

## **A-B InBev unveils €6bn issue**

*Jenny Wiggins*

Anheuser-Busch InBev, the newly formed beer group, showed its determination to reduce quickly more than \$50bn in debt by launching a €6.36bn (\$8.2bn) rights issue yesterday priced at a discount of nearly 70 per cent to its share price.

The deep discount, described by beverage industry analysts as "off the scale" compared with previous issues in the sector, is aimed at ensuring the rights issue goes ahead in spite of volatile market conditions.

The money will be used to repay a bridge loan used to fund part of InBev's \$52bn takeover of US brewer Anheuser-Busch, which was completed last week. A-B InBev had previously planned to launch a €7.6bn rights issue last month but cancelled it because it was worried it would not succeed in the difficult market conditions.

Analysts said that by offering such a big discount, the brewer was almost assured of completing the issue. Carlsberg, the Danish brewer, gave shareholders a discount of about 40 per cent when it raised more than \$6bn to pay for its acquisition of UK brewer Scottish & Newcastle earlier this year.

A-B InBev is offering the new shares at €6.45 each, €14.15 below Friday's closing share price.

The brewer's shares fell 12.9 per cent, or €2.70, to €17.94 in Brussels yesterday.

The brewer wants to complete the sale before Christmas so investors can buy its stock without worrying about the effect of a share issue. The size of the issue is lower than expected, leading analysts to speculate that the brewer is more confident of raising additional cash by selling assets.

These are likely to include Anheuser's theme parks, worth about \$2.6bn according to Bernstein Research, and InBev's South Korean beer business, worth about \$3.5 bn. InBev may also sell its Beck's beer brand, estimated to be worth \$2.5bn.

A-B InBev has also secured additional support for the share issue from the Belgian and Brazilian families who control about 60 per cent of the brewer.

They will spend some €2.8bn, more than double the €1.2bn they had previously said they would spend. "It's a clear sign of their very strong commitment," A-B InBev said.

Shareholders have until December 9 to subscribe.

**Fonte: Financial Times, London, November 25 2008, Companies & Markets, p. 17.**