

June 26, 2008

Russell Jackson  
Skadden, Arps, Slate, Meagher & Flom LLP  
Four Times Square  
New York, New York 10036-6522

Dear Russell:

Thank you for your June 23 letter advising CSPI that Anheuser-Busch, Inc. has agreed to withdraw permanently from the pre-packaged caffeinated alcoholic beverage market. CSPI applauds Anheuser-Busch for taking this responsible leadership position in this part of the market.

In summary, Anheuser-Busch agrees that it will:

- Neither make nor sell alcoholic beverages in the future that contain caffeine or substances that are metabolized as caffeine, such as guarana.
- Permanently withdraw its current Tilt website, replacing it with a new Tilt site at a new URL address, after the product is reformulated to remove the caffeine, guarana, and ginseng.
- Suspend its Bud Extra website for 30 days while a similar reformulation occurs.
- Neither promote caffeinated alcoholic beverages on its websites, nor suggest the mixing of these alcohol products with caffeinated beverages.
- Immediately cease the production and distribution to wholesalers of promotional materials for caffeinated alcoholic beverages.
- Call on all distillers and brewers to heed the request of CSPI and the various state attorneys general to stop making pre-packaged caffeinated alcoholic beverages.

You have advised me subsequent to your letter that it is Anheuser-Busch's agreement that withdrawal from this part of the market binds its successors and, more to the point, that Anheuser-Busch is not going to sell caffeinated alcoholic beverages, whether or not its ownership remains the same.

We understand that neither the suspended Bud Extra website nor the planned new Tilt website will go live until the respective products have been reformulated.

When all of these steps have been taken, CSPI will withdraw our February 28, 2008, letter, and thus drop our plans to file a lawsuit against Anheuser-Busch over caffeinated alcoholic beverages. Of course, as you know, CSPI's Alcohol Project is active in many other areas of the alcoholic beverage market, so our agreement to withdraw the

February 28 letter does not constitute our agreement not to bring legal action with respect to other acts or practices of Anheuser-Busch in the future.

Specifically, you have also told us that Anheuser-Busch has decided not to remove Tilt and Bud Extra from the market entirely, but is instead reformulating Tilt and Bud Extra to remove the caffeine, guarana, and ginseng from them, so that once retailers have depleted the current supplies of caffeinated Tilt and Bud Extra, these brands will be caffeine-free. As you know, CSPI remains opposed to the manufacture and sale of flavored malt beverages because they appeal to young, often underage, drinkers. Therefore, although Anheuser-Busch's actions will cancel our plans to file the lawsuit against Anheuser-Busch over caffeinated alcoholic beverages, we are not agreeing not to bring legal action with respect to practices in the future with respect to either of these reformulated products.

That said, Anheuser-Busch's current actions are a very positive step in the right direction, and we hope other companies follow Anheuser-Busch's lead.

Yours truly,

A handwritten signature in blue ink, appearing to read "Stephen Gardner". The signature is fluid and cursive, with the first name "Stephen" being more prominent than the last name "Gardner".

Stephen Gardner  
Litigation Director

cc: Michael F. Jacobson, Ph.D.  
Executive Director

George A. Hacker  
Alcohol Policies Director

Katherine Campbell  
Staff Attorney

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP

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June 23, 2008

Stephen Gardner, Esquire  
Director of Litigation  
Center for Science in the Public Interest  
5646 Milton Street, Suite 211  
Dallas, Texas 75206

RE: Caffeinated Alcohol Beverages

Dear Steve:

As you know from our prior conversations, I represent Anheuser-Busch, Inc. ("Anheuser-Busch" or "the Company") in various matters concerning its manufacture and marketing of caffeinated alcohol beverages. Previously you sent Anheuser-Busch a notice letter indicating CSPI's intent to file a lawsuit about the Company's Tilt and Bud Extra caffeinated alcohol beverages asserting various state law and federal law claims. Your letter suggested, however, that CSPI was interested in talking with Anheuser-Busch about preventing such a lawsuit if the Company was willing to change its practices with respect to these products.

