Consent" is specified in the relevant Final Terms as "Applicable", any other financial intermediary which:

  - (i) is authorised to make such offers under Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments, including under any applicable implementing measure in each relevant jurisdiction ("**MiFID**"); and
  - (ii) accepts such offer by publishing on its website the following statement (with the information in square brackets duly completed with the relevant information) (the "**Acceptance Statement**"):

*"We, [insert legal name of financial intermediary], refer to the [insert title of relevant Notes] (the "Notes") described in the Final Terms dated [insert date] (the "Final Terms") published by Anheuser-Busch InBev SA/NV (the "Issuer") and [Anheuser-Busch Companies, LLC ("Anheuser-Busch Companies"), Anheuser-Busch InBev Finance Inc. ("ABIFI"), Anheuser-Busch InBev Worldwide Inc. ("ABIWW"), Brandbev S.à r.l. ("Brandbev"), Brandbrew S.A. ("Brandbrew") and Cobrew NV ("Cobrew")] (the "Guarantors").*

*In consideration of the Issuer and the Guarantors offering to grant their consent to our use of the Base Prospectus (as defined in the Final Terms) in connection with the offer of the Notes in [insert name(s) of relevant Public Offer Jurisdiction(s)] during the Offer Period in accordance with the **Authorised Offeror Terms** (as specified in the Base Prospectus), we accept the offer by the Issuer and Guarantors. We confirm that we are authorised under MiFID to make, and are using the Base Prospectus in connection with, the Public Offer accordingly.*

*Terms used herein and otherwise not defined shall have the same meaning as given to such terms in the Base Prospectus."*

**Any financial intermediary falling within this sub-paragraph (b) who wishes to use this Base Prospectus in connection with a Public Offer is required, for the duration of the relevant Offer Period specified in the applicable Final Terms, to publish a duly completed Acceptance Statement on its website.**

#### *Authorised Offerors*

**The financial intermediaries referred to in sub-paragraphs (a)(ii) and (iii) and sub-paragraph (b), above, are together referred to herein as the "Authorised Offerors".**

#### **Arrangements between an Investor and the Authorised Offeror who will distribute the Notes**

Neither the Issuer nor the Guarantors (nor, for the avoidance of doubt, any of the Dealers) has any responsibility for any of the actions of any Authorised Offeror, including compliance by an Authorised Offeror with applicable conduct of business rules or other local regulatory requirements or other securities law requirements in relation to such offer.

**AN INVESTOR INTENDING TO ACQUIRE OR ACQUIRING ANY NOTES IN A PUBLIC OFFER FROM AN AUTHORISED OFFEROR WILL DO SO, AND OFFERS AND SALES OF SUCH NOTES TO AN INVESTOR BY SUCH AUTHORISED OFFEROR WILL BE MADE, IN ACCORDANCE WITH ANY TERMS AND OTHER ARRANGEMENTS IN PLACE BETWEEN SUCH AUTHORISED OFFEROR AND SUCH INVESTOR INCLUDING ARRANGEMENTS AS TO PRICE, ALLOCATIONS, EXPENSES AND SETTLEMENT. NEITHER THE ISSUER NOR THE GUARANTORS WILL BE A PARTY TO ANY SUCH ARRANGEMENTS WITH SUCH INVESTORS IN CONNECTION WITH THE PUBLIC OFFER OR SALE OF THE NOTES CONCERNED AND, ACCORDINGLY, THIS BASE PROSPECTUS AND ANY FINAL TERMS WILL NOT CONTAIN SUCH INFORMATION. THE INVESTOR MUST LOOK TO THE RELEVANT AUTHORISED OFFEROR AT THE TIME OF SUCH OFFER FOR THE PROVISION OF SUCH INFORMATION AND THE AUTHORISED OFFEROR WILL BE RESPONSIBLE FOR SUCH INFORMATION. NONE OF THE ISSUER, THE GUARANTORS OR ANY DEALER HAS ANY RESPONSIBILITY OR LIABILITY TO AN INVESTOR IN RESPECT OF SUCH INFORMATION.**

**IN THE EVENT OF AN OFFER BEING MADE BY A FINANCIAL INTERMEDIARY, SUCH FINANCIAL INTERMEDIARY WILL PROVIDE INFORMATION TO INVESTORS ON THE TERMS AND CONDITIONS OF THE OFFER AT THE TIME THE OFFER IS MADE.**

#### *Public Offers: Issue Price and Offer Price*

Notes to be offered pursuant to a Public Offer will be issued by the Issuer at the Issue Price specified in the applicable Final Terms. The Issue Price will be determined by the Issuer and the relevant Guarantor(s) in consultation with the relevant Dealer(s) at the time of the relevant Public Offer and will depend, amongst other things, on the interest rate applicable to the Notes and prevailing market conditions at that time. The offer price of such Notes will be the Issue Price or such other price as may be agreed between an Investor and the Authorised Offeror making the offer of the Notes to such Investor. Neither the Issuer nor any Guarantor will be party to arrangements between an Investor and an Authorised Offeror, and the Investor will need to look to the relevant Authorised Offeror to confirm the price at which such Authorised Offeror is offering the Notes to such Investor.

**14. GENERAL CONSENT – THE AUTHORISED OFFER TERMS**

## GENERAL CONSENT – THE AUTHORISED OFFER TERMS

These terms (the "**Authorised Offeror Terms**") will be relevant in the case of any Tranche of Notes, if (and only if) Part B of the applicable Final Terms specifies "General Consent" as "Applicable". They are the Authorised Offeror Terms which will be referred to in the "**Acceptance Statement**" to be published on the website of any financial intermediary which (a) is authorised to make such offers under MiFID and (b) accepts such offer by publishing an Acceptance Statement on its website.

### 1. General

The relevant financial intermediary:

- (a) *Applicable Rules*: acts in accordance with all applicable laws, rules, regulations and guidance of any applicable regulatory bodies (the "**Rules**") including, without limitation and in each case, Rules relating to both the appropriateness or suitability of any investment in the Notes by any person and disclosure to any potential Investor;
- (b) *Subscription and sale*: complies with the restrictions set out under Section 11 (*Subscription and Sale*) in this Base Prospectus which would apply as if it were a relevant Dealer and with any further relevant requirements;
- (c) *Fees, commissions and benefits*: ensures that any fee, commission, benefits of any kind, rebate received or paid by that financial intermediary in relation to the offer or sale of the Notes does not violate the Rules and is fully and clearly disclosed to Investors or potential Investors;
- (d) *Licences, consents, approvals and permissions*: holds all licences, consents, approvals and permissions required in connection with solicitation of interest in, or offers or sales of, the Notes under the Rules;
- (e) *Violation of Rules*: it will immediately inform the Issuer, the Guarantor(s) and any relevant Dealer if at any relevant time it becomes aware or suspects that it is or may be in violation of any Rules;
- (f) *Anti-money laundering, bribery and corruption*: complies with, and takes appropriate steps in relation to, applicable anti-money laundering, anti-bribery, prevention of corruption and "know your client" Rules, and does not permit any application for Notes in circumstances where the financial intermediary has any suspicions as to the source of the purchase monies;
- (g) *Record-keeping*: retains investor identification records for at least the minimum period required under applicable Rules, and shall, if so requested and to the extent permitted by the Rules, make such records available to the Issuer, the Guarantor(s) and the relevant Dealer or directly to the appropriate authorities with jurisdiction over the Issuer, the Guarantor(s) and/or the relevant Dealer in order to enable the Issuer, the Guarantor(s) and/or the relevant Dealer to comply with anti-money laundering, anti-bribery and "know your client" Rules applying to the Issuer, the Guarantor(s) and/or the relevant Dealer;
- (h) *Breach of Rules*: does not, directly or indirectly, cause the Issuer, the Guarantor(s) or the relevant Dealer to breach any Rule or subject the Issuer, the Guarantor(s) or the relevant Dealer to any requirement to obtain or make any filing, authorisation or consent in any jurisdiction;
- (i) *Publicity names*: does not use the legal or publicity names of the Issuer, the Guarantor(s) or the relevant Dealer(s) or any other name, brand or logo registered by an entity within their respective groups or any material over which any such entity retains a proprietary interest or in any statements (oral or written), marketing material or documentation in relation to the Notes;
- (j) *Offer Materials*: it will make available to each potential Investor in the Notes this Base Prospectus, the applicable Final Terms and any other information materials provided by or on behalf of the Issuer and/or the Guarantor(s) for such purpose, and will not convey or publish any information that is not contained in or entirely consistent with this Base Prospectus as supplemented by the applicable Final Terms;
- (k) *Information*: does not give any information other than that contained in this Base Prospectus (as may be amended or supplemented by the Issuer from time to time) or make any representation in connection with the offering or sale of, or the solicitation of interest in, the Notes;

- (l) *Communications*: agrees that any communication in which it attaches or otherwise includes any announcement published by the Issuer via its website (<http://www.ab-inbev.com>) at the end of the Offer Period will be consistent with the Base Prospectus, and (in any case) must be fair, clear and not misleading and in compliance with the Rules and must state that such Authorised Offeror has provided it independently from the Issuer and must expressly confirm that the Issuer has not accepted any responsibility for the content of any such communication; and
- (m) *Any other conditions*: agrees to any other conditions set out in paragraph 8(vi) of Part B of the relevant Final Terms.

## 2. **United Kingdom**

In addition to the provisions set out under Clause 1 (*General*) above, if and to the extent that the relevant financial intermediary makes any Public Offer in the United Kingdom, the relevant financial intermediary represents, warrants and undertakes to and for the benefit of the Issuer, the Guarantors and the Dealer(s) that:

- (a) it will ensure that no holder of Notes or potential Investor in Notes will become an indirect or direct client of the Issuer, the Guarantor(s) or the relevant Dealer(s) for the purposes of any applicable Rules from time to time, and to the extent that any client obligations are created by the relevant financial intermediary under any applicable Rules, then such financial intermediary shall perform any such obligations so arising;
- (b) it will co-operate with the Issuer, the Guarantor(s) and the relevant Dealer(s) in providing such information (including, without limitation, documents and records maintained pursuant to paragraph 1(g) above) upon written request from the Issuer, the Guarantor(s) or the relevant Dealer(s) as is available to such financial intermediary or which is within its power and control from time to time, together with such further assistance as is reasonably requested by the Issuer, the Guarantor(s) or the relevant Dealer(s):
  - (i) in connection with any request or investigation by any regulator in relation to the Notes, the Issuer, the Guarantor(s) or the Dealers; and/or
  - (ii) in connection with any complaints received by the Issuer, the Guarantor(s) and/or any Dealer relating to the Issuer, the Guarantor(s) and/or the Dealers or another Authorised Offeror including, without limitation, complaints as defined in rules published by the FCA and/or any other regulator of competent jurisdiction from time to time; and/or
  - (iii) which the Issuer, the Guarantor(s) or any Dealer may reasonably require from time to time in relation to the Notes and/or as to allow the Issuer, the Guarantor(s) or the relevant Dealer(s) fully to comply within its own legal, tax and regulatory requirements, in each case, as soon as is reasonably practicable and, in any event, within any time frame set by any such regulator or regulatory process;
- (c) it will either (i) obtain from each potential Investor an executed application for the Notes; or (ii) keep a record of all requests it: (A) makes for its discretionary management clients; (B) receives from its advisory clients; and (C) receives from its execution-only clients, in each case prior to making any order for the Notes on their behalf, and in each case maintain the same on its files for so long as is required by any applicable Rules; and
- (d) if it conveys or publishes any communication (other than this Base Prospectus, the applicable Final Terms and any other information materials provided by or on behalf of the Issuer and/or the Guarantor(s) for the purposes of the relevant Public Offer) in connection with the relevant Public Offer, it will ensure that such communication: (i) is fair, clear and not misleading and complies with the Rules; and (ii) states that such financial intermediary has provided such communication independently of the Issuer and the Guarantor(s), that such financial intermediary is solely responsible for such communication and that none of the Issuer, the Guarantor(s) and the relevant Dealer(s) accepts any responsibility for such communication.

3. **Indemnity**

The relevant financial intermediary agrees that if the Issuer or any Guarantor or a relevant Dealer (in each case on behalf of such entity and its respective officers, employees, agents, affiliates and controlling persons) incurs any liability, damages, cost, loss or expense (including, without limitation, legal fees, costs and expenses and any value added tax thereon) (a "**Loss**") arising out of, in connection with or based on any inaccuracy of any of the foregoing representations and warranties or any breach of any of the foregoing undertakings then the relevant financial intermediary shall pay to the Issuer or the relevant Guarantor(s) or the relevant Dealer (as the case may be) on demand an amount equal to such Loss.

4. **Governing Law and Jurisdiction**

The relevant financial intermediary agrees that:

- (a) the contract between the Issuer, the Guarantor(s) and the financial intermediary formed upon acceptance by the financial intermediary of the offer of the Issuer and the Guarantor(s) to use this Base Prospectus with their consent in connection with the relevant Public Offer (the "**Authorised Offeror Contract**"), and any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract, shall be governed by, and construed in accordance with, English law;
- (b) the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Authorised Offeror Contract (including a dispute relating to any non-contractual obligations arising out of or in connection with the Authorised Offeror Contract) and accordingly the relevant financial intermediary submits to the exclusive jurisdiction of the English courts;
- (c) each relevant Dealer will, pursuant to the Contracts (Rights of Third Parties) Act 1999, be entitled to enforce those provisions of the Authorised Offeror Contract which are, or are expressed to be, for their benefit but, subject to this, a person who is not a party to the Authorised Offeror Contract has no right to enforce any term of the Authorised Offeror Contract; and
- (d) the parties to the Authorised Offeror Contract do not require the consent of any person not a party to the Authorised Offeror Contract to rescind or vary the Authorised Offeror Contract at any time.



## **15. USE OF PROCEEDS**

The following section describes the manner in which the Issuer intends to use the proceeds from issues of Notes under the Programme.

## **USE OF PROCEEDS**

The net proceeds from each issue of Notes will be used to repay short-term and/or long-term debt of the Group and to fund the general corporate purposes of the Issuer. If, in respect of any particular issue, there is a particular identified use of proceeds, this will be stated in the applicable Final Terms.

## **16. FORM OF FINAL TERMS**

This section contains the form of Final Terms that the Issuer will complete when offering any Notes under the Programme.

## **FINAL TERMS AND DRAWDOWN PROSPECTUSES**

In this section the expression "necessary information" means, in relation to any Tranche of Notes, the information necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Issuer and the Guarantors and of the rights attaching to the Notes. In relation to the different types of Notes which may be issued under the Programme, the Issuer and the Guarantors have included in this Base Prospectus all of the necessary information except for information relating to the Notes which is not known at the date of this Base Prospectus and which can only be determined at the time of an individual issue of a Tranche of Notes.

Any information relating to the Notes which is not included in this Base Prospectus and which is required in order to complete the necessary information in relation to a Tranche of Notes will be contained either in the relevant Final Terms or in a Drawdown Prospectus.

For a Tranche of Notes which is the subject of Final Terms, those Final Terms will, for the purposes of that Tranche only, supplement this Base Prospectus and must be read in conjunction with this Base Prospectus. The terms and conditions applicable to any particular Tranche of Notes which is the subject of Final Terms are the Conditions as completed to the extent described in the relevant Final Terms.

The terms and conditions applicable to any particular Tranche of Notes which is the subject of a Drawdown Prospectus will be the Conditions as supplemented, amended and/or replaced to the extent described in the relevant Drawdown Prospectus. In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, each reference in this Base Prospectus to information being specified or identified in the relevant Final Terms shall be read and construed as a reference to such information being specified or identified in the relevant Drawdown Prospectus unless the context requires otherwise.

