

welcome



Africa

Quarterly divisional seminar series

Mark Bowman

Managing Director Africa

Robin Goetzsche

Operations Director East Africa, Managing Director Tanzania

Gary Leibowitz

SVP Investor Relations

London | March 22, 2011
New York | March 23, 2011



Forward looking statements



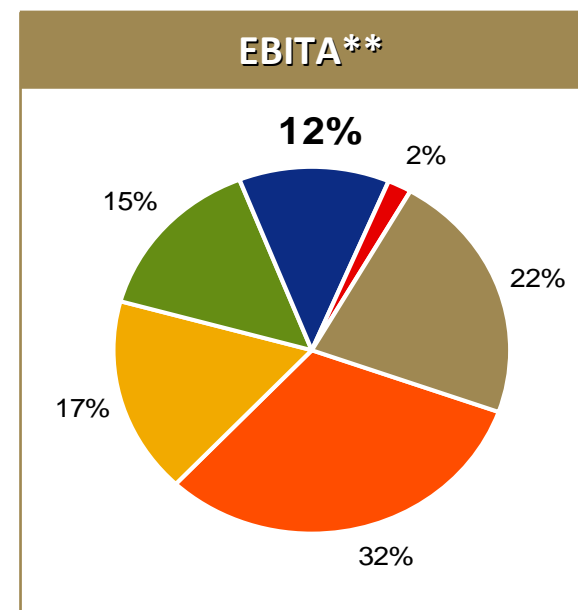
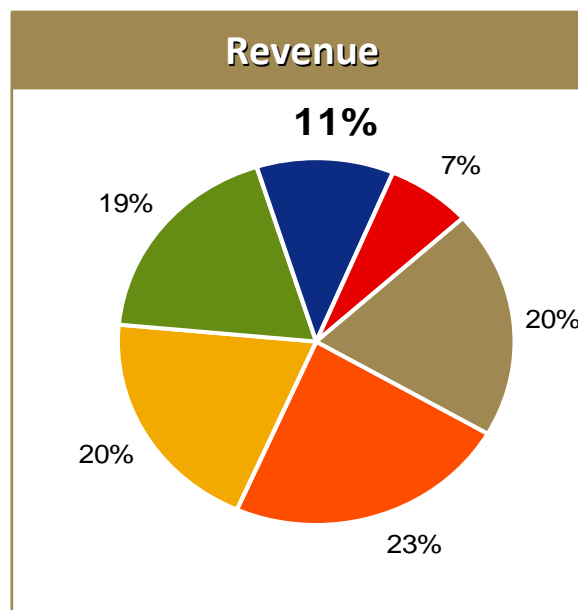
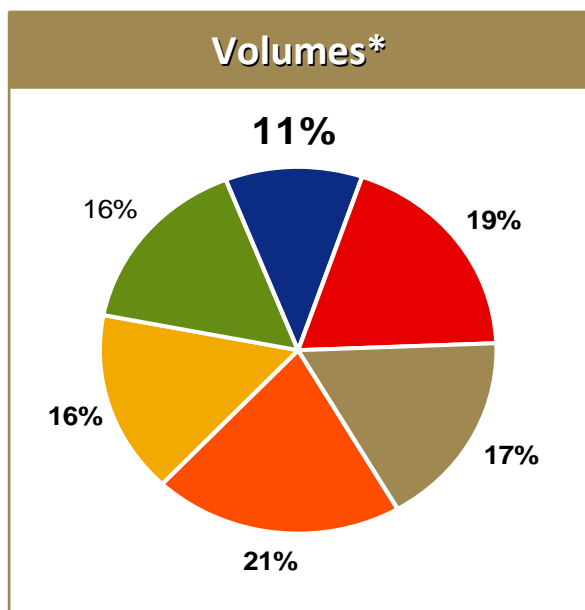
- This presentation includes ‘forward-looking statements’. These statements contain the words “anticipate”, “believe”, “intend”, “estimate”, “expect” and words of similar meaning. All statements other than statements of historical facts included in this presentation, including, without limitation, those regarding the Company’s financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to the Company’s products and services) are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the Company’s present and future business strategies and the environment in which the Company will operate in the future. These forward-looking statements speak only as at the date of this presentation. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the Company’s expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.
- All references to “EBIT” in this presentation refer to earnings before interest, tax, amortization of intangible assets and exceptional items. All references to “organic” mean as adjusted to exclude the impact of acquisitions, while all references to “constant currency” mean as adjusted to exclude the impact of movements in foreign currency exchange rates in the translation of our results.



