

Beer taps open on AB InBev's profits

BRUSSELS, BELGIUM: The world's largest brewer AB InBev reported on Wednesday (31 July) better-than-expected second-quarter results, sending its shares price sharply as it benefited from its acquisition of the Corona beer brand in Mexico.



In Brussels AB InBev shares were up some 5.6%, as the company reported a quarterly profit to June of US\$3.9bn, 5.8% higher than the same period last year.

Forecasts from analysts polled by Dow Jones Newswires put operating profit at US\$3.8bn, with this measure seen as most representative of the company's performance.

"The increase in profits reflected higher margins in the Americas and the Asia-Pacific region," AB InBev said.

Second-quarter sales were up 3.9% at US\$10.6bn, beating analyst estimates for US\$10.4bn.

Beer sales by volume were down 1.2 percent. Net profits excluding exceptional items rose to US\$1.94bn from US\$1.5bn a year earlier.

Including the full acquisition of Mexico's Grupo Modelo for US\$20bn, net profit came in at US\$7.5bn.

AB InBev was formed in 2008 through the merger of Belgian-Brazilian group InBev and US brewing giant Anheuser-Busch. It counts some of the world's best selling beers such as Budweiser and Stella in its portfolio.

Source: AFP via I-Net Bridge