SUN Interbrew Limited
Report
for the six-month period ended 30 June 2010

Condensed Consolidated Interim Financial Statements

Contents

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Independent Accountants' Compilation Report

The Board of Directors

SUN Interbrew Limited

On the basis of information provided by management we have compiled, in accordance with International Standard on Related Services 4410 *Engagements to Compile Financial Statements*, the condensed consolidated interim statement of financial position of SUN Interbrew Limited (the "Company") and its subsidiaries (the "Group") as at 30 June 2010 and the related condensed consolidated interim statements of comprehensive income, changes in equity and cash flows for the six-month period then ended. Management is responsible for these condensed consolidated interim financial statements. We have not audited or reviewed these condensed consolidated interim financial statements and accordingly express no assurance thereon.

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18 August 2010

'000 Euro	**Note**	**30 June 2010**	**31 December 2009**
Assets			
Non-current assets			
Property, plant and equipment	6	796,142	737,808
Intangible assets	7	152,181	133,612
Investments		199	301
Deferred tax assets		13,933	2,942
Total non-current assets		**962,455**	**874,663**
Current assets			
Inventories	8	132,465	101,760
Current tax assets		3,697	2,978
Trade and other receivables		99,495	63,408
Prepayments		6,482	4,645
Cash and cash equivalents		125,709	25,000
Total current assets		**367,848**	**197,791**
Total assets		**1,330,303**	**1,072,454**
Equity and liabilities			
Equity	9		
Share capital		1,809	1,809
Share premium		459,105	459,105
Retained earnings		404,101	400,362
Translation reserve		(200,155)	(283,295)
Total equity attributable to the equity holders of the Company		**664,860**	**577,981**
Minority interest		**31,069**	**27,719**
Total equity		**695,929**	**605,700**
Non-current liabilities			
Loans and borrowings	10	-	85,276
Employee benefits		319	268
Provisions		66	95
Total non-current liabilities		**385**	**85,639**
Current liabilities			
Loans and borrowings	10	140,769	112,317
Trade and other payables		477,378	266,693
Current tax liabilities		15,842	2,105
Total current liabilities		**633,989**	**381,115**
Total liabilities		**634,374**	**466,754**
Total equity and liabilities		**1,330,303**	**1,072,454**

The condensed consolidated interim statement of financial position is to be read in conjunction with the notes to, and forming part of, the condensed consolidated interim financial statements set out on pages 8 to 14.

Compiled without audit or review

For the six-month period ended 30 June **'000 Euro**	**Note**	**2010**	**2009**
Revenue		552,731	562,214
Cost of sales		(314,041)	(321,171)
Gross profit		**238,690**	**241,043**
Selling, marketing and distribution expenses		(189,298)	(159,821)
General and administrative expenses		(37,934)	(41,758)
Other income, net		608	166
Results from operating activities		**12,066**	**39,630**
Finance income		7,562	177
Finance costs		(10,272)	(27,659)
Net finance costs		**(2,710)**	**(27,482)**
Profit before income tax		**9,356**	**12,148**
Income tax expense	5	(7,285)	(7,018)
Profit for the period		**2,071**	**5,130**
Other comprehensive income			
Foreign currency translation difference		88,158	(28,674)
Other comprehensive income for the period		88,158	(28,674)
Total comprehensive income for the period		**90,229**	**(23,544)**
Profit/(loss) attributable to:			
Owners of the Company		3,739	6,071
Minority interest		(1,668)	(941)
Profit for the period		**2,071**	**5,130**
Total comprehensive income attributable to:			
Owners of the Company		86,879	(21,907)
Minority interest		3,350	(1,637)
Total comprehensive income for the period		**90,229**	**(23,544)**
Earnings per share			
Basic and diluted earnings per share (Euro)		**0.03**	**0.05**

These condensed consolidated interim financial statements were approved by management on 18 August 2010 and were signed on its behalf by:

Chief Executive Office

Chief Financial Officer

The condensed consolidated interim statement of comprehensive income is to be read in conjunction with the notes to, and forming part of, the condensed consolidated interim financial statements set out on pages 8 to 14.