Each Drawdown Prospectus will be constituted either (1) by a single document containing the necessary information relating to the Issuer and the Guarantors and the relevant Notes or (2) by a registration document containing the necessary information relating to the Issuer and the Guarantors, a securities note containing the necessary information relating to the relevant Notes and, if necessary, a summary note.

## APPLICABLE FINAL TERMS

*Set out below is the form of Final Terms which will be completed for each Tranche of Notes issued under the Programme.*

**Final Terms dated [•]**

**ANHEUSER-BUSCH INBEV SA/NV**

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]**

**Guaranteed by**

**[ANHEUSER-BUSCH COMPANIES, LLC /  
ANHEUSER-BUSCH INBEV FINANCE INC. /  
ANHEUSER-BUSCH INBEV WORLDWIDE INC. /  
BRANDBEV S.À R.L. /  
BRANDBREW S.A. /  
COBREW NV]**

**under the €40,000,000,000  
Euro Medium Term Note Programme**

Any person making or intending to make an offer of the Notes may only do so:

- (i) in those Public Offer Jurisdictions mentioned in Paragraph 8(vi) of Part B below, provided such person is a Dealer or Authorised Offeror (as such term is defined in the Base Prospectus) and that such offer is made during the Offer Period specified for such purpose therein and that any conditions relevant to the use of the Base Prospectus are complied with; or
- (ii) otherwise in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Guarantor nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

Neither the Issuer nor any Guarantor nor any Dealer has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

The expression "**Prospectus Directive**" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU) and includes any relevant implementing measure in a relevant Member State of the European Economic Area.

## PART A CONTRACTUAL TERMS

### **OPTION 1 (NORMAL ISSUANCE UNDER THE PROGRAMME ON THE BASIS OF THE TERMS AND CONDITIONS SET OUT IN THE BASE PROSPECTUS)**

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") set forth in the Base Prospectus dated 6 December 2016 which[, as supplemented by the supplement to the Base Prospectus dated [date] (the "**Supplement[s]**"),] [together] constitute[s] a base prospectus (the "**Base Prospectus**") for the purposes of the Prospectus Directive. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus. Full information on the Issuer, the Guarantors and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. However, a summary of the issue of the Notes is annexed to these Final Terms. The Base Prospectus [is/and the Supplement are] available for viewing on the website of the Regulatory News Service operated by the London Stock Exchange (at [www.londonstockexchange.com/exchange/news/market-news/market-news-home.html](http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html)) and copies may be obtained during normal business hours at the specified offices of the Domiciliary Agent for the time being in Belgium.]

### **OPTION 2 (ISSUANCE ON THE BASIS OF TERMS AND CONDITIONS FROM EARLIER PROGRAMME DOCUMENTS INCORPORATED BY REFERENCE IN THE BASE PROSPECTUS)**

[Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "**Conditions**") contained in the agency agreement dated [original date] and made between [ ] and set forth in the Base Prospectus dated [original date] and incorporated by reference into the Base Prospectus dated 6 December 2016. This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with the Base Prospectus dated 6 December 2016 [and the supplement to the Base Prospectus dated [date]] (the "**Supplement**"), which [together] constitute[s] a base prospectus for the purposes of the Prospectus Directive (the "**Base Prospectus**"), save in respect of the Conditions which are set forth in the base prospectus dated [original date] and are incorporated by reference in the Base Prospectus.]

#### END OF OPTIONS

Full information on the Issuer, the Guarantors and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus [(as so supplemented)]. However, a summary of the issue of the Notes is annexed to these Final Terms. Copies of the Base Prospectus [and the Supplement] are available for viewing on the website of the Regulatory News Service operated by the London Stock Exchange (at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>), the website of the Issuer and copies may be obtained during normal business hours at the specified offices of the Domiciliary Agent for the time being in Belgium.

1.	(a)	Issuer:	Anheuser-Busch InBev SA/NV	IV 5.1.1
	(b)	Guarantors:	[Anheuser-Busch Companies, LLC / Anheuser-Busch InBev Finance Inc. / Anheuser-Busch InBev Worldwide Inc. / Brandbev S.à r.l. / Brandbrew S.A. / Cobrew NV]	
2.	[(a)	Series Number:]	[•]	
	[(b)	Tranche Number:]	[•]	
	[(c)	Date on which the Notes will be consolidated and form a single Series:	[The Notes will be consolidated, form a single Series with [•] on [•]/[the Issue Date]/[Not Applicable]]	
3.		Specified Currency or Currencies:	[•]	

4. Aggregate Nominal Amount:
  - (a) Series: [•]
  - (b) Tranche: [•]
5. Issue Price: [•] per cent. of the Aggregate Nominal Amount [plus accrued interest from (and including) [•] to (but excluding) [•]]
6.
  - (a) Specified Denominations: [•]
  - (b) Calculation Amount: [•]
7.
  - (a) Issue Date: [•]
  - (b) Interest Commencement Date: [[•]/Issue Date/Not Applicable]
8. Maturity Date: [[•]/Interest Payment Date falling in or nearest to [•]]
9. Interest Basis:  
[[•] per cent. Fixed Rate]  
[[•] month [LIBOR/EURIBOR] +/- [•] per cent. Floating Rate]  
[Zero Coupon]  
(further particulars specified below)
10. Redemption Basis: Subject to any purchase and cancellation or early redemption the Notes will be redeemed on the Maturity Date at [100]/[•] per cent. of their nominal amount
11. Change of Interest Basis: [[•]/Not Applicable]
12. Put/Call Options:  
[Investor Put]  
[Issuer Call]  
[(further particulars specified below)]
13. Date of [Board] approval for issuance of Notes [and Guarantee(s)] obtained: [•] [and [•], respectively]
14. **Fixed Rate Note Provisions:** [Applicable/Not Applicable]
  - (a) Rate(s) of Interest: [•] per cent. per annum payable in arrear on each Interest Payment Date
  - (b) Interest Payment Date(s): [•] [and [•]] in each year, commencing on [•], up to and including the Maturity Date
  - (c) Day Count Fraction: [30/360][Actual/Actual (ICMA)][Actual/365 (Fixed)]
  - (d) Determination Date(s): [[•] in each year][Not Applicable]
  - (e) Ratings Step-up/Step-down: [Applicable/Not Applicable]  
[Step-up/Step-down Margin: [•] per cent. per annum]
15. **Floating Rate Note Provisions:** [Applicable/Not Applicable]
  - (a) Specified Period: [•]
  - (b) Specified Interest Payment Dates: [[•] in each year]

	(c)	[First Interest Payment Date]:	[•]	
	(e)	Additional Business Centre(s):	[[•]/Not Applicable]	
	(f)	Manner in which the Rate of Interest and Interest Amount is to be determined:	[Screen Rate Determination/ISDA Determination]	
	(g)	Party responsible for calculating the Rate of Interest and Interest Amount (if not the Domiciliary Agent):	[[•]/Not Applicable]	
	(h)	Screen Rate Determination:		
		Reference Rate:	[•] month [LIBOR/EURIBOR]	
		Interest Determination Date(s):	[•]	
		Relevant Screen Page:	[•]	
	(i)	ISDA Determination:		
		Floating Rate Option:	[•]	
		Designated Maturity:	[•]	
		Reset Date:	[•]	
	(j)	Margin(s):	[+/-][•] per cent. per annum	
	(k)	Minimum Rate of Interest:	[[•] per cent. per annum/Not Applicable]	
	(l)	Maximum Rate of Interest:	[[•] per cent. per annum/Not Applicable]	
	(m)	Day Count Fraction:	[Actual/Actual (ISDA)] [Actual/365 (Fixed)] [Actual/365 (Sterling)] [Actual/360] [30/360] [30E/360] [30E/360 (ISDA)]	
	(n)	Ratings Step-up/Step-down:	[Applicable/Not Applicable]	
		[Step-up/Step-down Margin:	[•] per cent. per annum	
16.		<b>Zero Coupon Note Provisions:</b>	[Applicable/Not Applicable]	V 4.7(vii)(C)
	(a)	Accrual Yield:	[•] per cent. per annum	
	(b)	Reference Price:	[•]	
	(c)	Any other formula/basis of determining amount payable:	[•]	
<b>PROVISIONS RELATING TO REDEMPTION</b>				
17.		<b>Issuer Call:</b>	[Applicable/Not Applicable]	V 4.8(ii)(B)
	(a)	Optional Redemption Date(s):	[•]	
	(b)	Optional Redemption Amount of each Note:	[In respect of the Optional Redemption Date(s) falling on [or after] [•] [but prior to [•]] [Reference Bond Basis/[•] per Calculation Amount] [and in	



respect of the Optional Redemption Date(s) falling on [or after] [•] [but prior to [•]] [Reference Bond Basis/[•] per Calculation Amount]]/[Reference Bond Basis/[•] per Calculation Amount]]

- |       |                                   |   |
|-------|-----------------------------------|---|
| (i)   | Optional Redemption Margin:       | [[•] basis points/Not Applicable]   |
| (ii)  | Reference Bond:                   | [CA Selected Bond/Not Applicable]   |
| (iii) | Quotation Time:                   | [5.00 p.m. [Brussels/London/[•] time]/Not Applicable]                                 |
| (iv)  | Reference Rate Determination Day: | [The [•] Business Day preceding the relevant Optional Redemption Date/Not Applicable] |
- (c) If redeemable in part:
- |      |                            |                      |
|------|----------------------------|----------------------|
| (i)  | Minimum Redemption Amount: | [[•]/Not Applicable] |
| (ii) | Maximum Redemption Amount: | [[•]/Not Applicable] |
18. **Investor Put:** [Applicable/Not Applicable]
- |      |                              |                             |
|------|------------------------------|-----------------------------|
| (i)  | Optional Redemption Date(s): | [•]                         |
| (ii) | Optional Redemption Amount:  | [•] per Calculation Amount] |
19. **Final Redemption Amount:** [•] per Calculation Amount
20. Early Redemption Amount payable on redemption for taxation reasons or on event of default: [Not Applicable/[•] per Calculation Amount]

#### GENERAL PROVISIONS APPLICABLE TO THE NOTES

21. Additional Financial Centre(s) or other special provisions relating to Payment Days: [Not Applicable/[•]]

#### [THIRD PARTY INFORMATION

• has been extracted from • . The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by • , no facts have been omitted which would render the reproduced information inaccurate or misleading.]

Signed on behalf of the **Issuer**:

Signed on behalf of the **Issuer**:

By: .....  
Duly authorised

By: .....  
Duly authorised

Signed on behalf of **Anheuser-Busch Companies, LLC**:

By: .....  
Duly authorised

Signed on behalf of **Anheuser-Busch InBev Finance Inc.:**

By: .....  
*Duly authorized*

Signed on behalf of **Anheuser-Busch InBev Worldwide Inc.:**

By: .....  
*Duly authorised*

Signed on behalf of **Brandbev S.à r.l.** (a *société à responsabilité limitée*, incorporated and existing under the laws of Luxembourg, with its registered office at Zone Industrielle Breedewues No. 15, L-1259 Senningerberg, Grand Duchy of Luxembourg and registered with the Luxembourg register of commerce and companies under the number B 80.984):

By: .....  
*Name:*

*Title: authorised signatory*

Signed on behalf of **Brandbrew S.A.** (a *société anonyme*, incorporated and existing under the laws of Luxembourg, with its registered office at Zone Industrielle Breedewues No. 15, L-1259 Senningerberg, Grand Duchy of Luxembourg and registered with the Luxembourg register of commerce and companies under the number B 75.696):

By: .....  
*Name:*

*Title: authorised signatory*

Signed on behalf of **Cobrew NV:**

By: .....  
*Duly authorised:*

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- (i) Listing and Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the London Stock Exchange's Regulated Market and to listing on the Official List of the FCA with effect from [•].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on the London Stock Exchange's Regulated Market and to listing on the Official List of the FCA with effect from [•].]
- (ii) Estimate of total expenses related to admission to trading: [•]

### 2. RATINGS

[The Notes to be issued [have been/are expected to be] rated]/[The following ratings reflect ratings assigned to Notes of this type issued under the Programme generally]].

[S&P: [•]]  
[Moody's: [•]]  
[Fitch: [•]]  
[Not Applicable]

### 3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE

[Save for any fees payable to [•] (the "[Managers/Dealers]"), so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. The [Managers/Dealers] and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and the Guarantors and their affiliates in the ordinary course of business.]

### 4. REASONS FOR THE OFFER, ESTIMATED NET PROCEEDS, TOTAL EXPENSES AND USE OF PROCEEDS

- [(i)] Reasons for the offer: [•]
- [(ii)] Estimated net proceeds: [•]
- [(iii)] Estimated total expenses: [•]
- [(iv)] Use of Proceeds: [As set out in the Base Prospectus/[•]]

### 5. YIELD (*Fixed Rate Notes only*)

Indication of yield: [•]

[The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

### 6. HISTORIC INTEREST RATES

(Floating rate Notes only)

Details of historic [LIBOR/EURIBOR] can be obtained from [Reuters].

### 7. OPERATIONAL INFORMATION

- (i) ISIN Code: [•]

- |       |  |                                    |
|-------|--|------------------------------------|
| (ii)  | Common Code:   | [•]                                |
| (iii) | Any clearing system(s) other than the X/N Clearing System and the relevant identification number(s): | [Not Applicable/[•]]               |
| (iv)  | Delivery:  | Delivery [against/free of] payment |
| (v)   | Names and addresses of additional paying agent(s) (if any):  | [Not Applicable/[•]]               |
| (vi)  | Intended to be held in a manner which would allow Eurosystem eligibility:                            | [Yes] [No]                         |

8. **DISTRIBUTION**

- |       |   |  |
|-------|---|--|
| (i)   | Method of distribution:   | [Syndicated/Non-syndicated]  |
| (ii)  | If syndicated:  | [Not Applicable/[•]]   |
|       | (a) Names and addresses of Dealers and underwriting commitments:  | [•]  |
|       | (b) Date of subscription agreement:   | [•]  |
|       | (c) Stabilising Manager(s) (if any):  | [Not Applicable/[•]]   |
| (iii) | If non-syndicated, name and address of Dealer:  | [Not Applicable/[•]]   |
| (iv)  | Indication of the overall amount of the underwriting commission and of the placing commission:                        | [•] per cent. of the Aggregate Nominal Amount  |
| (v)   | U.S. Selling Restrictions:  | [Reg. S Compliance Category 2; TEFRA not applicable]   |
| (vi)  | Public Offer:   | [Applicable][Not Applicable]   |
|       | Public Offer Jurisdictions:   | [Austria] [Belgium] [Germany] [Ireland]<br>[Luxembourg] [the Netherlands] [the United Kingdom] [•] |
|       | Offer period:   | [•] until [•]  |
|       | Financial intermediaries granted specific consent to use the Base Prospectus in accordance with the conditions in it: | The Dealer[s] [and [•]] ([together with the Dealers], the " <b>Initial Authorised Offerors</b> ")  |
|       | General Consent:  | [Not Applicable][Applicable]   |
|       | Other Authorised Offeror Terms:   | [Not Applicable/[•]]   |

9. **TERMS AND CONDITIONS OF THE OFFER**

- |              |                   |
|--------------|-------------------|
| Offer Price: | [Issue price]/[•] |
|--------------|-------------------|

Conditions to which the offer is subject:	[Not Applicable/[•]]
Description of the application process:	[Not Applicable/[•]]
Description of possibility to reduce subscriptions and manner for refunding excess amount paid by applicants:	[Not Applicable/[•]]
Details of the minimum and/or maximum amount of application:	[Not Applicable/[•]]
Details of the method and time limits for paying up and delivering the Notes:	[Not Applicable/[•]]
Manner in and date on which results of the offer are to be made public:	[Not Applicable/[•]]
Procedure for exercise of any right of pre-emption, negotiability of subscription rights and treatment of subscription rights not exercised:	[Not Applicable/[•]]
Whether tranche(s) have been reserved for certain countries:	[Not Applicable/[•]]
Process for notification to applicants of the amount allotted and the indication whether dealing may begin before notification is made:	[Not Applicable/[•]]
Amount of any expenses and taxes specifically charged to the subscriber or purchaser:	[Not Applicable/[•]]
Name(s) and address(es), to the extent known to the Issuer, of the placers in the various countries where the offer takes place.	[None/The Initial Authorised Offerors identified in paragraph 8(vi) of Part B above [and any additional Authorised Offerors who have or obtain the Issuer's consent to use the Base Prospectus in connection with the Public Offer and who are identified on the Issuer's website as an Authorised Offeror] (together, the " <b>Authorised Offerors</b> ")]

## SUMMARY OF THE ISSUE

*This summary relates to [insert description of Notes] described in the final terms (the "**Final Terms**") to which this summary is annexed. This summary contains that information from the summary set out in the Base Prospectus which is relevant to the Notes together with the relevant information from the Final Terms. Words and expressions defined in the Final Terms and the Base Prospectus have the same meanings in this summary.*

*[Insert completed summary by amending and completing the summary of the Base Prospectus as appropriate to the terms of the specific issue].*

## **17. ADDITIONAL INFORMATION**

You should be aware of a number of other matters that may not have been addressed in detail elsewhere in this Base Prospectus.