Africa in context



Africa – a growing contributor to group EBITA** Twelve months to 30 September 2010



Latin America Europe North America Africa Asia South Africa

* Excludes contract brewing, includes soft drinks and other alcoholic beverages

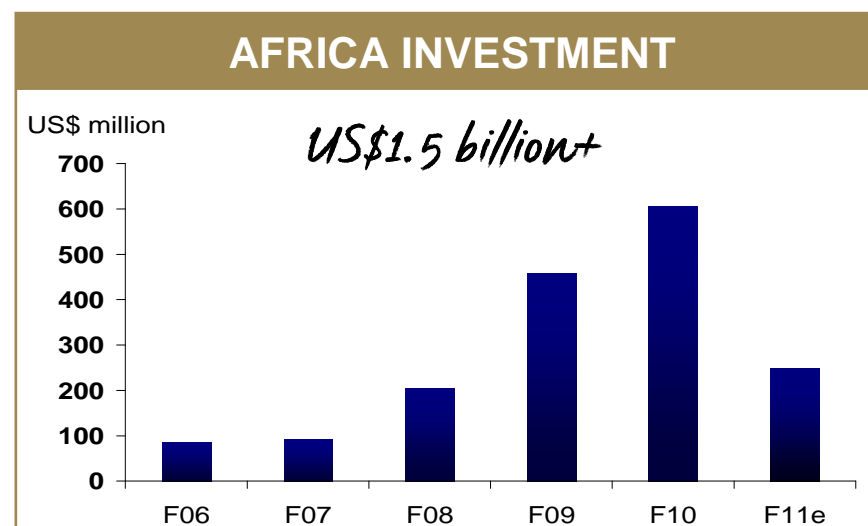
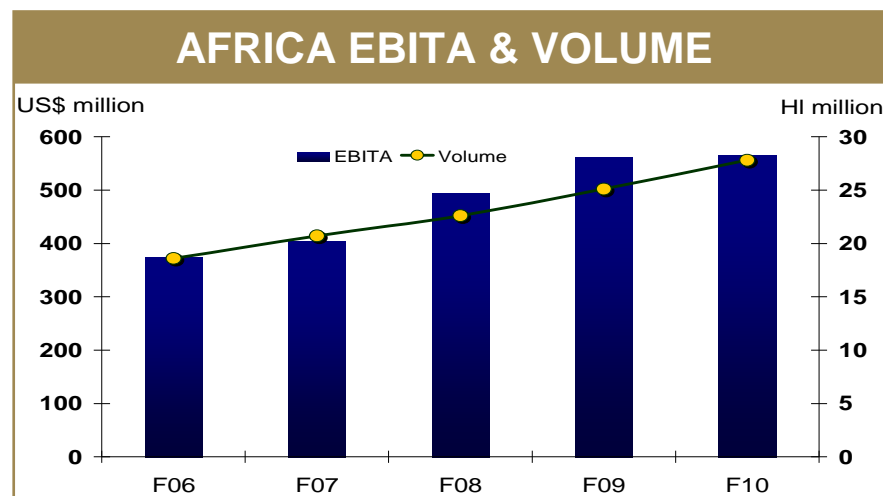
** Before corporate costs and excluding exceptional items and the amortisation of intangible assets (excluding software)