Compiled without audit or review

	Attributable to equity holders of the Company						
'000 Euro	**Share capital**	**Share premium**	**Retained earnings**	**Translation reserve**	**Total**	**Minority interest**	**Total**
Balance at 1 January 2009	1,809	459,105	377,942	(256,489)	582,367	28,952	611,319
Profit for the period	-	-	6,071	-	6,071	(941)	5,130
Other comprehensive income							
Translation difference	-	-	-	(27,978)	(27,978)	(696)	(28,674)
Total comprehensive income for the period	**-**	**-**	**6,071**	**(27,978)**	**(21,907)**	**(1,637)**	**(23,544)**
Balance at 30 June 2009	**1,809**	**459,105**	**384,013**	**(284,467)**	**560,460**	**27,315**	**587,775**

	Attributable to equity holders of the Company						
'000 Euro	**Share capital**	**Share premium**	**Retained earnings**	**Translation reserve**	**Total**	**Minority interest**	**Total**
Balance at 1 January 2010	1,809	459,105	400,362	(283,295)	577,981	27,719	605,700
Profit for the period	-	-	3,739	-	3,739	(1,668)	2,071
Other comprehensive income							
Translation difference	-	-	-	83,140	83,140	5,018	88,158
Total comprehensive income for the period	**-**	**-**	**3,739**	**83,140**	**86,879**	**3,350**	**90,229**
Balance at 30 June 2010	**1,809**	**459,105**	**404,101**	**(200,155)**	**664,860**	**31,069**	**695,929**

The condensed consolidated interim statement of changes in equity is to be read in conjunction with the notes to, and forming part of, the condensed consolidated interim financial statements set out on pages 8 to 14.

Compiled without audit or review

For the six-month period ended 30 June '000 Euro	Note	2010	2009
Cash flows from operating activities			
Profit for the year		**2,071**	**5,130**
Adjustments for:			
Depreciation and amortization		73,459	70,235
Impairment losses on property, plant and equipment		2,339	6,210
Gain on disposal of property, plant and equipment	6	(453)	(47)
Interest expense, net of interest income		9,987	23,117
Unrealized foreign exchange gain		(5,362)	(4,608)
Income tax expense	5	7,285	7,018
Other non-cash items		327	205
Cash from operating activities before changes in working capital and provisions		**89,653**	**107,260**
Change in inventories		(17,315)	21,701
Change in prepayments		(1,838)	2,465
Change in trade and other receivables		(22,321)	(34,263)
Change in trade and other payables		160,834	99,737
Change in provisions and employee benefits		(137)	(530)
Cash flows from operations before income tax and interest paid		**208,876**	**196,370**
Income tax paid		(5,280)	(576)
Interest paid		(14,615)	(27,068)
Net cash from operating activities		**188,981**	**168,726**
Cash flow from investing activities			
Interest received		302	198
Proceeds from sale of property, plant and equipment		776	1,248
Acquisition of property, plant and equipment	6	(22,356)	(27,278)
Acquisition of intangible assets		(1,179)	(937)
Net cash used in investing activities		**(22,457)**	**(26,769)**
Cash flow from financing activities			
Proceeds from borrowings		63,262	463,148
Repayment of borrowings		(137,223)	(543,004)
Net cash used in financing activities		**(73,961)**	**(79,856)**
Net increase in cash and cash equivalents		**92,563**	**62,101**
Cash and cash equivalents at 1 January		25,000	1,389
Effect of exchange rate changes on cash and cash equivalents		8,146	(3,032)
Cash and cash equivalents at 30 June		**125,709**	**60,458**

The condensed consolidated interim statement of cash flows is to be read in conjunction with the notes to, and forming part of, the condensed consolidated interim financial statements set out on pages 8 to 14.

Compiled without audit or review

1 Background

(a) Business environment

The Russian Federation and Ukraine have been experiencing political and economic change that has affected, and may continue to affect, the activities of enterprises operating in this environment. Consequently, operations in the Russian Federation and Ukraine involve risks that typically do not exist in other markets. In addition, the contraction in the capital and credit markets and its impact on the Russian and Ukrainian economies have further increased the level of economic uncertainty in the environment. These consolidated financial statements reflect management's assessment of the impact of the Russian and Ukrainian business environment on the operations and the financial position of the Group. The future business environment may differ from management's assessment.