## **ADDITIONAL INFORMATION**

### **Authorisation**

The establishment and update of the Programme and the issue of Notes have been duly authorised by a resolution of the Board of Directors of the Issuer dated 7 January 2009 and 10 November 2016.

The giving of the Guarantees have been duly authorised by (i) resolutions of the Board of Directors of Anheuser-Busch Companies dated 16 December 2008 and resolutions of the Board of Managers of Anheuser-Busch Companies dated 11 November 2016, (ii) resolutions of the Board of Directors of ABIFI dated 8 November 2016, (iii) resolutions of the Board of Directors of ABIWW dated 11 December 2008 and 11 November 2016, (iv) resolutions of the Board of Managers of Brandbev dated 9 November 2016, (v) resolutions of the Board of Directors of Brandbrew dated 16 December 2008 and 10 November 2016 and (vi) resolutions of the Board of Directors of Cobrew dated 18 December 2008 and 10 November 2016.

### **Approval, listing and admission to trading of Notes**

Application has been made to the FCA to approve this document as a base prospectus and to be listed on the Official List of the FCA. Application has also been made to the London Stock Exchange for Notes issued under the Programme to be admitted to trading on the Market.

### **Documents on Display**

For the period of 12 months following the date of this Base Prospectus, copies of the following documents will, when published, be available for inspection from the registered offices of the Issuer and from the specified offices of the Domiciliary Agent:

- (a) the constitutional documents of each Obligor;
- (b) the Domiciliary Agency Agreement, the Deed of Covenant and the Guarantees;
- (c) a copy of this Base Prospectus;
- (d) a copy of the Form 20-F; and
- (e) any future offering circulars, prospectuses, information memoranda, supplements to this Base Prospectus, Final Terms and any other documents incorporated herein or therein by reference.

In addition, copies of this Base Prospectus, each Final Terms relating to Notes that are listed on the Official List and admitted to trading on the Market and each document incorporated by reference will be published on the Regulatory News Service operated by the London Stock Exchange's website (at <http://www.londonstockexchange.com/exchange/news/market-news/market-news-home.html>).

### **Clearing Systems**

The Notes have been accepted for clearance through the X/N Clearing System. The X/N Clearing System is the entity in charge of keeping the records. The appropriate Common Code and ISIN for each Tranche of Notes will be specified in the applicable Final Terms. If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

The address of the X/N Clearing System is S.A. Banque Nationale de Belgique, boulevard de Berlaimont 14, B-1000 Brussels, Belgium.

### **Conditions for determining price**

The price and amount of Notes to be issued under the Programme will be determined by the Issuer and each relevant Dealer at the time of issue in accordance with prevailing market conditions. The Issuer does not intend to provide any post-issuance information in relation to any issue of Notes.

### **Significant or Material Change**

There has been no material adverse change in the prospects of the Issuer or the Group since 31 December 2015, nor any significant change in the financial or trading position of the Issuer or the Group since 30 June 2016.



## **Litigation**

Save as disclosed in Section 5 (*Description of the Issuer – Legal and Arbitration proceedings*) on pages 98 to 102 of this Base Prospectus (other than the section entitled "*Budweiser Trademark Litigation*" on page 98), there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Obligors are aware) in the 12 months preceding the date of this Base Prospectus which may have or have in such period had a significant effect on the financial position or profitability of the Obligors or the Group as a whole.

## **Auditors**

The auditors of the Issuer from 3 March 2016 are Deloitte Bedrijfsrevisoren BV CVBA (member of the Institut des Réviseurs d'Entreprises/Instituut van de Bedrijfsrevisoren).

The auditors of Former AB InBev until 3 March 2016 were PwC Bedrijfsrevisoren BCBVA (a member of the Institut des Réviseurs d'Entreprises/Instituut van de Bedrijfsrevisoren), who audited the Former AB InBev Group's consolidated financial statements, without qualification, in accordance with IFRS as of 31 December 2015 and 31 December 2014 and for the years then ended.

## **Auditors report on the compilation of pro forma financial information**

Deloitte Bedrijfsrevisoren BV CVBA has given, and has not withdrawn, its consent to the inclusion in this Base Prospectus of its report on the pro forma financial information, in the form set out in Section 7 (*Auditor's Report on the Compilation of the Pro Forma Financial Information*) to this Base Prospectus and has authorised the content of that report and accepts responsibility for that report solely for the purposes of item 5.5.4(2)(f) of the FCA prospectus rules. Deloitte Bedrijfsrevisoren BV CVBA declares that, having taken all reasonable care to ensure that such is the case, the information contained in Section 7 (*Auditor's Report on the Compilation of the Pro Forma Financial Information*) to this Base Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

## **Home Member State**

No Notes may be issued under the Programme which (a) have a minimum denomination of less than EUR1,000 (or its equivalent in another currency), or (b) carry the right to acquire shares (or transferable securities equivalent to shares) issued by the Issuer or by any entity to whose group the Issuer belongs. Subject thereto, Notes will be issued in such denominations as may be specified in the relevant Final Terms, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements.

## **Notes Having a Maturity of Less Than One Year**

Where Notes have a maturity of less than one year and either (a) the issue proceeds are received by the Issuer in the United Kingdom or (b) the activity of issuing the Notes is carried on from an establishment maintained by the Issuer in the United Kingdom, such Notes must: (i) have a minimum redemption value of £100,000 (or its equivalent in other currencies) and be issued only to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses; or (ii) be issued in other circumstances which do not constitute a contravention of section 19 of the FSMA by the Issuer.

## **Issue Price and Yield**

Notes may be issued at any price. The issue price of each Tranche of Notes to be issued under the Programme will be determined by the Issuer, the relevant Guarantor(s) and the relevant Dealer(s) at the time of issue in accordance with prevailing market conditions and the issue price of the relevant Notes will be set out in the applicable Final Terms. In the case of different Tranches of a Series of Notes, the issue price may include accrued interest in respect of the period from the interest commencement date of the relevant Tranche (which may be the issue date of the first Tranche of the Series or, if interest payment dates have already passed, the most recent interest payment date in respect of the Series) to the issue date of the relevant Tranche.

In relation to any Tranche of Fixed Rate Notes, an indication of the yield in respect of such Notes will be specified in the applicable Final Terms. The yield is calculated at the Issue Date of the Notes on the basis of the

relevant Issue Price. The yield indicated will be calculated as the yield to maturity as at the Issue Date of the Notes and will not be an indication of future yield.

#### **Dealers transacting with the Obligors**

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for any Obligor and their respective affiliates in the ordinary course of business. Certain of the Dealers and their affiliates may have positions, deal or make markets in the Notes, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Obligors and their respective affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Obligors or their respective affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Obligors routinely hedge their credit exposure to the Obligors consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes. Any such positions could adversely affect future trading prices of the Notes. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

## **APPENDIX A - DEFINED TERMS**

This section contains an index of defined terms used in this Base Prospectus.

## INDEX OF DEFINED TERMS

\$	6	CAD	6
[Managers/Dealers]	203	Calculation Agent	224, 232
£	6	Cash/DCM Bridge Facility A	36
€	6	Cash/DCM Bridge Facility B	36
2010 Senior Facilities Agreement	103, 221	CCBA	86
2013 Tax Amnesty and Refinancing Programme	101	CHF	6
2014 Tax Amnesty and Refinancing Programme	101	Clearstream, Luxembourg	12, 26, 217, 244
2015 Senior Facilities Agreement	36, 137, 221	CND	73
2016 Shareholders' Agreement	96	Cobrew	1, 24, 168, 187, 216
30/360	222, 225	Code	234
30E/360	226	Companies Law 1915	55
30E/360 (ISDA)	226	Completion	73
360/360	225	Conditions	1, 198, 216
AB InBev	14	Contract	149
ABIFI	1, 24, 164, 187, 216	control	219
ABIWW	1, 24, 165, 187, 216	Co-operation Agreement	107
Acceptance Statement	187, 190	Corporate Governance Charter	113
Accrual Period	222	CR Snow	129
Actual/360	225	CR Snow Divestiture	40, 110
Actual/365 (Fixed)	222, 225	CRA Regulation	4, 24, 63
Actual/365 (Sterling)	225	Criteria	149
Actual/Actual	225	CSSF	176
Actual/Actual (ICMA)	222	Day Count Fraction	222, 225
Actual/Actual (ISDA)	225	Dealer	1, 30
Ambev	7, 39, 129	Dealers	1, 30
Amortised Face Amount	233	Deed of Covenant	27, 216
Anadolu Efes	42	Deed of Indemnity	108
Anadolu Group	112	Designated Maturity	224
Anheuser-Busch Companies	1, 7, 24, 163, 187, 216	Determination Period	222
applicable Final Terms	216	Direct Participant	56
Articles	72	Disposals Bridge Facility	36
Articles of Association	97	Distell Divestiture	40
Asahi	129	Documents	238
Asset Test	180	Domiciliary Agency Agreement	216
audited consolidated financial statements	171	Domiciliary Agent	216
Authorised Offeror	186	EBITDA	237
Authorised Offeror Contract	192	EBM	113
Authorised Offeror Terms	190	Ecuador Divestiture	40
Authorised Offerors	188, 205	EDD Agreement	76, 110
Base Prospectus	1, 149, 198	Eligible Investors	181
Belgian Merger	23, 73	ELJ	73
below investment grade	228	EPS Participations	96
beneficial holders	56	ETS	46
Board	113	EU	4, 33
Board Committees	113	EU Insolvency Regulation	54
Bond Basis	225	EUR	6
Brandbev	1, 24, 166, 187, 216	EURIBOR	62, 67
Brandbev Subsidiaries	219	euro	6
Brandbrew	1, 24, 161, 187, 216	Eurobond Basis	226
Brandbrew Subsidiaries	219	Euroclear	12, 26, 217, 244
BRC	96	European Divestitures	40
BRL	6	Event of Default	235
Business Day	223	Excluded Subsidiary	221
CA Selected Bond	231	Extraordinary Resolution	241
		FATCA Withholding	234
		FCA	4

FIEA .....	176	NARTD.....	112
Final Redemption Amount .....	70	nationally recognised statistical rating agency..	228, 229
Final Terms.....	1, 187, 206	NBB .....	10
Fitch.....	4	NCDs .....	45
Fixed Interest Period.....	228	New EU Insolvency Regulation.....	54
Floating Rate .....	224	New Guarantee .....	238
Floating Rate Option .....	224	Newbelco .....	72
Form 20-F.....	34, 95	Non-exempt Offer.....	174
FTT.....	184	Noteholder .....	217
Group.....	218	Notes .....	1, 187, 216
Guarantee.....	216	Obligors .....	1
Guarantees .....	216	offer of Notes to the public .....	175
Guarantor .....	1, 216	Offer Period .....	186
Guarantors .....	1, 187, 216	OFP .....	183
Hart-Scott-Rodino Act.....	102	Optional Redemption Amount(s).....	231
Helms-Burton Act.....	50	Other Guaranteed Facilities .....	219
holder of Notes .....	217	Participant .....	181
IASB.....	153, 156, 159	participating Member States .....	184
ICMS .....	100	Paying Agent.....	216
IFRS.....	9, 153, 156, 159	payment date .....	229
InBev Group .....	7	Payment Day.....	230
Indebtedness .....	235	Permitted Reorganisation.....	236
Information Rights Agreement.....	108	Permitted Security Interest.....	221
Initial Authorised Offerors .....	204	Person .....	221
Interbrew.....	72	PET .....	34, 89
interest .....	181	PGM Business.....	108
Interest Amount .....	225	Pro Forma Financial Information.....	149
Interest Determination Date.....	68	Proceedings.....	242
Interest Payment Date.....	223	Programme.....	1, 220
Intra-Group Liabilities .....	57	Programme Agreement .....	174
Investor .....	186	Prospectus Directive .....	4, 175, 197
Investor's Currency .....	59	Prospectus Directive Regulation .....	149
IPI .....	100	Public Offer.....	186
IRS .....	100	Public Offer Jurisdiction .....	186
ISDA Definitions.....	28, 67, 223	Put Notice .....	232
ISDA Determination.....	223	R&D.....	91
ISDA Rate .....	223	Rating Agencies.....	229
Issuer .....	1, 14, 72, 187, 216	Rayvax .....	96
January 2016 Notes .....	105, 138	reais .....	6
January 2016 Taiwan Notes.....	105	real .....	6
January 2016 U.S. Notes .....	105, 138	Redeemed Notes .....	231
KKR.....	73	Reference Bond.....	232
Law of 2002.....	57, 218	Reference Bond Price .....	232
LIBOR .....	62, 67	Reference Market Maker Quotations .....	232
London Business Day .....	227	Reference Market Makers.....	232
London Stock Exchange.....	4	Reference Rate.....	68, 232
Long Stop Date .....	107	Reference Shareholder .....	96
Loss .....	192	Regulation.....	57, 218
Luxembourg Guarantors.....	57	Relevant Date.....	234
Luxembourg Prospectus Law .....	176	relevant Dealer.....	1
Managers .....	30	relevant Guarantee .....	239
March 2016 Notes .....	106, 138	Relevant Implementation Date.....	174
Mexican Pesos .....	6	Relevant Indebtedness .....	221
MiFID .....	187	Relevant Member State.....	174, 186
MillerCoors Divestiture.....	40, 129	relevant persons .....	247
Molson Coors Purchase Agreement .....	109	Relevant Screen Page.....	68
MolsonCoors .....	129	Relibi Law.....	178
Moody's .....	4, 24, 103	Reorganisation .....	236
MXN.....	6	Reset Date .....	224
N Account.....	182		

Restricted Shareholder.....	97	TARGET2 System.....	223
Revolving Facility.....	103	Tax Jurisdiction.....	234
Rules.....	190	Tax Matters Agreement.....	109
S&P.....	4, 24, 103	TCCC.....	112
SABMiller.....	7	Term Facility A.....	36
SABMiller Group.....	7	Term Facility B.....	36
Screen Rate Determination.....	224	Terms and Conditions of the Notes.....	32
Securities Act.....	6, 247	TIA.....	112
Security Interest.....	221	Tranche.....	216
Series.....	216	Transaction.....	7
Shareholders' Meetings.....	97	Transaction-related Divestitures.....	40, 129
Shares.....	96	U.S. dollars.....	6
Significant Subsidiary.....	237	U.S. Guarantor.....	235
Stabilising Manager(s).....	6	U.S.\$.....	6
Step Down Rating Change.....	229	UK Panel.....	107
Step Up Rating Change.....	229	UK Scheme.....	141
Sterling.....	6	unaudited pro forma financial information.....	128
Subsidiary.....	222	USD.....	6
Substitute.....	238	WHO.....	45
sub-unit.....	222	X Account.....	181
Supplement.....	198	X/N Clearing System.....	216
Supplement[s].....	198	X/N System.....	181
Survivor.....	237	yen.....	6
suspect period.....	54	Zenzele Scheme.....	108
Swiss francs.....	6	ZFM.....	100
TARGET 2 Business Day.....	229		

## **APPENDIX B - TERMS AND CONDITIONS OF THE NOTES**

This section sets out the text of the terms and conditions of the Notes.