Africa return and investment

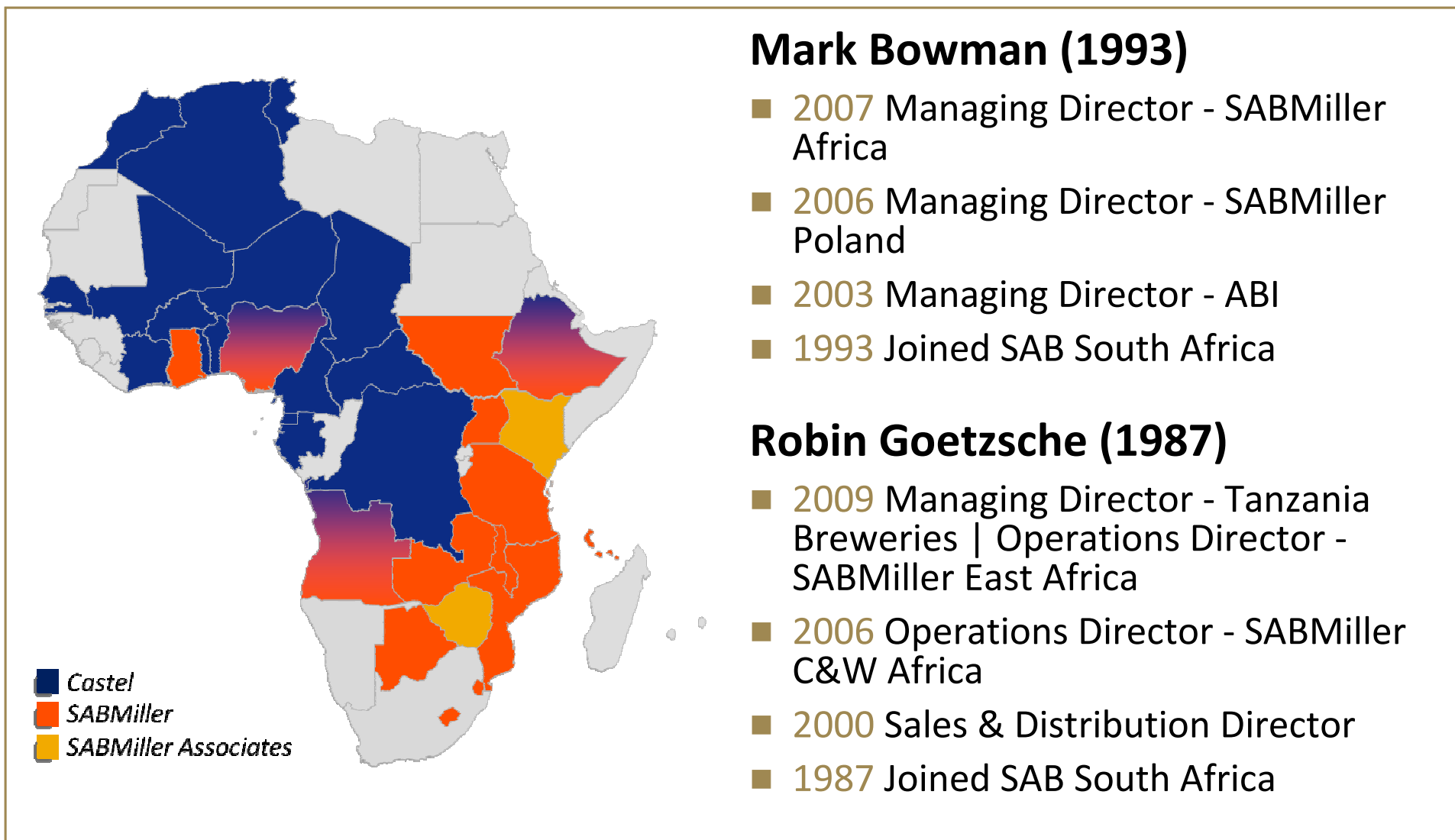


- 11% CAGR EBITA growth over 5 years
- More than doubled clear beer volume in the last decade
- Broader portfolios and longer price ladders
- Strategic expansion of non-alcoholic segments
- Reported as separate segment as of F10
- Ramped up capital investment & expenditures





Our speakers today ...



Mark Bowman (1993)

- 2007 Managing Director - SABMiller Africa
- 2006 Managing Director - SABMiller Poland
- 2003 Managing Director - ABI
- 1993 Joined SAB South Africa

Robin Goetzsche (1987)

- 2009 Managing Director - Tanzania Breweries | Operations Director - SABMiller East Africa
- 2006 Operations Director - SABMiller C&W Africa
- 2000 Sales & Distribution Director
- 1987 Joined SAB South Africa



Africa Review

Mark Bowman | Managing Director - Africa



Liquid Gold

Awarded the Monde Selection Grand Gold Medal 2010

Ndovu Special Malt. Beyond the ordinary, naturally.

Drink Responsibly. Not for Sale to Persons Under the Age of 18.





Africa* macro fundamentals favourable

Good underlying volume momentum

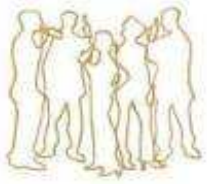


- SABMiller has a **leading strategic position in Africa**
 - **#1 or #2** in our markets
 - **Successful partnerships** with Castel and The Coca-Cola Company

- **Multi-beverage business model** complements our leading beer positions
 - Soft drinks and traditional beer

- **Investment in capacity and capability** leads growth
 - Full beer portfolio to leverage premium and sub-mainstream
 - Intensified marketing investment and in-trade sales presence