(b) Organisation and operations

SUN Interbrew Limited (the "Company") is incorporated on Jersey, the Channel Islands. The Company's registered address is PO box 207, 13-14 Esplanade, St. Helier, Jersey JE1 1BD.

As at 30 June 2010 AB InBev (the «Parent») effectively holds, directly and indirectly, more than 99.5% of SUN Interbrew Limited. The Company's shares and GDR's are listed on the Luxemburg Stock Exchange.

The Company through a number of holding companies incorporated in Jersey, the Netherlands and Cyprus has a controlling interest in 10 breweries and 6 malt plants in the Russian Federation and 3 breweries in Ukraine (referred to collectively as the "Group"). The Group manufactures, markets and distributes beer and soft drinks.

The majority of the Group's funding is from other entities within the group headed by AB InBev. As a result the Group is economically dependent upon the Group headed by AB InBev. In addition, the activities of the Group are closely linked with the requirements of the Group headed by AB InBev and determination of the pricing of the Group's services to the Group headed by AB InBev is undertaken in conjunction with other companies in the Group headed by AB InBev. Related party transactions are disclosed in note 12.

2 Basis of preparation

(a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*. They do not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements of the Group as at and for the year ended 31 December 2009.

These are not the Company's statutory financial statements.

(b) Basis of measurement

The consolidated financial statements are prepared on the historical cost basis.

(c) Functional and presentation currency

The Company's functional currency is the Russian Rouble.

The functional currencies of the Russian and Ukrainian subsidiaries are the Russian Rouble and Ukrainian Hryvna respectively. Management has elected to use the Euro as the presentation currency for the consolidated financial statements. All financial information presented in Euro has been rounded to the nearest thousand.

(d) Going concern

These consolidated financial statements have been prepared on a going concern basis, which contemplates the realisation of assets and the satisfaction of liabilities in the normal course of business. As at 30 June 2010 the Group's current liabilities exceeded its current assets by Euro 266,141 thousand (31 December 2009: Euro 183,324 thousand). A significant portion of current liabilities represent loans payable to related parties (see note 10).

The consolidated financial statements do not include any adjustments should the Group be unable to continue as a going concern.

(e) Use of estimates and judgements

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from those estimates.

In preparing these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2009.

3 Significant accounting policies

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2009.

4 Operating segments

(i) Information about reportable segments

For the six-month period ended 30 June 2010

'000 Euro	**Russia**	**Ukraine**	**Total**
External and segment revenue	394,424	158,307	552,731
Reportable segment profit before income tax	**(13,916)**	**23,272**	**9,356**

For the six-month period ended 30 June 2009

'000 Euro	**Russia**	**Ukraine**	**Total**
External revenue	403,798	161,648	565,446
Inter-segment revenue	(3,232)	-	(3,232)
Reportable segment profit before income tax	**(6,456)**	**18,604**	**12,148**

As at 30 June 2010

'000 Euro	Russia	Ukraine	Total
Assets			
Reportable segment assets	1,102,956	362,626	1,465,582
Inter-segment loans issued	(128,435)	(6,844)	(135,279)
Total	**974,521**	**355,782**	**1,330,303**
Liabilities			
Reportable segment liabilities	447,532	322,121	769,653
Inter-segment borrowings	(6,844)	(128,435)	(135,279)
Total	**440,688**	**193,686**	**634,374**

As at 31 December 2009

'000 Euro	Russia	Ukraine	Total
Assets			
Reportable segment assets	953,939	253,594	1,207,533
Inter-segment loans issued	(128,436)	(6,643)	(135,079)
Total	**825,503**	**246,951**	**1,072,454**
Liabilities			
Reportable segment liabilities	347,609	254,224	601,833
Inter-segment borrowings	(6,643)	(128,436)	(135,079)
Total	**340,966**	**125,788**	**466,754**

(ii) Information about reportable segments

The major change in segment assets of Russia relates to the increase of cash and cash equivalents by Euro 100,709 thousand which resulted primarily from optimization of working capital.