## TERMS AND CONDITIONS OF THE NOTES

*The following are the Terms and Conditions of the Notes which will be incorporated by reference into the Notes issued under the Programme. The applicable Final Terms (or the relevant provisions thereof) will be incorporated by reference into each Note. In the case of any Tranche of Notes which are being (a) offered to the public in a Member State (other than pursuant to one or more of the exemptions set out in Article 3.2 of the Prospectus Directive) or (b) admitted to trading on a regulated market in a Member State, the applicable Final Terms shall not amend or replace any information in this Base Prospectus. Subject to this, to the extent permitted by applicable law and/or regulation, the Final Terms in respect of any Tranche of Notes may supplement, amend or replace any information in this Base Prospectus.*

References in these Terms and Conditions to "**Notes**" are to the Notes of one Series (as defined below) issued by Anheuser-Busch InBev SA/NV (the "**Issuer**") pursuant to the Domiciliary Agency Agreement (as defined below) only, not to all Notes that may be issued under the Programme (as defined below). All capitalised terms which are not defined in these Terms and Conditions will have the meanings given to them or refer to information specified in, Part A of the applicable Final Terms.

The Notes have the benefit of an Amended and Restated Domiciliary and Belgian Paying Agency Agreement (such Domiciliary and Belgian Paying Agency Agreement as further amended and/or supplemented and/or restated from time to time, the "**Domiciliary Agency Agreement**") dated 6 December 2016 and made between the Issuer, the Guarantors (as defined below) and BNP Paribas Fortis SA/NV as domiciliary agent and paying agent (the "**Domiciliary Agent**" and the "**Paying Agent**", which expression shall include any successor domiciliary agent and paying agent).

The final terms for a Tranche of Notes (or the relevant provisions thereof) are set out in Part A of the Final Terms relating to such Notes and complete these Terms and Conditions (the "**Conditions**"). References to the "**applicable Final Terms**" are, unless otherwise stated, to Part A of the Final Terms (or the relevant provisions thereof) relating to such Notes.

The payment of all amounts in respect of the Notes have been guaranteed by whichever of (i) Anheuser-Busch InBev Finance Inc. ("**ABIFI**"), (ii) Anheuser-Busch InBev Worldwide Inc. ("**ABIWW**"), (iii) Anheuser-Busch Companies, LLC ("**Anheuser-Busch Companies**"), (iv) Brandbev S.à r.l. ("**Brandbev**"), (v) Cobrew NV ("**Cobrew**") and (vi) Brandbrew S.A. ("**Brandbrew**") are specified as Guarantors in the applicable Final Terms (together the "**Guarantors**" and each a "**Guarantor**"; **provided that**, upon any such company terminating its guarantee in accordance with Condition 2.3 (*Termination of the Guarantees*), such company will cease to be a Guarantor) pursuant to separate guarantees (each a "**Guarantee**" and together the "**Guarantees**", which expressions include the same as each may be amended, supplemented, novated or restated from time to time) executed by each of the relevant Guarantors on 6 December 2016. Certain of the Guarantees are subject to certain limitations, as described in Condition 2.2 (*Status of the Guarantees*). If the Issuer executes a New Guarantee pursuant to Condition 12 (*Substitution*) each reference in these Conditions to a "Guarantor" and a "Guarantee" shall, save where the context does not permit, include the Issuer in its capacity as such and its new Guarantee, respectively. The original of each Guarantee is held by the Domiciliary Agent on behalf of the Noteholders at its specified office.

As used herein, "**Tranche**" means Notes which are identical in all respects (including as to listing and admission to trading) and "**Series**" means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (a) expressed to be consolidated and form a single series and (b) identical in all respects (including as to listing and admission to trading) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

The holders of interests in Notes will be entitled to proceed directly against the Issuer in case of an Event of Default of the Issuer based on statements of accounts provided by the participant, sub-participant or the operator of the X/N clearing system (the "**X/N Clearing System**").

Copies of the Guarantees, the deed of covenant dated 6 December 2016 (the "**Deed of Covenant**"), the Domiciliary Agency Agreement and the applicable Final Terms are available for inspection during normal business hours at the specified office of the Domiciliary Agent. The Noteholders (as defined below) are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Domiciliary Agency Agreement, the Deed of Covenant, the Guarantees and the applicable Final Terms which are applicable to them. The statements in the Conditions include summaries of, and are subject to, the detailed provisions of the Domiciliary Agency Agreement.



Words and expressions defined in the Domiciliary Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in the Conditions unless the context otherwise requires or unless otherwise stated and **provided that**, in the event of inconsistency between the Domiciliary Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

## 1. **FORM, DENOMINATION AND TITLE**

The Notes are issued in dematerialised book-entry form within the meaning of Article 468 of the Belgian Companies Code. Noteholders of Notes will not be entitled to exchange Notes into bearer or registered Notes.

The Notes may be Fixed Rate Notes, Floating Rate Notes, Zero Coupon Notes or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms.

Title to the Notes will be evidenced in accordance with Article 468 of the Belgian Companies Code by entries in securities accounts maintained with the X/N Clearing System itself or participants or sub-participants in such system approved by the Belgian Minister of Finance. The X/N Clearing System maintains securities accounts in the name of authorised participants only. Such participants include Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**"). Noteholders, unless they are participants, will not hold Notes directly with the operator of the X/N Clearing System but will hold them in a securities account through a financial institution which is a participant in the X/N Clearing System or which holds them through another financial institution which is such a participant.

The operator of the X/N Clearing System will credit the securities account of the Domiciliary Agent with the aggregate nominal amount of Notes. Such Domiciliary Agent will credit each subscriber which is a participant in the X/N Clearing System and each other subscriber which has a securities account with such Domiciliary Agent, with a nominal amount of Notes equal to a nominal amount of Notes to which such participant or such securities account holders have subscribed and paid for (both acting on their own behalf or as agent for other subscribers). Any participant in respect of its sub-participants and its account holders and any sub-participant in respect of its account holders will, upon such Notes being credited as aforesaid, credit the securities accounts of such account holder or sub-participant, as the case may be. Each person who is for the time being shown in the records of a participant, a sub-participant or the operator of the X/N Clearing System as the holder of a particular nominal amount of such Notes (in which regard any certificate or other documents issued by a participant, sub-participant or the operator of the X/N Clearing System as to the nominal amount of such Notes standing to the account of such person shall be conclusive and binding for all purposes, save in the case of manifest error) shall be treated by the Issuer and the Domiciliary Agent as the holder of such nominal amount of such Notes for all purposes other than (i) with respect to the payment of principal or interest on the Notes, which shall be paid through the Domiciliary Agent and the X/N Clearing System in accordance with the rules of the X/N Clearing System, and (ii) with respect to the delivery of any notice to be given by a Noteholder in respect of the Notes pursuant to these Conditions, which notice must be given in accordance with the standard procedures of the X/N Clearing System and may only be given by a participant in the X/N Clearing System (whether acting on its own behalf or on behalf of other subscribers holding through such participant) in respect of the relevant Notes held by or through it, and the expressions "**Noteholder**" and "**holder of Notes**" and related expressions shall be construed accordingly. The Notes issued will be transferable only in accordance with the rules and procedures for the time being of the X/N Clearing System.

References to the X/N Clearing System shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in Part B of the applicable Final Terms.

## 2. STATUS OF THE NOTES AND THE GUARANTEES

### 2.1 Status of the Notes

The Notes are direct, unconditional, unsubordinated and (subject to the provisions of Condition 3.1 (*Covenants - Negative Pledge*)) unsecured obligations of the Issuer and rank *pari passu* (i.e., equally in right of payment) among themselves and (save for certain obligations required to be preferred by law) equally with all other unsecured obligations (other than subordinated obligations, if any) of the Issuer, from time to time outstanding.

### 2.2 Status of the Guarantees

(a) The obligations of each Guarantor under its Guarantee are direct, (subject, in the case of Brandbev and Brandbrew, to Condition 2.2(b) and Condition 2.2(c), respectively, below) unconditional, unsubordinated and (subject to the provisions of Condition 3.1 (*Covenants - Negative Pledge*)) unsecured obligations of such Guarantor and (save for certain obligations required to be preferred by law) rank equally with all other unsecured obligations (other than subordinated obligations, if any) of the relevant Guarantor, from time to time outstanding.

(b) The obligations of Brandbev under its Guarantee are subject to the following limitations:

Notwithstanding any of the provisions of Brandbev's Guarantee, the maximum aggregate liability of Brandbev under its Guarantee and after having accounted for any actual or contingent liabilities as a guarantor under the Other Guaranteed Facilities shall not exceed an amount equal to the aggregate of (without double counting):

(A) the aggregate amount of all moneys received by Brandbev and the Brandbev Subsidiaries under the Other Guaranteed Facilities;

(B) the aggregate amount of all outstanding intercompany loans made to Brandbev and the Brandbev Subsidiaries by other members of the group of companies owned and/or controlled by the Issuer (the "**Group**", which term includes the Issuer) which have been directly or indirectly funded using the proceeds of borrowings under the Other Guaranteed Facilities; and

(C) an amount equal to 100 per cent. of the greater of:

I the sum of (x) Brandbev's own capital (*capitaux propres*) as referred to in article 34 of the *Law of 19 December 2002 on the register of commerce and companies and the accounting and annual accounts of undertakings* (the "**Law of 2002**"), and as implemented by the Grand-Ducal regulation dated 18 December 2015 setting out the form and the content of the presentation of the balance sheet and profit and loss account (the "**Regulation**") as reflected in Brandbev's then most recent annual accounts approved by the competent organ of Brandbev (as audited by its external auditor (*réviseur d'entreprises*), if required by law) at the date an enforcement is made under its Guarantee, and (y) the amount of any Intra-Group Liabilities; and

II the sum of (x) Brandbev's own capital (*capitaux propres*) as referred to in article 34 of the Law of 2002, as implemented by the Regulation) as reflected in its most recent annual accounts as available as at the Issue Date of the first Tranche of the relevant Series, and (y) the amount of any Intra-Group Liabilities.

For the purpose of this limitation, "**Intra-Group Liabilities**" shall mean any amounts owed by Brandbev to any other member of the Group and that have not been funded (directly or indirectly) using the proceeds of borrowings under the Notes or the Other Guaranteed Facilities.

For the avoidance of doubt, the limitation referred to in this Condition 2.2(b) shall not apply to the guarantee by Brandbev of any obligations owed by its Subsidiaries under any Other Guaranteed Facilities.

- (c) The obligations of Brandbrew under its Guarantee are subject to the following limitations:

Notwithstanding any of the provisions of Brandbrew's Guarantee, the maximum aggregate liability of Brandbrew under its Guarantee and after having accounted for any actual or contingent liabilities as a guarantor under the Other Guaranteed Facilities (excluding its Guarantee) shall not exceed an amount equal to the aggregate of (without double counting):

- (A) the aggregate amount of all moneys received by Brandbrew and the Brandbrew Subsidiaries under the Other Guaranteed Facilities;
- (B) the aggregate amount of all outstanding intercompany loans made to Brandbrew and the Brandbrew Subsidiaries by other members of the Group which have been directly or indirectly funded using the proceeds of borrowings under the Other Guaranteed Facilities; and
- (C) an amount equal to 100 per cent. of the greater of:
  - I the sum of (x) Brandbrew's own capital (*capitaux propres*) as referred to in article 34 of the Law of 2002, and as implemented by the Regulation) as reflected in Brandbrew's then most recent annual accounts approved by the competent organ of Brandbrew (as audited by its external auditor (*réviseur d'entreprises*), if required by law) at the date an enforcement is made under its Guarantee, and (y) the amount of any Intra-Group Liabilities; and
  - II the sum of (x) Brandbrew's own capital (*capitaux propres*) as referred to in article 34 of the Law of 2002, and as implemented by the Regulation) as reflected in its most recent annual accounts as available as at the Issue Date of the first Tranche of the relevant Series, and (y) the amount of any Intra-Group Liabilities.

For the purpose of this limitation, "**Intra-Group Liabilities**" shall mean any amounts owed by Brandbrew to any other member of the Group and that have not been funded (directly or indirectly) using the proceeds of borrowings under the Notes or the Other Guaranteed Facilities.

For the avoidance of doubt, the limitation referred to in this Condition 2.2(c) shall not apply to the guarantee by Brandbrew of any obligations owed by the Brandbrew Subsidiaries under the Other Guaranteed Facilities.

- (d) For the purposes of this Condition 2.2 (*Status of the Guarantees*):

"**Brandbev Subsidiaries**" means each entity of which Brandbev has direct or indirect control or owns directly or indirectly more than 50 per cent. of the voting share capital or similar right of ownership; and "**control**" for this purpose means the power to direct the management and the policies of the entity whether through the ownership of voting capital, by contract or otherwise;

"**Brandbrew Subsidiaries**" means each entity of which Brandbrew has direct or indirect control or owns directly or indirectly more than 50 per cent. of the voting share capital or similar right of ownership; and "**control**" for this purpose means the power to direct the management and the policies of the entity whether through the ownership of voting capital, by contract or otherwise;

"**Other Guaranteed Facilities**" means:

- (i) the 2010 Senior Facilities Agreement, as amended from time to time;
- (ii) the 2015 Senior Facilities Agreement, as amended from time to time;
- (iii) any Notes issued under the Programme;

- (iv) any debt securities guaranteed by Brandbrew or Brandbev under the Indenture dated 12 January 2009, among ABIWW, the Issuer, the subsidiary guarantors listed therein and The Bank of New York Mellon Trust Company, N.A. as trustee;
- (v) any bonds guaranteed by Brandbrew or Brandbev under the Indenture, dated 16 October 2009 among ABIWW, the Issuer, the subsidiary guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee;
- (vi) any debt securities guaranteed by Brandbrew or Brandbev under an Indenture, to be dated on around 16 December 2016 among ABIWW, the Issuer, the subsidiary guarantors named therein and The Bank of New York Mellon Trust Company, N.A., as trustee;
- (vii) any debt securities guaranteed by Brandbrew or Brandbev pursuant to the U.S. commercial paper programme entered into on 6 June 2011 as amended and restated on or around 20 August 2014;
- (viii) any debt securities guaranteed by Brandbev or Brandbrew under the Indenture among ABIFI, the Issuer, Brandbev, Brandbrew, the other subsidiary guarantors listed therein and The Bank of New York Mellon Trust Company, N.A. as trustee entered into on 17 January 2013;
- (ix) any debt securities guaranteed by Brandbev or Brandbrew under the Indenture among ABIFI, the Issuer, Brandbev, Brandbrew, the other subsidiary guarantors listed therein and The Bank of New York Mellon Trust Company, N.A. as trustee entered into on 25 January 2016;
- (x) any bonds guaranteed by Brandbev or Brandbrew under the Indenture, dated 1 August 1995 among Anheuser-Busch Companies and The Bank of New York Mellon Trust Company, N.A., as trustee;
- (xi) any bonds guaranteed by Brandbev or Brandbrew under the Indenture, dated 1 July 2001 among Anheuser-Busch Companies and The Bank of New York Mellon Trust Company, N.A., as trustee; and
- (xii) any bonds guaranteed by Brandbev or Brandbrew under the Indenture, dated 1 October 2007 among Anheuser-Busch Companies and The Bank of New York Mellon Trust Company, N.A., as trustee,

and any refinancing (in whole or part) of any of the above items for the same or a lower amount;

**"Programme"** means the Euro Medium Term Note Programme established by the Issuer on 16 January 2009 (as amended or updated from time to time).