** Africa excludes South Africa and Namibia*

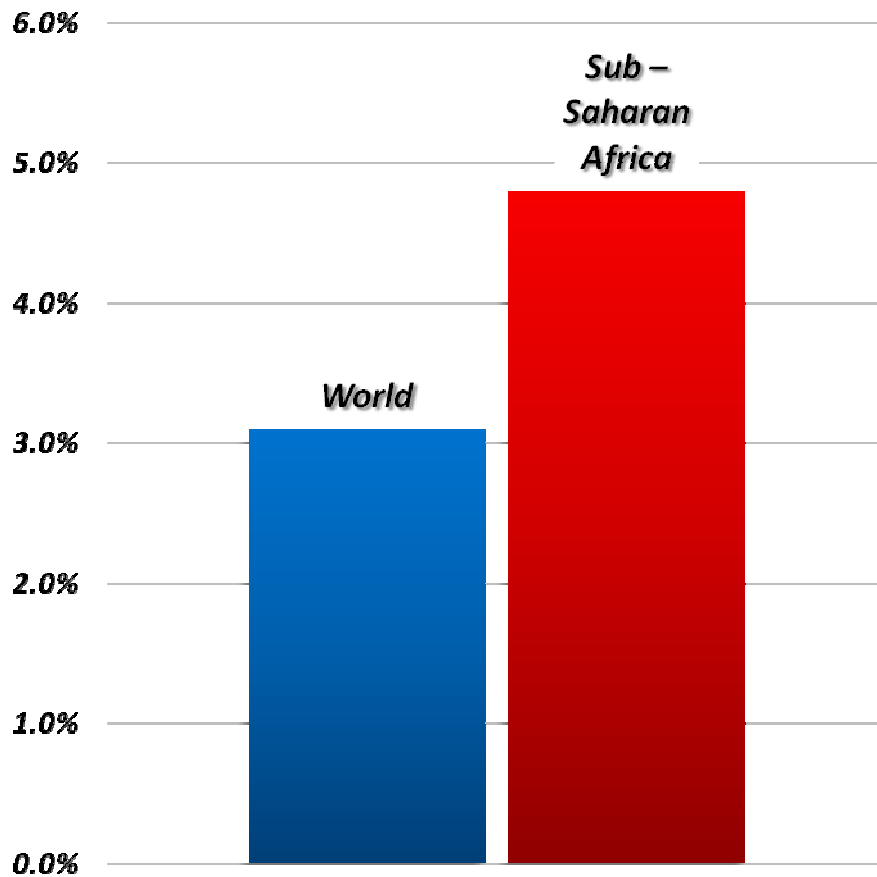


Africa macro fundamentals favourable

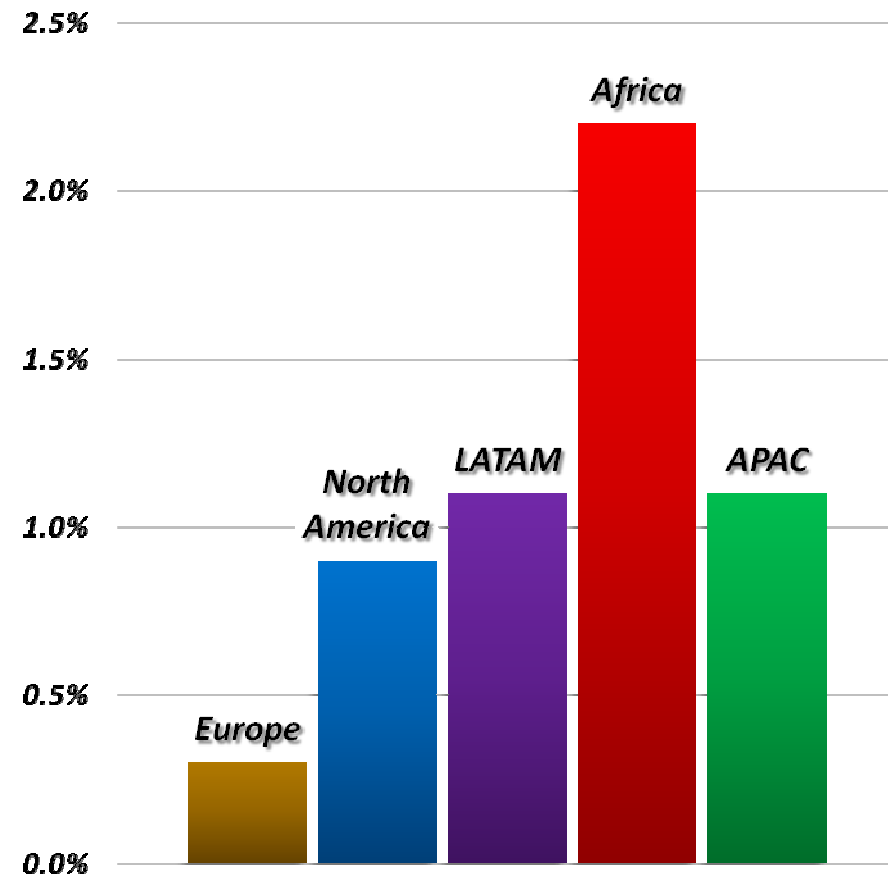
Superior GDP and population growth



GDP growth | 2010 – 2013



Population growth | 2010 – 2013



Source: Economist Intelligence Unit, December 2010



The Lion Kings?

