

27th September 2016

Food & Beverages

AB InBev

Price EUR116.15

AB InBev offer for SABMiller to be finalised in coming days

Fair Value EUR109 (-6%)

NEUTRAL

Bloomberg	ABI BB
Reuters	ABI.BR
12-month High / Low (EUR)	123.3 / 93.6
Market Cap (EURm)	186,797
Avg. 6m daily volume (000)	1,400

ANALYSIS

The AB InBev offer for SABMiller is to be finalised in coming days and investors will receive the GBP45 per share SABMiller on 13th October.

ANALYSIS

	1 M	3 M	6 M	31/12/15
Absolute perf.	3.2%	5.3%	7.4%	1.5%
Food & Bev.	-0.5%	4.5%	4.0%	-0.4%
DJ Stoxx 600	-1.1%	5.6%	1.5%	-7.1%

	2015	2016e	2017e	2018e
P/E	25.6x	28.8x	24.5x	22.2x
Div yield (%)	2.0%	1.8%	2.1%	2.4%

- The AGM for AB InBev and SABMiller is scheduled for 28th September. There is still a minor risk that the deal will not pass at SABMiller because there are two classes of shares for this vote. The first class representing 41% are the shares of Altria and Bevco, while the other 59% are those who will receive the cash payment of GBP45. Whereas large institutional shareholders such as BlackRock and State Street Global Advisers are expected to approve the deal, the hedge fund vote is harder to forecast. Some hedge funds may gamble not to vote by declining to convert their options and derivatives to save on exercise tax.
- 29th September last day of trading SABMiller shares on JSE and 4th October last day of trading on LSE
- 5th October delisting SABMiller on both JSE and LSE
- 7th October offer opens and closes
- 11th October first day of trading in the newco shares
- 13th October last date for despatch of cheques, electronic funds transfers etc..

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Distribution of stock ratings

BUY ratings 72%

NEUTRAL ratings 0%

SELL ratings 28%

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