## 2.3 Termination of the Guarantees

- (a) Each of the Guarantors shall be entitled to terminate the relevant Guarantee on giving not less than 30 days' notice to the Domiciliary Agent and, in accordance with Condition 11 (*Notices*), the Noteholders, in the event that, at the time the relevant Guarantee is terminated (i) such Guarantor is not or ceases to be an obligor, as borrower or guarantor, with respect to the 2010 Senior Facilities Agreement and (ii) such Guarantor is not or ceases to be an obligor, as borrower or guarantor, with respect to the 2015 Senior Facilities Agreement and (iii) the aggregate amount of indebtedness for borrowed money for which the relevant Guarantor is an obligor (as a guarantor or borrower) does not exceed 10 per cent. of the Issuer's consolidated gross assets as reflected in the balance sheet included in its most recent publicly released interim or annual consolidated financial statements. For the purposes of this Condition 2.3 (*Termination of the Guarantees*), the amount of a Guarantor's indebtedness for borrowed money shall not include (A) the Notes, (B) any other debt the terms of which permit the termination of the Guarantor's guarantee of such debt under similar circumstances, as long as such Guarantor's obligations in respect of such other debt are terminated at substantially the same time as its guarantee of the Notes, and (C) any debt that is being refinanced at

substantially the same time that the Guarantee of the Notes is being terminated, **provided that** any obligations of the Guarantor in respect of the debt that is incurred in the refinancing shall be included in the calculation of the Guarantor's indebtedness for borrowed money.

- (b) Each of the Guarantors shall be entitled to terminate the relevant Guarantee on giving not less than 30 days' notice to the Domiciliary Agent and in accordance with Condition 11 (*Notices*), the Noteholders, in the event that such Guarantor ceases to be a Subsidiary of the Issuer or disposes of all or substantially all of its assets to a Person who is not a Subsidiary of the Issuer.
- (c) In the Conditions, "**2010 Senior Facilities Agreement**" means the U.S.\$9,000,000,000 Senior Facilities Agreement dated 26 February 2010, as amended and restated on 28 August 2015 between *inter alios* the Issuer, certain subsidiary guarantors and the lenders party thereto, the "**2015 Senior Facilities Agreement**" means the U.S.\$75,000,000,000 Senior Facilities Agreement dated 28 October 2015 between *inter alios* the Issuer, certain subsidiary guarantors and the lenders party thereto, and "**Person**" means any individual, corporation, partnership, joint venture, trust, unincorporated organisation or government or any agency or political subdivision thereof.

### 3. COVENANTS

#### 3.1 Negative Pledge

So long as any Note remains outstanding (as defined in the Domiciliary Agency Agreement) neither the Issuer nor the Guarantor(s) will, and the Issuer will ensure that none of its Significant Subsidiaries (as defined in Condition 9 (*Events of Default*)) will, create, or have outstanding any mortgage, charge, lien, pledge or other security interest (each a "**Security Interest**"), other than a Permitted Security Interest, upon, or with respect to, the whole or any part of its present or future undertaking, assets or revenues (including any uncalled capital) to secure any Relevant Indebtedness, or any guarantee or indemnity in respect of any Relevant Indebtedness without at the same time or prior thereto according to the Notes the same security as is created or subsisting to secure any such Relevant Indebtedness, guarantee or indemnity or such other security as shall be approved by an Extraordinary Resolution of the Noteholders.

#### 3.2 Definitions

In the Conditions, the following expressions have the following meanings:

"**Excluded Subsidiary**" means Companhia de Bebidas das Américas-AmBev and each of its Subsidiaries from time to time, **provided that** if Companhia de Bebidas das Américas-AmBev becomes a wholly-owned Subsidiary of the Issuer, it and its Subsidiaries shall cease to be Excluded Subsidiaries;

"**Permitted Security Interest**" means:

- (a) any Security Interest over or affecting any asset of any company which becomes a Subsidiary after the Issue Date of the first Tranche of the Notes, where the Security Interest is created prior to the date on which that company becomes a Subsidiary, **provided that**:
  - (i) the Security Interest was not created in contemplation of the acquisition (or proposed acquisition) of that company; and
  - (ii) the principal amount secured has not increased in contemplation of or since the acquisition (or proposed acquisition) of that company; and
- (b) any Security Interest created by an Excluded Subsidiary;

"**Relevant Indebtedness**" means any present or future indebtedness (whether being principal, premium, interest or other amounts) which is in the form of, or represented or evidenced by, bonds, notes, debentures, loan stock or other securities which for the time being are, or are intended to be, quoted, listed or dealt in or traded, in each case with the agreement of the Issuer on any stock exchange or over-the-counter or other securities market; and

**"Subsidiary"** means any corporation of which more than 50 per cent. of the issued and outstanding stock entitled to vote for the election of directors (otherwise than by reason of default in dividends) is at the time owned directly or indirectly by the Issuer or a Subsidiary or Subsidiaries or by the Issuer and a Subsidiary or Subsidiaries.

#### 4. **INTEREST**

##### 4.1 **Interest on Fixed Rate Notes**

Each Fixed Rate Note bears interest from (and including) the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date.

Interest shall be calculated in respect of any period in accordance with the rules of the X/N Clearing System and the Day Count Fraction set out in the Final Terms.

**"Day Count Fraction"** means, in respect of the calculation of an amount of interest in accordance with this Condition 4.1 (*Interest on Fixed Rate Notes*):

- (a) if **"Actual/Actual (ICMA)"** is specified in the applicable Final Terms:
  - (i) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the **"Accrual Period"**) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (I) the number of days in such Determination Period and (II) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or
  - (ii) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
    - (A) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
    - (B) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year;
- (b) if **"30/360"** is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360; and
- (c) if **"Actual/365 (Fixed)"** is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365.

In the Conditions:

**"Determination Period"** means each period from (and including) a Determination Date to (but excluding) the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date); and

**"sub-unit"** means, with respect to any currency other than euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to euro, one cent.

##### 4.2 **Interest on Floating Rate Notes**

(a) ***Interest Payment Dates***

Each Floating Rate Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (i) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or
- (ii) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Specified Interest Payment Date, an "**Interest Payment Date**") which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period (which expression shall, in the Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

If (x) there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) any Interest Payment Date would otherwise fall on a day which is not a Business Day, then such Interest Payment Date shall be postponed to the next day which is a Business Day.

In the Conditions, "**Business Day**" means a day which is both:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in London, Brussels and each Additional Business Centre specified in the applicable Final Terms;
- (b) either (i) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (ii) in relation to any sum payable in euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System (the "**TARGET2 System**") is open; and
- (c) a day on which the X/N Clearing System is operating.

(b) ***Rate of Interest***

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in the applicable Final Terms.

(i) ***ISDA Determination for Floating Rate Notes***

Where "**ISDA Determination**" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this subparagraph (i), "**ISDA Rate**" for an Interest Period means a rate equal to the Floating Rate that would be determined by the Domiciliary Agent under an interest rate swap transaction if the Domiciliary Agent is acting as Calculation Agent for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes (the "**ISDA Definitions**") and under which:

- (A) the Floating Rate Option is as specified in the applicable Final Terms;
- (B) the Designated Maturity is a period specified in the applicable Final Terms;  
and
- (C) the relevant Reset Date is the day specified in the applicable Final Terms.

For the purposes of this subparagraph (i), "**Floating Rate**", "**Calculation Agent**", "**Floating Rate Option**", "**Designated Maturity**" and "**Reset Date**" have the meanings given to those terms in the ISDA Definitions.

Unless otherwise stated in the applicable Final Terms, the Minimum Rate of Interest shall be deemed to be zero.

(ii) *Screen Rate Determination for Floating Rate Notes*

Where "**Screen Rate Determination**" is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (A) the offered quotation; or
- (B) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Domiciliary Agent. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Domiciliary Agent for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

If the Relevant Screen Page is not available or if, in the case of Condition 4.2(b)(ii)(A), no offered quotation appears or if, in the case of Condition 4.2(b)(ii)(B), fewer than three offered quotations appear, in each case as at the Specified Time, the Domiciliary Agent shall request each of the Reference Banks to provide the Domiciliary Agent with its offered quotation (expressed as a percentage rate per annum) for the Reference Rate at approximately the Specified Time on the Interest Determination Date in question. If two or more of the Reference Banks provide the Domiciliary Agent with offered quotations, the Rate of Interest for the Interest Period shall be the arithmetic mean (rounded if necessary to the fifth decimal place with 0.000005 being rounded upwards) of the offered quotations plus or minus (as appropriate) the Margin (if any), all as determined by the Domiciliary Agent.

If on any Interest Determination Date one only or none of the Reference Banks provides the Domiciliary Agent with an offered quotation as provided in the preceding paragraph, the Rate of Interest for the relevant Interest Period shall be the rate per annum which the Domiciliary Agent determines as being the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the rates, as communicated to (and at the request of) the Domiciliary Agent by the Reference Banks or any two or more of them, at which such banks were offered, at approximately the Specified Time on the relevant Interest Determination Date, deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate by leading banks in the London inter-bank market (if the Reference Rate is LIBOR) or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any) or, if fewer than two of the Reference Banks provide the Domiciliary Agent with offered rates, the offered



rate for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, or the arithmetic mean (rounded as provided above) of the offered rates for deposits in the Specified Currency for a period equal to that which would have been used for the Reference Rate, at which, at approximately the Specified Time on the relevant Interest Determination Date, any one or more banks (which bank or banks is or are in the opinion of the Issuer suitable for the purpose) informs the Domiciliary Agent is quoting to leading banks in the London inter-bank market (if the Reference Rate is LIBOR) or the Euro-zone inter-bank market (if the Reference Rate is EURIBOR) plus or minus (as appropriate) the Margin (if any), provided that, if the Rate of Interest cannot be determined in accordance with the foregoing provisions of this paragraph, the Rate of Interest shall be determined as at the last preceding Interest Determination Date (though substituting, where a different Margin is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin relating to the relevant Interest Period in place of the Margin relating to that last preceding Interest Period).

(c) ***Minimum Rate of Interest and/or Maximum Rate of Interest***

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (b) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(d) ***Determination of Rate of Interest and calculation of Interest Amounts***

The Domiciliary Agent will, at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The amount of interest (the "**Interest Amount**") payable on the Floating Rate Notes for the relevant Interest Period shall be calculated in accordance with the rules of the X/N Clearing System and the Day Count Fraction set out in the Final Terms.

**"Day Count Fraction"** means, in respect of the calculation of an amount of interest in accordance with this Condition 4.2 (*Interest on Floating Rate Notes*):

- (i) if "**Actual/Actual (ISDA)**" or "**Actual/Actual**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (I) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (II) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (ii) if "**Actual/365 (Fixed)**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (iii) if "**Actual/365 (Sterling)**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (iv) if "**Actual/360**" is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (v) if "**30/360**", "**360/360**" or "**Bond Basis**" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D<sub>1</sub> is greater than 29, in which case D<sub>2</sub> will be 30;

- (vi) if "**30E/360**" or "**Eurobond Basis**" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D<sub>2</sub> will be 30;

- (vii) if "**30E/360 (ISDA)**" is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1)] + (D_2 - D_1)}{360}$$

where:

"Y<sub>1</sub>" is the year, expressed as a number, in which the first day of the Interest Period falls;

"Y<sub>2</sub>" is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"M<sub>1</sub>" is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

"M<sub>2</sub>" is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

"D<sub>1</sub>" is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D<sub>1</sub> will be 30; and

"D<sub>2</sub>" is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D<sub>2</sub> will be 30.

(e) ***Notification of Rate of Interest and Interest Amounts***

The Domiciliary Agent will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and any stock exchange on which the relevant Floating Rate Notes are for the time being listed (by no later than the first day of each Interest Period) and notice thereof to be published in accordance with Condition 11 (*Notices*) as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Floating Rate Notes are for the time being listed and to the Noteholders in accordance with Condition 11 (*Notices*). For the purposes of this paragraph, the expression "**London Business Day**" means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

(f) ***Certificates to be final***

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 4.2 (*Interest on Floating Rate Notes*), whether by the Domiciliary Agent or, if applicable, the Calculation Agent, shall (in the absence of wilful default, bad faith, manifest error or proven error) be binding on the Issuer, the Guarantors, the Domiciliary Agent (as applicable), the Calculation Agent (if applicable) and all Noteholders and (in the absence of wilful default or bad faith) no liability to the Issuer, the Guarantors or the Noteholders shall attach to the Domiciliary Agent or, if applicable, the Calculation Agent in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

4.3 **Accrual of interest**

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

- (a) the date on which all amounts due in respect of such Note have been paid; and
- (b) five days after the date on which the full amount of the moneys payable in respect of such Note has been received by the Domiciliary Agent and notice to that effect has been given to the Noteholders in accordance with Condition 11 (*Notices*).

4.4 **Ratings Step-up/Step-down**

- (a) If Ratings Step-up/Step-down is specified in the applicable Final Terms, the Rate of Interest payable on the Notes will be subject to adjustment from time to time in the event of a Step Up

Rating Change or a Step Down Rating Change, as the case may be, in accordance with this Condition 4.4 (*Ratings Step-up/Step-down*).

- (b) Subject to Condition 4.4(d) below, from and including the first Interest Payment Date following the date of a Step Up Rating Change, if any, the Rate of Interest payable on the Notes (in the case of Fixed Rate Notes) or the Margin (in the case of Floating Rate Notes) shall be increased by the Step-up/Step-down Margin specified in the applicable Final Terms **provided, however, that** any such increase which is notified to the operator of the X/N Clearing System by the Domiciliary Agent after 12.00 p.m. (Central European Time) on the Business Day prior to the start of the next Fixed Interest Period (in the case of Fixed Rate Notes) or Interest Period (in the case of Floating Rate Notes) following the Step Up Rating Change will only take effect from the start of the second Fixed Interest Period (in the case of Fixed Rate Notes) or Interest Period (in the case of Floating Rate Notes) following such Step Up Rating Change.
- (c) Furthermore, subject to Condition 4.4(d) below, in the event of a Step Down Rating Change following a Step Up Rating Change, with effect from and including the first Interest Payment Date following the date of such Step Down Rating Change, the Rate of Interest payable on the Notes (in the case of Fixed Rate Notes) or the Margin (in the case of Floating Rate Notes) shall be decreased by the Step-up/Step-down Margin specified in the applicable Final Terms **provided, however, that** any such decrease which is notified to the operator of the X/N Clearing System by the Domiciliary Agent after 12.00 p.m. (Central European Time) on the Business Day prior to the start of the next Fixed Interest Period (in the case of Fixed Rate Notes) or Interest Period (in the case of Floating Rate Notes) following the Step Down Rating Change will only take effect from the start of the second Fixed Interest Period (in the case of Fixed Rate Notes) or Interest Period (in the case of Floating Rate Notes) following such Step Down Rating Change and provided further that no such decrease shall become effective prior to the time at which an increase in the Rate of Interest or Margin (as applicable) has taken place pursuant to Condition 4.4(b).
- (d) In the event that a Step Up Rating Change and, subsequently, a Step Down Rating Change occur and pursuant to Conditions 4.4(b) and (c) above, the consequential increase and decrease in the Rate of Interest (in the case of Fixed Rate Notes) or the Margin (in the case of Floating Rate Notes) would, but for this Condition 4.4(d), become effective from the start of the same Fixed Interest Period or Interest Period, as applicable, the Rate of Interest payable on the Notes (in the case of Fixed Rate Notes) or the Margin (in the case of Floating Rate Notes) shall neither be increased nor decreased as a result of either such event.