African countries are amongst the fastest growing



World's ten fastest growing economies Annual average GDP growth %

The
Economist
(Jan'11)

Go south, young man

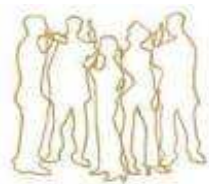
World's ten fastest-growing economies*
Annual average GDP growth, %

2001-2010†		2011-2015‡	
Angola	11.1	China	9.5
China	10.5	India	8.2
Myanmar	10.3	Ethiopia	8.1
Nigeria	8.9	Mozambique	7.7
Ethiopia	8.4	Tanzania	7.2
Kazakhstan	8.2	Vietnam	7.2
Chad	7.9	Congo	7.0
Mozambique	7.9	Ghana	7.0
Cambodia	7.7	Zambia	6.9
Rwanda	7.6	Nigeria	6.8

Operations
in 6 of 7
African
countries
listed

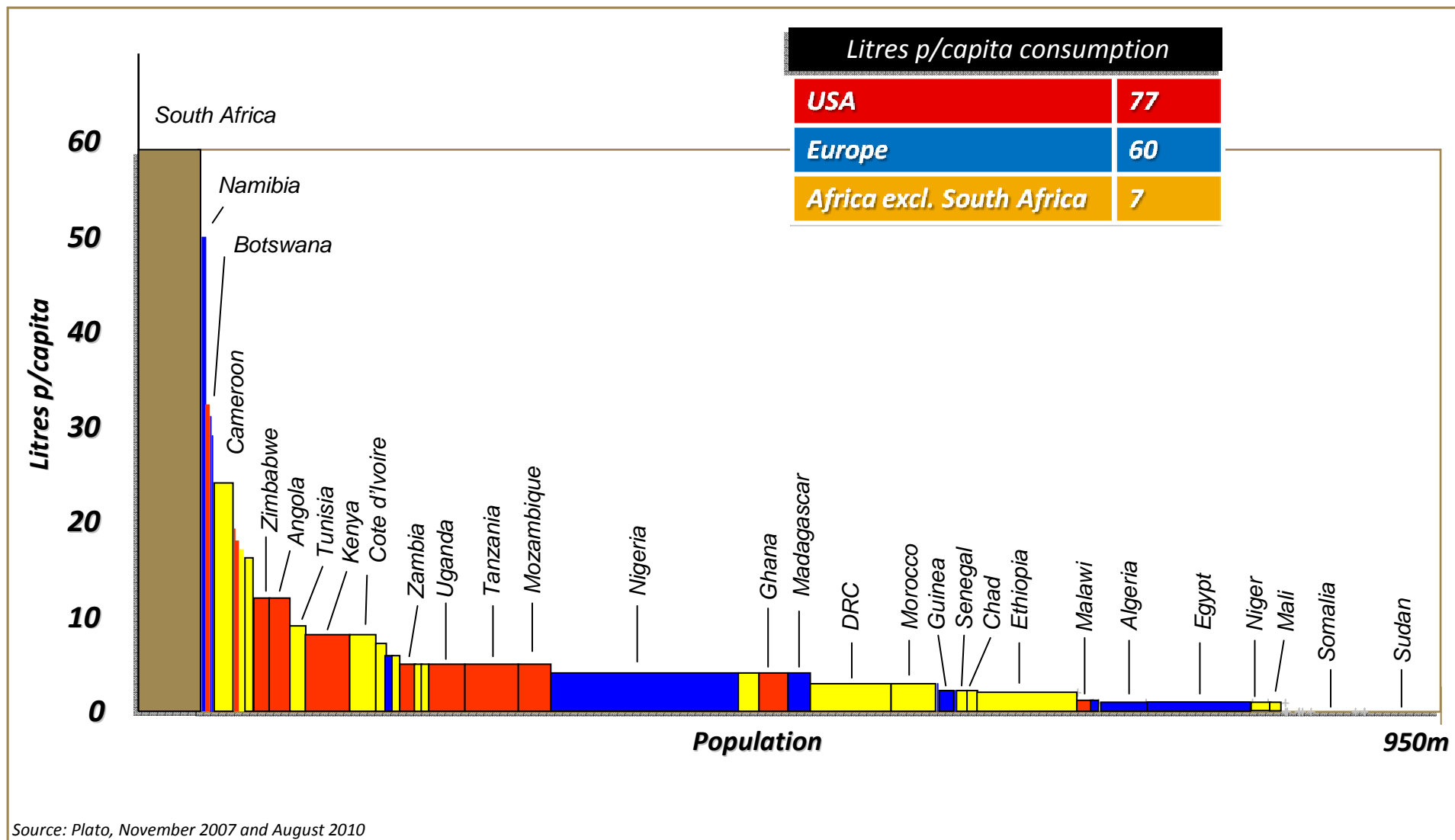
Sources: The Economist; IMF
*Excluding countries with less than 10m population and Iraq and Afghanistan
†2010 estimate ‡IMF forecast