5 Income tax expense

Income taxes are provided for based on taxable income and the varying tax rates applicable in Russia, Ukraine, the Netherlands, Jersey and Cyprus. Certain costs and expenses, including some types of employees' compensation, benefits, and interest, which are included as expenses in the condensed consolidated statement of comprehensive income are not deductible when determining taxable income. The Company and certain of its subsidiaries, which are registered in Jersey, the Channel Islands, have been granted "Exempt Company" status and are exempt from Jersey income taxes.

The statutory income tax rate applicable to the Russian companies is 20% (six-month period ended 30 June 2009: 20%). The statutory income tax rate applicable to the Ukrainian companies is 25% (six-month period ended 30 June 2009: 25%).

The Group's consolidated effective tax rate for the six-month period ended 30 June 2010 was 78% (six-month period ended 30 June 2009: 58%). The change in effective tax rate was caused mainly by income tax underprovided in previous years which was recognized during the six-month period ended 30 June 2010.

6 Property, plant and equipment

Acquisitions and disposals

During the six-month period ended 30 June 2010 the Group acquired assets with a cost, excluding capitalized borrowing costs, of Euro 22,356 thousand (six-month period ended 30 June 2009: Euro 27,278 thousand).

Assets with a carrying amount of Euro 323 thousand were disposed of during the six-month period ended 30 June 2010 (six-month period ended 30 June 2009: Euro 1,201 thousand), resulting in a gain on disposal of Euro 453 thousand (six-month period ended 30 June 2009: Euro 47 thousand), which is included in other income.

Capital commitments

During the six-month period ended 30 June 2010 the Group entered into contracts to purchase property, plant and equipment for about Euro 3,150 thousand; delivery is expected during 2010.

7 Intangible assets

As at 30 June 2010 management reviewed intangible assets and property, plant and equipment for indications of impairment since the end of 2009 to determine whether a detailed impairment calculation at the end of interim period was required. No such indications were identified. As a result no impairment losses were recognized in the interim financial statement for the six-month period ended 30 June 2010 (six-month period ended 30 June 2009: nil).

8 Inventories

During the six-month period ended 30 June 2010 an impairment loss of Euro 615 thousand has been recognized (six-month period ended 30 June 2009: Euro 1,312 thousand). The impairment is included in cost of sales and selling, marketing and distribution expenses in the condensed consolidated interim statement of comprehensive income.

9 Share capital and share premium

The authorized share capital is comprised of 125,278,614 Class A preference shares and 30,000,000 Class B ordinary shares with nominal par value of one pence. The issued share capital is comprised of 88,832,710 Class A preference shares and 27,796,220 Class B ordinary shares with a nominal value of one pence. All shares on issue are fully paid.

As at 30 June 2010 and 31 December 2009 the Company's ordinary shares (Class B) were 100% owned and controlled by AB InBev and the preference shares (Class A) were 99.83% owned and controlled by AB InBev.

Preference shares have no right of conversion or redemption. The special rights, restrictions and provisions applicable to the preference shares are as follows:

- The dividends on the preference shares in any year shall be paid in an amount not less than and in equal priority to the dividend payable to the ordinary shareholders in such year;

- On winding up of the company, the surplus assets available for distribution to its members shall be distributed proportionately amongst the holders of the preference share and the ordinary shares according to the amounts of their respective holdings of such shares in the Company;

- The holders of the preference shares do not have right to vote in shareholders' meeting, except for the matters affecting the rights of the holders of preference shares, including "change of control" transaction as defined in the "Article of Association" of the Company.

Share premium is a difference between the nominal and purchase cost of shares issued, contributions of shareholders other than contributions in the share capital, and any difference between consideration paid to acquire (received in disposal of) minority interests and the carrying amount of those minority interests.

10 Loans and borrowings

				30 June 2010		31 December 2009	
'000 Euro	**Currency**	**Interest rate nominal**	**Year of maturity**	**Face value**	**Carrying amount**	**Face value**	**Carrying amount**
Current loans from related parties	RUR	10.50%	2011	99,040	99,040	-	-
Current loans from related parties	RUR	17.25%	2010	30,197	30,197	24,605	24,605
Current loans from related parties	EUR	EURIBOR+0.25 %	2010	11,532	11,532	11,373	11,373
Current loans from related parties	RUR	11.84% - 18.21%	2010	-	-	60,409	60,409
Current secured bank loans	UAH	21.00% - 29.50%	2010	-	-	15,930	15,930
Non-current loans from related parties	RUR	10.50%	2011	-	-	85,276	85,276
				140,769	**140,769**	**197,593**	**197,593**

During the six-month period ended 30 June 2010 there were no new issuances of loans and borrowings. A loan from a related party of Euro 53,994 thousand and a secured bank loan of Euro 15,930 thousand as at 31 December 2009 were repaid in full during the period.