As used in the Conditions, "**Fixed Interest Period**" means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

- (e) The Issuer shall use all reasonable efforts to maintain credit ratings for the Notes from the Rating Agencies.
- (f) The Issuer will cause the occurrence of a Step Up Rating Change or a Step Down Rating Change to be notified to the Domiciliary Agent (with a request to notify such occurrence to the operator of the X/N Clearing System forthwith) and notice thereof to be published in accordance with Condition 11 (*Notices*) as soon as reasonably practicable after the occurrence of the Step Up Rating Change or the Step Down Rating Change (whichever the case may be) but in no event later than the fifth London Business Day (as defined in Condition 4.2(e) (*Notification of Rate of Interest and Interest Amounts*)) thereafter.
- (g) In this Condition 4.4 (*Ratings Step-up/Step-down*):

a credit rating "**below investment grade**" shall mean, in relation to Standard & Poor's Credit Market Services Europe Limited, a rating of BB+ or below, in relation to Moody's Investors Service, Inc., a rating of Ba1 or below, in relation to Fitch Ratings Limited, a rating of BB+ or below and, where another "**nationally recognised statistical rating agency**" has been designated by the Issuer, a comparable rating;

**"Rating Agencies"** shall mean Standard & Poor's Credit Market Services Europe Limited, Fitch Ratings Limited, or Moody's Investors Service, Inc., their respective successors, or any other nationally recognised statistical rating agency designated by the Issuer;

**"Step Down Rating Change"** means the first public announcement after a Step Up Rating Change by one or more Rating Agencies of an increase in the credit rating of the Notes with the result that, following such public announcement(s), none of the Rating Agencies rates the Notes below investment grade. For the avoidance of doubt, following a Step Down Rating Change, any further increase in the credit rating of the Notes from BBB– or above in relation to Standard & Poor's Credit Market Services Europe Limited, Baa3 or above in the case of Moody's Investors Service, Inc., BBB– or above in relation to Fitch Limited or, where another **"nationally recognised statistical rating agency"** has been designated by the Issuer, a comparable rating or above, shall not constitute a further Step Down Rating Change; and

**"Step Up Rating Change"** means the first public announcement by one or more Rating Agencies of a decrease in the credit rating of the Notes to below investment grade. For the avoidance of doubt, following a Step Up Rating Change, any further decrease in the credit rating of the Notes from BB+ or below in relation to Standard & Poor's Credit Market Services Europe Limited, Ba1 or below in the case of Moody's Investors Service, Inc., BB+ or below in relation to Fitch Limited or, where another **"nationally recognised statistical rating agency"** has been designated by the Issuer, a comparable rating or below, shall not constitute a further Step Up Rating Change.

## 5. PAYMENTS

### 5.1 Payments in respect of Notes

Payments in euro of principal and interest in respect of any Notes shall be made through the Domiciliary Agent and the X/N Clearing System in accordance with the Domiciliary Agency Agreement and the rules of the X/N Clearing System.

If payments of principal and interest in respect of any Notes are to be made in a currency other than euro, such payment will be made by the Issuer or, as the case may be, by the Domiciliary Agent, to the relevant participant in the X/N Clearing System who will in turn redistribute the payments to their own account holders holding the Notes. For so long as the rules of the X/N Clearing System so require, payments of principal and interest to be made on any particular date (a **"payment date"**) in a currency other than euro shall be made to the person who is shown in the records of the X/N Clearing System as the holder of a particular nominal amount of the Notes at the close of business on the second TARGET 2 Business Day before the relevant payment date (or at such other time as required by the rules of the X/N Clearing System applicable on the relevant payment date) and no transfers of the Notes shall be permitted between participants in the X/N Clearing System between such dates. For these purposes, **"TARGET 2 Business Day"** means a day (other than a Saturday or Sunday) on which the TARGET 2 System is open.

### 5.2 General provisions applicable to payments

Save as provided in Condition 7 (*Taxation*), payments will be subject in all cases to any other applicable fiscal or other laws and regulations in the place of payment or other laws and regulations to which the Issuer or the Guarantors or the Domiciliary Agent agree to be subject and neither the Issuer nor the Guarantors will be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations or agreements.

Subject to applicable Belgian law, the Domiciliary Agent shall be the only person entitled to receive payments in respect of Notes and the Issuer will be discharged by payment to, or to the order of, the Domiciliary Agent in respect of each amount so paid. Each of the persons shown in the records of a participant, a sub-participant or the operator of the X/N Clearing System as the beneficial holder of a particular nominal amount of Notes must look solely to a participant, a sub-participant or the operator of the X/N Clearing System, as the case may be, for his share of each payment so made by the Issuer to, or to the order of, the holder of such Note.

### 5.3 **Payment Day**

If the date for payment of any amount in respect of any Note is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, "**Payment Day**" means any day which (subject to Condition 8 (*Prescription*)) is:

- (a) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in each Additional Financial Centre specified in the applicable Final Terms;
- (b) either (A) in relation to any sum payable in a Specified Currency other than euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (B) in relation to any sum payable in euro, a day on which the TARGET2 System is open; and
- (c) a day on which the X/N Clearing System is operating.

### 5.4 **Interpretation of principal and interest**

Any reference in the Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (a) any additional amounts which may be payable with respect to principal under Condition 7 (*Taxation*);
- (b) the Final Redemption Amount of the Notes;
- (c) the Early Redemption Amount of the Notes;
- (d) the Optional Redemption Amount(s) (if any) of the Notes;
- (e) in relation to Zero Coupon Notes, the Amortised Face Amount (as defined in Condition 6.5 (*Early Redemption Amounts*)); and
- (f) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in the Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 7 (*Taxation*).

## 6. **REDEMPTION AND PURCHASE**

### 6.1 **Redemption at maturity**

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in, or determined in the manner specified in, these Conditions as completed by the applicable Final Terms in the relevant Specified Currency on the Maturity Date.

### 6.2 **Redemption for tax reasons**

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if such Note is not a Floating Rate Note) or on any Interest Payment Date (if such Note is a Floating Rate Note), on giving not less than 30 nor more than 60 days' notice to the Domiciliary Agent and, in accordance with Condition 11 (*Notices*), the Noteholders (which notice shall be irrevocable), if:

- (a) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 7 (*Taxation*) or the

Guarantors would be unable for reasons outside their control to procure payment by the Issuer and in making payment themselves would be required to pay such additional amounts, in each case as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction (as defined in Condition 7 (*Taxation*)) or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes; and

- (b) such obligation cannot be avoided by the Issuer or, as the case may be, the Guarantors taking reasonable measures available to it/them,

**provided that** no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the Guarantors would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Domiciliary Agent a certificate signed by two Directors of the Issuer or, as the case may be, two Directors of each Guarantor stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing to the effect that the Issuer or, as the case may be, the Guarantors has/have or will become obliged to pay such additional amounts as a result of such change or amendment.

Notes redeemed pursuant to this Condition 6.2 (*Redemption for tax reasons*) will be redeemed at their Early Redemption Amount referred to in Condition 6.5 (*Early Redemption Amounts*) below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

### 6.3 **Redemption at the option of the Issuer (Issuer Call)**

If Issuer Call is specified as being applicable in the applicable Final Terms, the Issuer may, having given:

- (a) not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 11 (*Notices*); and
- (b) not less than 15 days before the giving of the notice referred to in (a) above, notice to the Domiciliary Agent,

(which notices shall be irrevocable and shall specify the date fixed for redemption), redeem all or some only of the Notes then outstanding on any Optional Redemption Date and at the Optional Redemption Amount(s) applicable to the relevant Optional Redemption Date together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such redemption must be of a nominal amount not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, in each case as may be specified in the applicable Final Terms. In the case of a partial redemption of Notes, the Notes to be redeemed ("**Redeemed Notes**") will be selected in accordance with the rules of the X/N Clearing System, in each case not more than 30 days prior to the date fixed for redemption.

In this Condition 6.3 (*Redemption at the option of the Issuer (Issuer Call)*), "**Optional Redemption Amount(s)**" means:

- (i) if Reference Bond Basis is specified in the applicable Final Terms as applying in respect of an Optional Redemption Date, (A) the outstanding principal amount of the relevant Note or (B) if higher, the sum, as determined by the Calculation Agent, of the present values of the remaining scheduled payments of principal and interest on the Notes to be redeemed (not including any portion of such payments of interest accrued to the date of redemption) discounted to the Optional Redemption Date on an annual basis at the Reference Rate plus the Optional Redemption Margin specified in the applicable Final Terms, where:

"**CA Selected Bond**" means a government security or securities (which, if the Specified Currency is euro, will be a German *Bundesobligationen*) selected by the Calculation Agent as having a maturity comparable to the remaining term of the Notes to be redeemed that would be utilised, at the time of selection and in accordance with customary financial practice, in pricing

new issues of corporate debt securities of comparable maturity to the remaining term of such Notes;

**"Calculation Agent"** means a leading investment, merchant or commercial bank appointed by the Issuer for the purposes of calculating the Optional Redemption Amount, and notified to the Noteholders in accordance with Condition 11 (*Notices*);

**"Reference Bond"** means (A) if CA Selected Bond is specified in the applicable Final Terms, the relevant CA Selected Bond or (B) if CA Selected Bond is not specified in the applicable Final Terms, the security specified in the applicable Final Terms;

**"Reference Bond Price"** means (i) the average of five Reference Market Maker Quotations for the relevant Optional Redemption Date, after excluding the highest and lowest Reference Market Maker Quotations, (ii) if the Calculation Agent obtains fewer than five, but more than one, such Reference Market Maker Quotations, the average of all such quotations, or (iii) if only one such Reference Market Maker Quotation is obtained, the amount of the Reference Market Maker Quotation so obtained;

**"Reference Market Maker Quotations"** means, with respect to each Reference Market Maker and any Optional Redemption Date, the average, as determined by the Calculation Agent, of the bid and asked prices for the Reference Bond (expressed in each case as a percentage of its principal amount) quoted in writing to the Calculation Agent at the Quotation Time specified in the applicable Final Terms on the Reference Rate Determination Day specified in the applicable Final Terms;

**"Reference Market Makers"** means five brokers or market makers of securities such as the Reference Bond selected by the Calculation Agent or such other five persons operating in the market for securities such as the Reference Bond as are selected by the Calculation Agent in consultation with the Issuer; and

**"Reference Rate"** means, with respect to any Optional Redemption Date, the rate per annum equal to the equivalent yield to maturity of the Reference Bond, calculated using a price for the Reference Bond (expressed as a percentage of its principal amount) equal to the Reference Bond Price for such Optional Redemption Date. The Reference Rate will be calculated on the Reference Rate Determination Day specified in the applicable Final Terms; and/or

- (ii) if Reference Bond Basis is not specified in the applicable Final Terms as applying in respect of an Optional Redemption Date, such amount(s) as are specified in, or determined in the manner specified in, these Conditions as completed by the applicable Final Terms.

#### 6.4 **Redemption at the option of the Noteholders (Investor Put)**

If Investor Put is specified as being applicable in the applicable Final Terms, upon the holder of any Note giving to the Issuer in accordance with Condition 11 (*Notices*) not less than 15 nor more than 30 days' notice, the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, such Note on the Optional Redemption Date and at the Optional Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date. It may be that before an Investor Put can be exercised, certain conditions and/or circumstances will need to be satisfied. Where relevant, the provisions will be set out in the applicable Final Terms.

To exercise the right to require redemption of such Note pursuant to this Condition 6.4 (*Redemption at the option of the Noteholders (Investor Put)*), the holder of such Note must, within the notice period, give notice to the Domiciliary Agent of such exercise in accordance with the standard procedures of the X/N Clearing System (which may include notice being given on his instruction by the X/N Clearing System to the Domiciliary Agent by electronic means) in a form acceptable to the X/N Clearing System from time to time (a **"Put Notice"**).

Any Put Notice or other notice given in accordance with the standard procedures of the X/N Clearing System given by a holder of any Note pursuant to this Condition 6.4 (*Redemption at the option of the Noteholders (Investor Put)*) shall be irrevocable except where, prior to the due date of redemption, an Event of Default has occurred and is continuing, in which event such holder, at its option, may elect by



notice to the Issuer to withdraw the notice given pursuant to this Condition 6.4 (*Redemption at the option of the Noteholders (Investor Put)*) and instead to declare such Note forthwith due and payable pursuant to Condition 9 (*Events of Default*).

#### 6.5 **Early Redemption Amounts**

For the purpose of Condition 6.2 (*Redemption for tax reasons*) above and Condition 9 (*Events of Default*), each Note will be redeemed at its Early Redemption Amount calculated as follows:

- (a) in the case of a Note with a Final Redemption Amount equal to the Issue Price, at the Final Redemption Amount thereof;
- (b) in the case of a Note (other than a Zero Coupon Note) with a Final Redemption Amount which is or may be less or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Note is denominated, at the amount specified in, or determined in the manner specified in, the applicable Final Terms or, if no such amount or manner is so specified in the applicable Final Terms, at its nominal amount; or
- (c) in the case of a Zero Coupon Note, at an amount (the "**Amortised Face Amount**") calculated in accordance with the following formula:

$$\text{Early Redemption Amount} = \text{RP} \times (1 + \text{AY})^y$$

where:

**RP** means the Reference Price;

**AY** means the Accrual Yield expressed as a decimal; and

<sup>y</sup> is a fraction the numerator of which is equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator of which is 360.

#### 6.6 **Purchases**

The Issuer, the Guarantors or any subsidiary of the Issuer or any Guarantor may at any time purchase Notes at any price in the open market or otherwise. All Notes so purchased will be surrendered to the Domiciliary Agent for cancellation.

#### 6.7 **Cancellation**

All Notes which are redeemed will forthwith be cancelled. All Notes so cancelled and the Notes purchased and cancelled pursuant to Condition 6.6 (*Purchases*) shall be forwarded to the Domiciliary Agent and cannot be reissued or resold.

#### 6.8 **Late payment on Zero Coupon Notes**

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to Condition 6.1 (*Redemption at maturity*), 6.2 (*Redemption for tax reasons*), 6.3 (*Redemption at the option of the Issuer (Issuer Call)*) or 6.4 (*Redemption at the option of the Noteholders (Investor Put)*) above or upon its becoming due and repayable as provided in Condition 9 (*Events of Default*) is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in Condition 6.5(c) (*Early Redemption Amounts*) above as though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (a) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (b) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Domiciliary Agent and notice to that effect has been given to the Noteholders in accordance with Condition 11 (*Notices*).