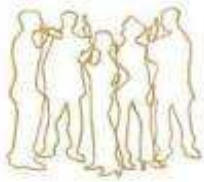
Source: The Economist, January 8th 2011



Substantial growth potential

Commercial beer consumption is low outside South Africa

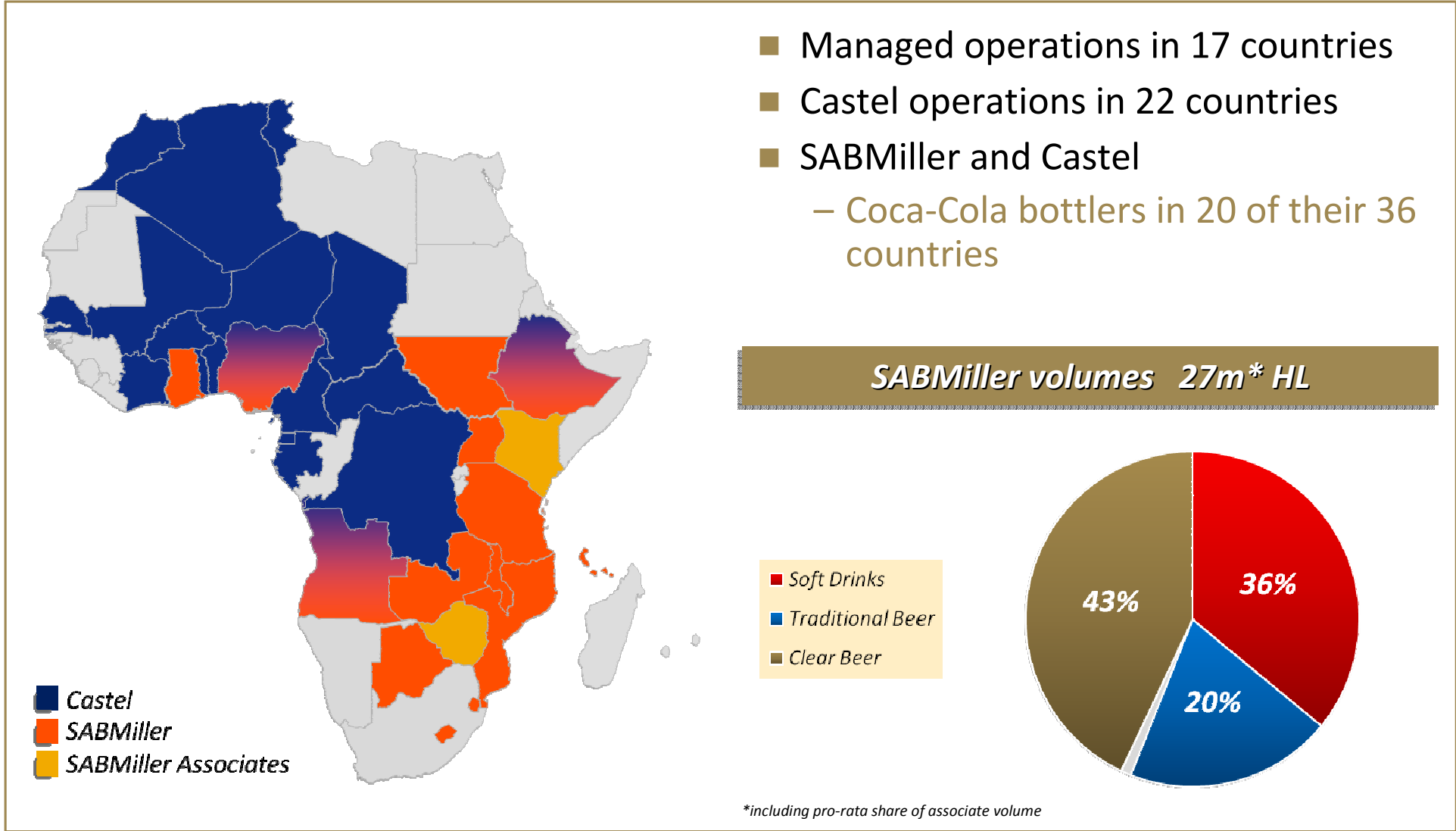




SABMiller in Africa

Operations in 36 of 52 African countries

- Managed operations in 17 countries
- Castel operations in 22 countries
- SABMiller and Castel
 - Coca-Cola bottlers in 20 of their 36 countries





SABMiller in Africa

Growth themes



■ Halve the Price of Beer in Africa