The outstanding part of a non-current loan obtained from a related party at a rate of 10.50%, maturing in April 2011 of Euro 99,040 thousand was reclassified to current loans.

11 Taxation contingencies

(a) Taxation contingencies in the Russian Federation

The taxation system in the Russian Federation is relatively new and is characterised by frequent changes in legislation, official pronouncements and court decisions, which are often unclear, contradictory and subject to varying interpretation by different tax authorities. Taxes are subject to review and investigation by a number of authorities, which have the authority to impose severe fines, penalties and interest charges. A tax year remains open for review by the tax authorities during the three subsequent calendar years; however, under certain circumstances a tax year may remain open longer. Recent events within the Russian Federation suggest that the tax authorities are taking a more assertive position in their interpretation and enforcement of tax legislation.

These circumstances may create tax risks in the Russian Federation that are substantially more significant than in other countries. Management believes that it has provided adequately for tax liabilities based on its interpretations of applicable Russian tax legislation, official pronouncements and court decisions. However, the interpretations of the relevant authorities could differ and the effect on these consolidated financial statements, if the authorities were successful in enforcing their interpretations, could be significant.

(b) Taxation contingencies in Ukraine

The Group performs a significant part of its operations in Ukraine and therefore within the jurisdiction of the Ukrainian tax authorities. The Ukrainian tax system can be characterized by numerous taxes and frequently changing legislation which may be applied retroactively, open to wide interpretation and in some cases are conflicting. Instances of inconsistent opinions between local, regional, and national tax authorities and between the Ministry of Finance and other state authorities are not unusual. Tax declarations are subject to review and investigation by a number of authorities that are enacted by law to impose severe fines, penalties and interest charges. A tax year remains open for review by the tax authorities during the three subsequent calendar years, however under certain circumstances a tax year may remain open longer.

These facts create tax risks substantially more significant than typically found in countries with more developed systems. Management believes that it has adequately provided for tax liabilities based on its interpretation of tax legislation, official pronouncements and court decisions. However, the interpretations of the relevant authorities could differ and the effect on these consolidated financial statements, if the authorities were successful in enforcing their interpretations, could be significant.

12 Related party transactions

(a) Management remuneration

Key management received the following remuneration during the year, which is included in personnel costs:

For the six-month period ended 30 June **'000 Euro**	**2010**	**2009**
Salaries and bonuses	317	226
Contributions to State pension fund	8	3
Other service benefits provided	55	76
	380	**305**

(b) Other transactions

The Group has entered into various service agreements with other entities controlled by AB InBev. These services include management support, general technical assistance, provision of loans, publicity, marketing, use of brands and various other services. The amount of the service fees is agreed annually between the parties. During the six-month period ended 30 June 2010 service expenditures and royalties amounted to Euro 29,224 thousand (six-month period ended 30 June 2009: Euro 31,762 thousand) under these agreements. Interest expense charged by related parties amounted to Euro 9,638 thousand (six-month period ended 30 June 2009: Euro 7,021 thousand).

Purchases from other related parties amounted to Euro 346 thousand for the six-month period ended 30 June 2010 (six-month period ended 30 June 2009: Euro 444 thousand).

The outstanding balances with related parties were as follows:

'000 Euro	30 June 2010	31 December 2009
Accounts receivable from the Parent	2,595	4,184
Accounts receivable from entities under common control	323	4,977
Accounts payable to the Parent	(50,234)	(41,077)
Accounts payable to the entities under common control	(11,827)	(10,337)
Current loans from entities under common control	(134,517)	(80,533)
Interest payable to the entities under common control	(6,251)	(15,854)
Non-current loans from entities under common control	-	(85,276)
	(199,911)	**(223,916)**