## 7. TAXATION

All payments of principal and interest in respect of the Notes by the Issuer or the Guarantors will be made free and clear of, and without withholding or deduction for or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or on behalf of any Tax Jurisdiction unless such withholding or deduction is required by law. In such event, the Issuer or, as the case may be, the Guarantors (subject, in the case of any Guarantor, to the terms of the relevant Guarantee) will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note:

- (a) where the holder who is liable for such taxes or duties in respect of such Note by reason of his having some connection with a Tax Jurisdiction other than the mere holding of such Note; or
- (b) (in respect of any payment by a U.S. Guarantor) where such withholding or deduction is imposed or withheld by reason of the failure of the holder to provide certification, information, documents or other evidence concerning the nationality, residence or identity of the holder or to make any valid or timely declaration or similar claim or satisfy any other reporting requirements relating to such matters, whether required or imposed by statute, treaty, regulation or administrative practice, as a precondition to exemption from, or a reduction in the rate of such withholding or deduction; or
- (c) (in respect of any payment by a U.S. Guarantor) is on account of or in respect of any estate, inheritance, gift, sales, excise, transfer, personal property or similar taxes; or
- (d) where such withholding or deduction is imposed because the holder (or the beneficial owner) is not an eligible investor within the meaning of Article 4 of the Belgian Royal Decree of 26 May 1994 on the deduction of withholding tax (unless that person was an eligible investor at the time of its acquisition of the relevant Note but has since ceased to be an eligible investor by reason of a change in Belgian law or regulations or in the interpretation or application thereof or by reason of another change which was not within that person's control), or is an eligible investor within the meaning of Article 4 of the Belgian Royal Decree of 26 May 1994 on the deduction of withholding tax but is not holding the relevant Note in an exempt securities account with a qualifying clearing system in accordance with the Belgian law of 6 August 1993 relating to transactions in certain securities and its implementation decrees.

In addition, any amounts to be paid by the Issuer or any Guarantor on the Notes will be paid net of any deduction or withholding imposed or required pursuant to Sections 1471 through 1474 of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Sections of the Code ("**FATCA Withholding**"). Neither any Guarantor nor the Issuer will be required to pay additional amounts on account of any FATCA Withholding.

As used herein:

- (i) "**Tax Jurisdiction**" means any jurisdiction under the laws of which the Issuer or any Guarantor, or any successor to the Issuer or Guarantor, is organised or in which it is resident for tax purposes, or any political subdivision or any authority thereof or therein having power to tax;
- (ii) the "**Relevant Date**" means the date on which such payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Domiciliary Agent on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 11 (*Notices*); and

- (iii) **"U.S. Guarantor"** means any Guarantor in respect of which the relevant Tax Jurisdiction is the United States of America or any political subdivision or any authority thereof or therein having power to tax.

8. **PRESCRIPTION**

The Notes will become void unless claims in respect of principal and/or interest (as applicable) are made within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 7 (*Taxation*)) therefor.

9. **EVENTS OF DEFAULT**

If any one or more of the following events (each an **"Event of Default"**) shall occur and be continuing:

- (a) **payment default** – (i) the Issuer or a Guarantor fails to pay interest within 14 days from the relevant due date, or (ii) the Issuer or a Guarantor fails to pay the principal (or premium, if any) due on the Notes within seven days from the relevant due date; or
- (b) **breach of other obligations** – the Issuer or a Guarantor defaults in the performance or observance of any of its other obligations under the Notes or its Guarantee and (except in any case where the default is incapable of remedy, when no such continuation or notice as is hereinafter mentioned will be required) such default remains unremedied for 30 days next following the service by a Noteholder on the Domiciliary Agent of notice requiring the same to be remedied; or
- (c) **cross-acceleration** – (i) any obligation for the payment or repayment of borrowed money (**"Indebtedness"**) of the Issuer or a Guarantor becomes due and payable prior to its stated maturity by reason of a default; (ii) the Issuer or a Guarantor fails to make any payment in respect of any Indebtedness on the due date for payment or, as the case may be, within any originally applicable grace period; (iii) any security given by the Issuer or a Guarantor for any Indebtedness becomes enforceable and steps are taken to enforce such security; or (iv) default is made by the Issuer or a Guarantor in making any payment due under any guarantee and/or indemnity given by it in relation to any Indebtedness of any other person and steps are taken to enforce such guarantee and/or indemnity; **provided that** no event described in this Condition 9(c) (*Events of Default – cross-acceleration*) shall constitute an Event of Default unless the relevant amount of Indebtedness or other relative liability due and unpaid, either alone or when aggregated (without duplication) with other amounts of Indebtedness and/or other liabilities due and unpaid relative to all (if any) other events specified in (i) to (iv) above, amounts to at least €200,000,000 (or its equivalent in any other currency); or
- (d) **cessation of business or insolvency** – if (A) the Issuer or any Guarantor that is a Significant Subsidiary ceases or threatens to cease to carry on the whole or substantially all of its business, save in each case (i) (other than in the case of the Issuer) for a Permitted Reorganisation (Guarantor), (ii) (in the case of the Issuer) for a Permitted Reorganisation (Issuer), (iii) for the purposes of a reorganisation on terms previously approved by an Extraordinary Resolution or (iv) for a substitution pursuant to Condition 12 (*Substitution*), or (B) the Issuer or any Guarantor that is a Significant Subsidiary is (or is, or could be, deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts, stops, suspends or threatens to stop or suspend payment of all or a material part of (or of a particular type of) its debts, proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any such debts or a moratorium is agreed or declared in respect of or affecting all or a material part of (or of a particular type of) the debts of the Issuer or any Guarantor that is a Significant Subsidiary; or
- (e) **winding up or dissolution** – if any order is made by any competent court or an effective resolution passed for the winding up or dissolution of the Issuer or any Guarantor that is a Significant Subsidiary, save for the purposes of (i) (other than in the case of the Issuer) a Permitted Reorganisation (Guarantor), (ii) (in the case of the Issuer) a Permitted Reorganisation (Issuer), (iii) reorganisation on terms previously approved by an Extraordinary Resolution or (iv) a substitution pursuant to Condition 12 (*Substitution*); or

- (f) ***insolvency proceedings initiated*** – if (A) proceedings are initiated against the Issuer or any Guarantor that is a Significant Subsidiary under any applicable liquidation, insolvency, composition, reorganisation or other similar laws, or an application is made (or documents filed with a court) for the appointment of an administrative or other receiver, manager, administrator or other similar official, or an administrative or other receiver, manager, administrator or other similar official is appointed, in relation to the Issuer or any Guarantor that is a Significant Subsidiary or, as the case may be, in relation to the whole or a substantial part of the undertaking or assets of any of them, or an encumbrancer takes possession of the whole or a substantial part of the undertaking or assets of any of them, or a distress, execution, attachment, sequestration or other process is levied, enforced upon, sued out or put in force against the whole or a substantial part of the undertaking or assets of any of them and (B) in any case (other than the appointment of an administrator) is not discharged within 45 days; or
- (g) ***judicial proceedings*** – if the Issuer or any Guarantor that is a Significant Subsidiary initiates or consents to judicial proceedings relating to itself under any applicable liquidation, insolvency, composition, reorganisation or other similar laws (including the obtaining of a moratorium), save in each case for the purposes of (i) (other than in the case of the Issuer) a Permitted Reorganisation (Guarantor), (ii) (in the case of the Issuer) a Permitted Reorganisation (Issuer), (iii) reorganisation on terms previously approved by an Extraordinary Resolution or (iv) a substitution pursuant to Condition 12 (*Substitution*); or
- (h) ***impossibility due to government action*** – the issuance of any governmental order, decree or enactment in or by the jurisdiction of organisation or incorporation of the Issuer or any Guarantor that is a Significant Subsidiary whereby the Issuer or any Guarantor that is a Significant Subsidiary is prevented from observing and performing in full its obligations pursuant to the Notes (in the case of the Issuer) or its Guarantee (in the case of any such Guarantor) and such situation is not cured within 90 days; or
- (i) ***invalidity of the Guarantees*** – any Guarantee provided by a Guarantor that is a Significant Subsidiary ceases to be valid and legally binding for any reason whatsoever or any Guarantor that is a Significant Subsidiary seeks to deny or disaffirm its obligations under its Guarantee; or
- (j) ***analogous events*** – if any event occurs which, under the laws of any jurisdictions of organisation or incorporation of the Issuer or any Guarantor that is a Significant Subsidiary, has or may have an analogous effect to any of the events referred to in paragraphs (e) to (i) above,

then any holder of a Note may, by written notice to the Issuer at the specified office of the Domiciliary Agent, effective upon the date of receipt thereof by the Domiciliary Agent, as the case may be, declare any Note held by it to be forthwith due and payable whereupon the same shall become forthwith due and payable at its Early Redemption Amount, together with accrued interest (if any) to the date of repayment, without presentment, demand, protest or other notice of any kind.

For the purposes of the Conditions:

**"Permitted Reorganisation (Guarantor)"** means a reconstruction, amalgamation, merger, consolidation or transfer of assets and/or activities (a **"Reorganisation"**) where the legal entity which acquires or to which is transferred the whole or substantially the whole of the business and/or activities of a Guarantor that is a Significant Subsidiary:

A) is the Issuer; or

B)

- (i) is a company incorporated and resident in a Member State of the OECD;
- (ii) carries on the same or similar business and activities of such Guarantor; and
- (iii) expressly and effectively assumes all the obligations of such Guarantor under the Notes or the relevant Guarantee and has obtained all authorisations therefor;

**"Permitted Reorganisation (Issuer)"** means a Reorganisation involving the acquisition by, or transfer to, another entity (the **"Survivor"**) of the whole or substantially the whole of the business and/or activities of the Issuer where:

- (i) the Survivor:
  - (A) is a company incorporated and resident in a Member State of the OECD; and
  - (B) expressly and effectively assumes all the obligations of the Issuer under the Notes and has obtained all authorisations therefor;
- (ii) promptly upon completion of the Reorganisation, the Survivor shall have delivered or procured the delivery to the Domiciliary Agent a copy of legal opinions addressed to the Survivor and the Guarantors from:
  - (A) a leading firm of lawyers to the Survivor in the country of incorporation of the Survivor; and
  - (B) a leading firm of lawyers to the Survivor in England and Wales,in each case to the effect that, as a matter of the relevant law, the Survivor has effectively assumed all the obligations of the Issuer under the Notes, such opinions to be available for inspection by Noteholders at the specified offices of the Domiciliary Agent; and
- (iii) the Issuer is not in default of any payments due under the Notes and immediately after giving effect to the Reorganisation, no Event of Default in respect of the Notes shall be continuing; and

**"Significant Subsidiary"** means any Subsidiary (i) the consolidated revenue of which represents 10 per cent. or more of the Issuer's consolidated revenue, (ii) the consolidated earnings before interest, taxes, depreciation and amortisation ("**EBITDA**") of which represents 10 per cent. or more of the Issuer's consolidated EBITDA or (iii) the consolidated gross assets of which represent 10 per cent. or more of the Issuer's consolidated gross assets, in each case as reflected in the Issuer's most recent annual audited financial statements, **provided that**, in the case of a Subsidiary acquired by the Issuer during or after the financial year shown in the Issuer's most recent annual audited financial statements, such calculation shall be made on the basis of the contribution of the Subsidiary considered on a pro forma basis as if it had been acquired at the beginning of the relevant period, with the pro forma calculation (including any adjustments) being made by the Issuer acting in good faith.

#### 10. **DOMICILIARY AGENT AND PAYING AGENT**

The name of the Domiciliary Agent and Paying Agent and their initial specified office are set out below:

BNP Paribas Fortis SA/NV  
Montagne du Parc, 3  
1000 Brussels  
Belgium

The Issuer is entitled to vary or terminate the appointment of the Domiciliary Agent and/or approve any change in the specified office through which the Domiciliary Agent acts and/or appoint additional or other Paying Agents, **provided that** at all times (i) there will be a Domiciliary Agent and the Domiciliary Agent will at all times be a participant in the X/N Clearing System and (ii) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be a Paying Agent (which may be the Domiciliary Agent) with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority.

In acting under the Domiciliary Agency Agreement, the Paying Agents and the Domiciliary Agent act solely as agents of the Issuer and the Guarantors and do not assume any obligation to, or relationship of agency or trust with, any Noteholders. The Domiciliary Agency Agreement contains provisions permitting any entity into which the Domiciliary Agent or any Paying Agent is merged or converted or

with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor paying agent or domiciliary agent.

## 11. NOTICES

All notices regarding the Notes will be deemed to be validly given if published (a) in a leading English language daily newspaper of general circulation in London; and (b) to the extent required by Belgian law, in the *Moniteur Belge – Belgisch Staatsblad* and in a leading Belgian daily newspaper of general circulation in Brussels. It is expected that any such publication in a newspaper will be made in the *Financial Times* in London and in *De Tijd* and *L'Écho* in Brussels. The Issuer shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any other stock exchange or other relevant authority on which the Notes are for the time being listed or by which they have been admitted to trading. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers.

There may, so long as the Notes are held in their entirety on behalf of the X/N Clearing System, be substituted for such publication in such newspaper(s) the delivery of the relevant notice to the X/N Clearing System for communication by them via participants in the X/N Clearing System to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange or relevant authority so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the holders of the Notes on the second day after the day on which the said notice was given to the X/N Clearing System.

Notices to be given by any Noteholder shall be in writing and given by lodging the same with the Domiciliary Agent. Whilst any of the Notes are held through the X/N Clearing System, such notice may be given by any holder of a Note to the Domiciliary Agent through the X/N Clearing System in such manner as the Domiciliary Agent and the X/N Clearing System may approve for this purpose.

In addition to the above publications, with respect to notices for a meeting of Noteholders deciding on any matter contained in the Belgian Companies Code, any convening notice for such meeting shall be made in accordance with article 570 of the Belgian Companies Code by an announcement to be inserted, not less than 15 days prior to the meeting, in the Belgian Official Gazette (*Moniteur Belge – Belgisch Staatsblad*) and in a nationwide newspaper. Extraordinary Resolutions to be submitted to the meeting must be described in the convening notice. In addition, the convening notice shall specify the procedures in respect of voting on resolutions to be decided by the meeting.