- Beer remains a relative luxury purchase

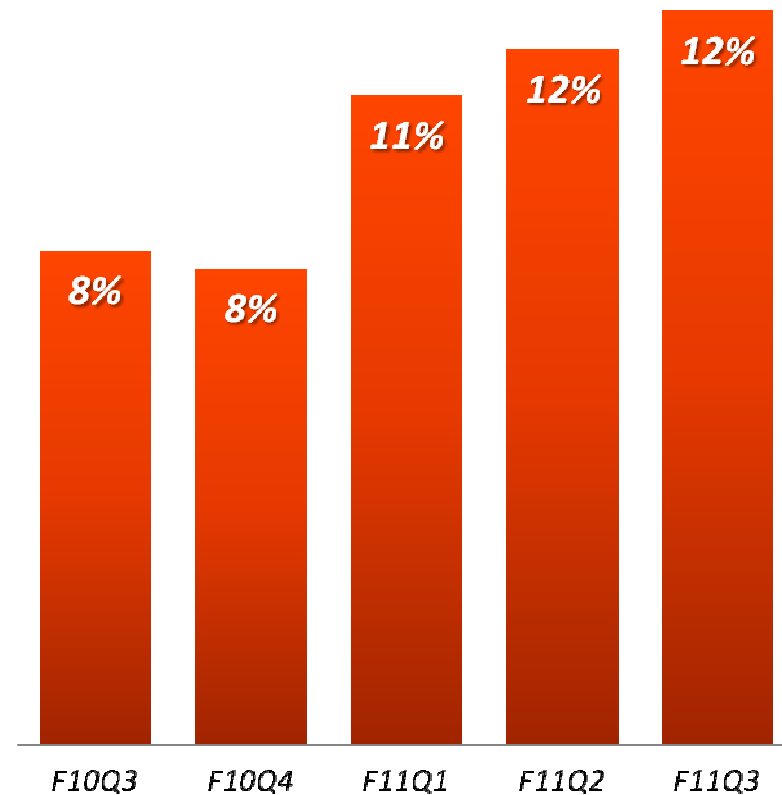
■ Double the Price of Beer in Africa

- Premiumization and differentiation to better serve aspirational consumer needs

■ Go farming!

- Protect 'Licence to trade' through sustainable local sourcing
- COGS benefits

SABMiller Africa Lager volumes
Consistent quarterly growth year on year



* Growth rates include Delta, Castel and Associates; F10Q1 and Q2 +4.0% and +1.8% respectively