I have shared with you Anheuser-Busch's position that these are lawful products that are approved for sale by the appropriate regulatory authorities, that they are marketed lawfully to adults age 21 and older, and that they have much less alcohol by volume than government-approved pre-packaged caffeinated hard liquors. I will not elaborate on those positions here. Rather, my purpose in writing this letter is to inform you of the steps that Anheuser-Busch is taking regarding its Tilt and Bud Extra products, and to request from you an assurance that once those steps are taken, CSPI will disclaim any intent to file a lawsuit against Anheuser-Busch over caffeinated alcohol beverages.

Anheuser-Busch has a long history of working with law enforcement and public interest groups to promote responsibility and prevent illegal drinking. Indeed, with its wholesalers, Anheuser-Busch has spent well over half a billion dollars on responsibility programs, and it is proud of its reputation as the industry leader in responsibility. Understandably, Anheuser-Busch was concerned when CSPI and certain state attorneys general recently criticized the Company's pre-packaged caffeinated alcohol beverages as contributing to irresponsible and illegal alcohol consumption.

To demonstrate its commitment to remaining the industry leader in responsibility, Anheuser-Busch has determined to permanently withdraw from the pre-packaged caffeinated alcohol beverage market. The Company will not make or sell alcohol beverages in the future that contain caffeine or substances that are metabolized as caffeine, such as guarana. To achieve this end, Anheuser-Busch is reformulating its Tilt and Bud Extra products to remove the caffeine, guarana, and ginseng from them. Thus, once retailers have depleted the current supplies of caffeinated Tilt and Bud Extra, these brands – although they will remain on the market as flavored malt beverages – will be caffeine-free.

Anheuser-Busch will be taking down its Bud Extra website for thirty days while this marketplace transition occurs, and it will permanently withdraw its current Tilt website. The current Tilt website will be replaced with a new Tilt site at a new URL address and, going forward, both the Tilt and Bud Extra websites will not promote caffeinated alcohol beverages and will not suggest the mixing of these alcohol products with caffeinated beverages. Anheuser-Busch also will cease the production and distribution to wholesalers of promotional materials for caffeinated alcohol beverages.

In addition, Anheuser-Busch has agreed to pay the interested state attorneys general a combined total of \$200,000 for two purposes: to cover the cost of their review of the documents that we shared with them, and to be used in programs that combat illegal underage drinking in their states.

Anheuser-Busch calls on all distillers and brewers to heed the request of CSPI and the various state attorneys general to stop making pre-packaged caffeinated alcohol beverages.

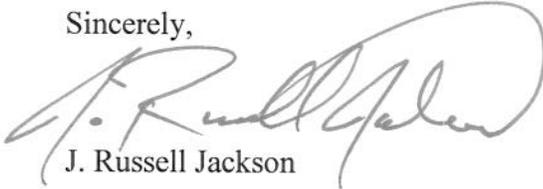
Steve, I hope that these commitments made by Anheuser-Busch have convinced CSPI to disclaim its previously-stated intent to sue the Company for its manufacture, sale and marketing of caffeinated alcohol beverages. The Company will honor the commitments made in this letter, and if CSPI determines at some point in the future that the Company is not honoring these commitments, we encourage

Stephen Gardner, Esquire  
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CSPI to contact me or Anheuser-Busch's General Counsel to discuss the matter. In the unlikely event that we would be unable to reach an agreement on CSPI's concerns and CSPI decided to sue over the sale or marketing of pre-packaged caffeinated alcohol beverages, Anheuser-Busch hereby agrees to toll from the date of your first letter to Anheuser-Busch the statute of limitations on any such currently-existing claims that CSPI may possess.

I look forward to hearing from you regarding CSPI's intentions.

Sincerely,

A handwritten signature in cursive script, appearing to read "J. Russell Jackson". The signature is written in dark ink and is positioned above the printed name.

J. Russell Jackson