## 12. SUBSTITUTION

(a) The Issuer (or any previous substitute under these provisions) may, without the consent of the Noteholders, be replaced and substituted as principal debtor in respect of the Notes (and by subscribing any Notes, each Noteholder expressly consents to such replacement and substitution) by (A) any company of which 100 per cent. of the shares or other equity interests (as the case may be) carrying the right to vote are directly or indirectly owned by the Issuer or (B) any company which directly or indirectly owns 100 per cent. of the shares or other equity interests (as the case may be) carrying the right to vote in the Issuer (in such capacity, the "**Substitute**") **provided that:**

(i) a deed poll and such other documents (if any) shall be executed by the Substitute, the Issuer and each Guarantor (or any previous substitute under these provisions) as may be necessary to give full effect to the substitution (together the "**Documents**") and (without limiting the generality of the foregoing) pursuant to which the Substitute shall undertake in favour of each Noteholder to be bound by the Conditions and the provisions of the Deed of Covenant and the Domiciliary Agency Agreement as fully as if the Substitute had been named in the Notes, the Deed of Covenant and the Domiciliary Agency Agreement as the principal debtor in place of the Issuer (or any previous substitute) and pursuant to which the Issuer and each Guarantor shall unconditionally and irrevocably guarantee (each a "**New Guarantee**") in favour of each Noteholder the payment of all sums payable by the Substitute as such principal debtor on the same terms *mutatis mutandis* as such Guarantor's Guarantee (in the case

of the Guarantors) and on the same terms *mutatis mutandis* as the guarantee dated 22 August 2013 made by the Issuer (in the case of the Issuer) (each such Guarantee, a "**relevant Guarantee**");

- (ii) the Substitute and each Guarantor (which, for this purpose, includes the Issuer in its capacity as the provider of a New Guarantee) agrees to indemnify each Noteholder against:
  - (A) any tax, duty, assessment or governmental charge that is imposed on such Noteholder by (or by any authority in or of) the jurisdiction of the country of residence of the Substitute for tax purposes and, if different, of its incorporation with respect to any Note and that would not have been so imposed had the substitution not been made; and
  - (B) any tax, duty, assessment or governmental charge, and any cost or expense, relating to the substitution;

**provided, however, that** such indemnification shall not apply to any deduction or withholding imposed or required pursuant to the Code, any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such Section of the Code, and shall not require the payment of additional amounts on account of any such withholding or deduction;

- (iii) all necessary governmental and regulatory approvals and consents for (A) such substitution (B) the giving by each Guarantor of its New Guarantee in respect of the obligations of the Substitute on the same terms *mutatis mutandis* as the relevant Guarantee and (C) the performance by the Substitute and each Guarantor of its obligations under the Documents having been obtained and being in full force and effect;
- (iv) the Notes would continue to be listed on each stock exchange which has the Notes listed thereon immediately prior to the substitution;
- (v) the Notes would continue to be in dematerialised book-entry form within the meaning of Article 468 of the Belgian Companies Code and would be eligible to be held within the X/N Clearing System;
- (vi) the Issuer (or any previous substitute) shall have delivered or procured the delivery to the Domiciliary Agent a copy of a legal opinion addressed to the Issuer, the Substitute and the Guarantors from a leading firm of lawyers in the country of incorporation of the Substitute, to the effect that the Documents constitute legal, valid and binding obligations of the Substitute, such opinion(s) to be dated not more than seven days prior to the date of substitution of the Substitute for the Issuer and to be available for inspection by Noteholders at the specified offices of the Domiciliary Agent;
- (vii) each Guarantor shall have delivered or procured the delivery to the Domiciliary Agent a copy of a legal opinion addressed to the Issuer, the Substitute and the Guarantors from a leading firm of lawyers in the country of incorporation of such Guarantor to the effect that the Documents (including the New Guarantee given by such Guarantor in respect of the Substitute) constitute legal, valid and binding obligations of such Guarantor on the same terms *mutatis mutandis* as the relevant Guarantee, such opinion to be dated not more than seven days prior to the date of substitution of the Substitute for the Issuer (or any previous substitute) and to be available for inspection by Noteholders at the specified offices of the Domiciliary Agent;
- (viii) the Issuer (or any previous substitute) shall have delivered or procured the delivery to the Domiciliary Agent a copy of a legal opinion addressed to the Issuer, the Substitute and the Guarantors from a leading firm of English lawyers to the effect that the Documents (including each New Guarantee) constitute legal, valid and binding

obligations of the parties thereto under English law, such opinion to be dated not more than seven days prior to the date of substitution of the Substitute for the Issuer (or any previous substitute) and to be available for inspection by Noteholders at the specified offices of the Domiciliary Agent;

- (ix) if the Substitute is not incorporated in England and Wales, the Substitute shall have appointed a process agent in England to receive service of process on its behalf in relation to any legal action or proceedings arising out of or in connection with the Notes or the Documents and the Issuer shall have appointed such a process agent in connection with its New Guarantee;
  - (x) there is no outstanding Event of Default in respect of the Notes;
  - (xi) any solicited credit rating assigned to the Notes will remain the same or be improved when the Substitute replaces and substitutes the Issuer (or any previous substitute) in respect of the Notes, and this has been confirmed in writing by each rating agency which has assigned any credit rating to the Notes; and
  - (xii) the substitution complies with all applicable requirements established under law in the country of incorporation of the Issuer and each Guarantor.
- (b) Upon the execution of the Documents as referred to in Condition 12(a) above, the Substitute shall be deemed to be named in the Notes as the principal debtor in place of the Issuer (or of any previous substitute under these provisions) and the Notes shall thereupon be deemed to be amended to give effect to the substitution. The execution of the Documents shall operate to release the Issuer (or such previous substitute as aforesaid) from all of its obligations in respect of the Notes (but, for the avoidance of doubt, without prejudice to its obligations under its New Guarantee).
- (c) The Documents shall be deposited with and held by the Domiciliary Agent for so long as any Note remains outstanding and for so long as any claim made against the Substitute or any Guarantor or (if different) the Issuer by any Noteholder in relation to the Notes or the Documents shall not have been finally adjudicated, settled or discharged. The Substitute and each Guarantor and (if different) the Issuer shall acknowledge in the Documents the right of every Noteholder to the production of the Documents for the enforcement of any of the Notes or the Documents.
- (d) Not later than 15 Business Days in London after the execution of the Documents, the Substitute shall give notice thereof to the Noteholders in accordance with Condition 11 (*Notices*).

### 13. MEETINGS OF NOTEHOLDERS AND MODIFICATION

All Extraordinary Resolutions (as defined below) of Noteholders which in the opinion of the Issuer relate to a matter contained in article 568 of the Belgian Companies Code will only be effective if taken at a meeting convened and decided in accordance with the Belgian Companies Code. The quorum at any such meeting convened to consider an Extraordinary Resolution will be one or more persons holding or representing not less than 50 per cent. in nominal amount of the Notes for the time being outstanding or, at any adjourned meeting after publication of a new convening notice pursuant to Condition 11 (*Notices*), one or more persons being or representing Noteholders whatever the aggregate nominal amount of the Notes so held or represented. An Extraordinary Resolution requires the approval of Noteholders holding or representing at least 75 per cent. of the aggregate nominal amount outstanding of the Notes present or represented at the meeting and taking part in the vote. If however an Extraordinary Resolution is adopted by Noteholders holding or representing less than one-third of the aggregate nominal amount outstanding of the Notes (whether present or represented at the meeting or not), such Extraordinary Resolution is not binding unless approved by the competent Court of Appeal of Brussels. The above quorum and special majority requirements do not apply to Extraordinary Resolutions relating to interim measures or to the appointment of a representative of the Noteholders. In such a case, the Extraordinary Resolutions shall be adopted if approved by Noteholders holding or representing at least a majority of the aggregate nominal amount of the Notes outstanding present or represented at the meeting. An Extraordinary Resolution duly passed in accordance with the provisions of the Belgian Companies Code at any such meeting of Noteholders and, to the extent



required by law, approved by the relevant Court of Appeal, will be binding on all Noteholders, whether or not they are present at the meeting and whether or not they vote in favour thereof.

The matters listed in article 568 of the Belgian Companies Code in respect of which an Extraordinary Resolution may be adopted include modifying or suspending the date of maturity of Notes, postponing any day for payment of interest thereon, reducing the rate of interest applicable in respect of such Notes, deciding urgent interim actions in the common interest of Noteholders, accepting a security in favour of the Noteholders, accepting a transformation of Notes into shares on conditions proposed by the Issuer, and appointing a special agent of the Noteholders to implement the resolutions of the meeting of Noteholders.

For the purpose of this Condition, an "**Extraordinary Resolution**" means a resolution of Noteholders duly passed at a meeting called and held in accordance with the Belgian Companies Code.

The Domiciliary Agent and the Issuer may agree, without the consent of the Noteholders, to:

- (a) any modification (except where such modification relates to a matter listed in article 568 of the Belgian Companies Code) of the Notes or the Domiciliary Agency Agreement which is not prejudicial to the interests of the Noteholders; or
- (b) any modification of the Notes or the Domiciliary Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of the law.

Any such modification shall be binding on the Noteholders and any such modification shall be notified to the Noteholders in accordance with Condition 11 (*Notices*) as soon as practicable thereafter.

#### 14. **FURTHER ISSUES**

The Issuer shall be at liberty from time to time without the consent of the Noteholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects save for the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Notes.

#### 15. **CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 1999**

No person shall have any right to enforce any term or condition of Notes under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

#### 16. **GOVERNING LAW AND SUBMISSION TO JURISDICTION**

##### 16.1 **Governing law**

The Guarantees, the Deed of Covenant, the Notes (other than any matter relating to title to, and the dematerialised form of, the Notes, and Condition 13 with respect to the rules laid down in the Belgian Companies Code), and any non-contractual obligations arising out of or in connection with the Guarantees, the Deed of Covenant and the Notes (other than any matter relating to title to, and the dematerialised form of, the Notes, and Condition 13 with respect to the rules laid down in the Belgian Companies Code) are governed by, and shall be construed in accordance with, English law. The Domiciliary Agency Agreement and any matter relating to title to, and the dematerialised form of, the Notes, and Condition 13 with respect to the rules laid down in the Belgian Companies Code, and any non-contractual obligations arising out of or in connection with the Domiciliary Agency Agreement and any matter relating to title to, and the dematerialised form of, the Notes, and Condition 13 with respect to the rules laid down in the Belgian Companies Code, are governed by, and shall be construed in accordance with, Belgian law.

##### 16.2 **Submission to jurisdiction**

The Issuer irrevocably agrees, for the benefit of the Noteholders, that the courts of England are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Notes

(including any disputes relating to any non-contractual obligations arising out of or in connection with the Notes) and accordingly submits to the exclusive jurisdiction of the English courts.

The Issuer waives any objection to the courts of England on the grounds that they are an inconvenient or inappropriate forum. To the extent permitted by applicable law, the Noteholders may take any suit, action or proceedings (together referred to as "**Proceedings**") arising out of or in connection with the Notes and (including any Proceedings relating to any non-contractual obligations arising out of or in connection with the Notes) against the Issuer in any other court of competent jurisdiction and concurrent Proceedings in any number of jurisdictions.

#### 16.3 **Appointment of Process Agent**

The Issuer and each Guarantor appoints AB InBev UK Limited at its registered office at Porter Tun House, 500 Capability Green, Luton, Bedfordshire, LU1 3LS, United Kingdom as its agent for service of process for Proceedings in England, and undertakes that, in the event of AB InBev UK Limited ceasing so to act or ceasing to be registered in England, it will appoint another person as its agent for service of process in England in respect of any Proceedings in England. Nothing herein shall affect the right to serve proceedings in any other manner permitted by law.

#### 16.4 **Other documents**

The Issuer and each Guarantor has in the Guarantees and the Deed of Covenant submitted to the jurisdiction of the English courts and appointed, or will be required to appoint, an agent for service of process in terms substantially similar to those set out above. It is expressly stated in the Domiciliary Agency Agreement that the courts of Belgium will have exclusive jurisdiction to settle disputes which may arise from or in connection with the Domiciliary Agency Agreement and accordingly any legal action or proceedings arising from or in connection with the Domiciliary Agency Agreement shall be brought before such courts.

## **APPENDIX C - FORM OF THE NOTES**

The following provides a description of the form of Notes that may be issued by the Issuer under the Programme and briefly sets out certain information relating to the X/N clearing system, whose authorised participants include Euroclear and Clearstream, Luxembourg.

## FORM OF THE NOTES

Each Note will be issued in dematerialised form in accordance with the Belgian Companies Code and be represented by a book entry in the name of its owner or holder, or the owner's or holder's intermediary, in a securities account maintained by the X/N Clearing System or by a participant in the X/N Clearing System established in Belgium which has been approved as an account holder by Royal Decree.

The X/N Clearing System maintains securities accounts in the name of authorised participants only. Noteholders therefore will not normally hold their Notes directly in the X/N Clearing System, but will hold them in a securities account with a financial institution which is an authorised participant in the X/N Clearing System, or which holds them through another financial institution which is such an authorised participant. The Belgian Companies Code contains provisions aimed at protecting the Noteholders in the event of the insolvency of a financial institution through which Notes are held in the system. The Notes are then to be returned to the respective Noteholders, are not part of the insolvent financial institution's assets, and are not available to the creditors of that financial institution.

Most credit institutions established in Belgium, including Euroclear Bank SA/NV ("**Euroclear**"), are participants in the X/N Clearing System. Clearstream Banking S.A. ("**Clearstream, Luxembourg**") is also a participant in the X/N System. Investors can thus hold their Notes in securities accounts in Euroclear and Clearstream, Luxembourg in the same way as they would for any other types of securities. The Notes held in Euroclear and Clearstream, Luxembourg shall be cleared in accordance with their usual procedures.

The clearing and settlement systems of the NBB, Euroclear and Clearstream, Luxembourg function under the responsibility of their respective operators. The Issuer, the Guarantors and the Domiciliary Agent shall have no responsibility in this respect.

## REGISTERED OFFICES OF THE OBLIGORS

### **Anheuser-Busch Companies, LLC**

1209 Orange Street  
Wilmington  
Delaware 19801  
United States of America

### **Anheuser-Busch InBev SA/NV**

Grand-Place/Grote Markt 1  
1000 Brussels  
Belgium

### **Anheuser-Busch InBev Finance Inc.**

1209 Orange Street  
Wilmington  
Delaware 19801  
United States of America

### **Anheuser-Busch InBev Worldwide Inc.**

1209 Orange Street  
Wilmington  
Delaware 19801  
United States of America

### **Brandbev S.à r.l.**

Zone Industrielle Breedewues No. 15,  
L-1259 Senningerberg  
Grand Duchy of Luxembourg

### **Brandbrew S.A.**

Zone Industrielle Breedewues No. 15,  
L-1259 Senningerberg  
Grand Duchy of Luxembourg

### **Cobrew NV**

Brouwerijplein 1  
3000 Leuven  
Belgium

## DOMICILIARY AGENT

### **BNP Paribas Fortis SA/NV**

Montagne du Parc 3  
B-1000 Brussels  
Belgium

## LEGAL ADVISERS

*To the Issuer and the Guarantors as to English law*

### **Clifford Chance LLP**

10 Upper Bank Street  
London E14 5JJ  
United Kingdom

*To the Issuer and the Guarantors as to  
Belgian law*

### **Clifford Chance LLP**

Avenue Louise 65  
Box 2  
1050 Brussels  
Belgium

*To the Guarantors as to  
Luxembourg law*

### **Clifford Chance**

Société en Commandite Simple,  
inscrite au Barreau de Luxembourg  
10 boulevard G.D. Charlotte  
B.P. 1147  
L-1011 Luxembourg  
Grand Duché de Luxembourg

*To the Issuer and the Guarantors as to U.S. law*

### **Sullivan & Cromwell LLP**

125 Broad Street  
New York  
New York 10004-2498  
United States of America

*To the Dealers as to English law*

**Allen & Overy LLP**  
One Bishops Square  
London E1 6AD  
United Kingdom

*To the Dealers as to Belgian law*

**Allen & Overy LLP**  
Uitbreidingstraat 72/63  
2600 Antwerp  
Belgium

**AUDITORS OF ANHEUSER-BUSCH INBEV SA/NV**

**Deloitte Bedrijfsrevisoren BV CVBA**  
Berkenlaan 8b  
B-1831 Diegem  
Belgium

**DEALERS**

**Banco Santander, S.A.**  
Ciudad Grupo Santander  
Avenida de Cantabria, s/n  
Edificio Encinar, planta baja  
28660 Boadilla del Monte (Madrid)  
Spain

**Barclays Bank PLC**  
5 The North Colonnade  
Canary Wharf  
London E14 4BB  
United Kingdom

**BNP Paribas**  
10 Harewood Avenue  
London NW1 6AA  
United Kingdom

**BNP Paribas Fortis SA/NV**  
Montagne du Parc 3  
B-1000 Brussels  
Belgium

**Deutsche Bank AG, London Branch**  
Winchester House  
1 Great Winchester Street  
London EC2N 2DB  
United Kingdom

**ING Bank NV, Belgian Branch**  
Avenue Marnixlaan 24  
B-1000 Brussels  
Belgium

**J.P. Morgan Securities plc**  
25 Bank Street  
Canary Wharf  
London E14 5JP  
United Kingdom

**Mizuho International plc**  
Mizuho House  
30 Old Bailey  
London EC4M 7AU  
United Kingdom

**MUFG Securities EMEA plc**  
Ropemaker Place  
25 Ropemaker Street  
London EC2Y 9AJ  
United Kingdom

**The Royal Bank of Scotland plc (trading as  
NatWest Markets)**  
250 Bishopsgate  
London EC2M 4AA  
United Kingdom