Dimensioning the Beer market



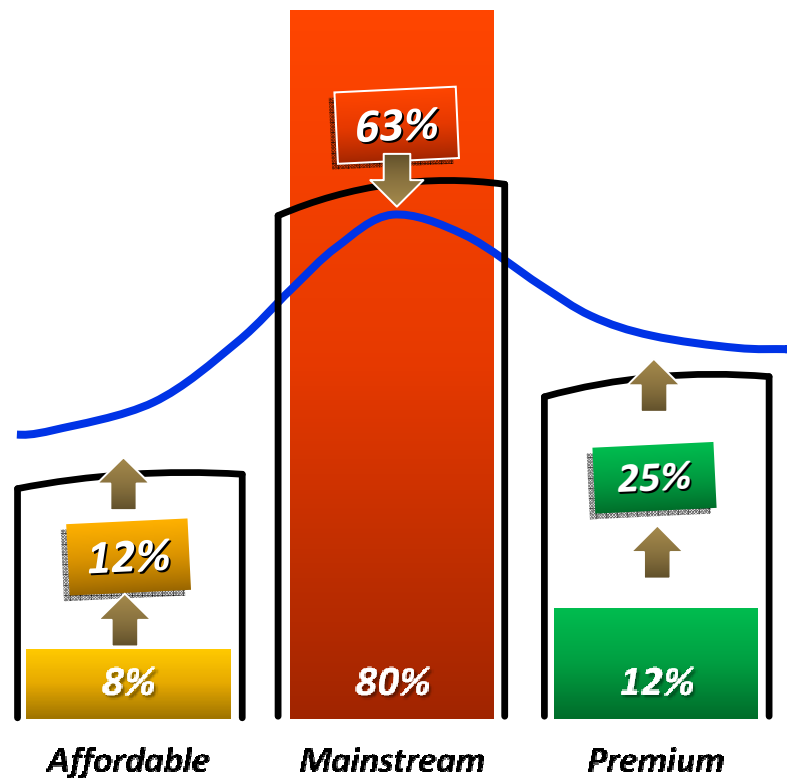


SABMiller in Africa

Category Expansion with longer price ladders

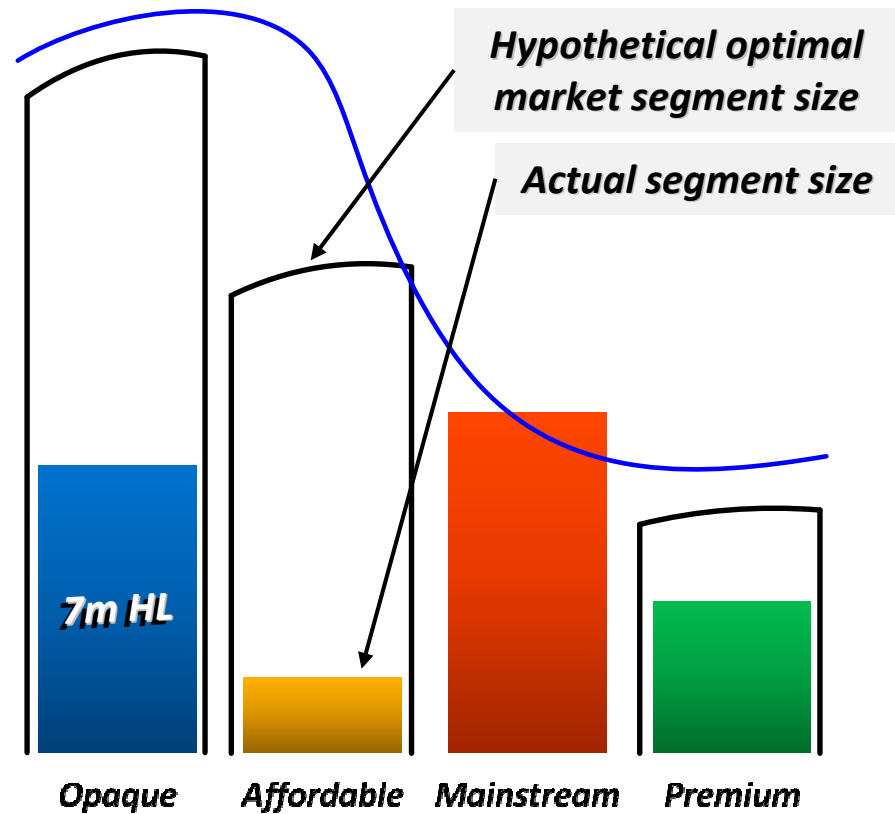


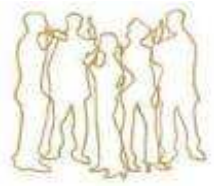
- **Both Premium and Affordable present a volume and value opportunity ...**



Note: Clear Beer portfolio percentages are F10 (top) and F08 respectively

- **Mainstream Beer is a premium category**





The rise of the middle class consumer....



- Urbanisation up from 28% to 40% since 1980
- 52 African cities have 1m+ population
- African consumer spending forecast to rise from \$860bn to \$1.4 trillion by 2020
- 1.1bn working-age Africans by 2040
- Middle class tendency to seek accessible symbols of badging and branding



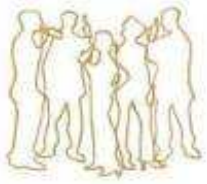


...and the entry of the new consumers



- 200m Africans will enter the market for consumer goods within five years
- Increasingly formally employed
- Enter the commercial beverage space
- Looking for products that resemble the mainstream
- Evolving to more modern alcohol consumption and socialising patterns





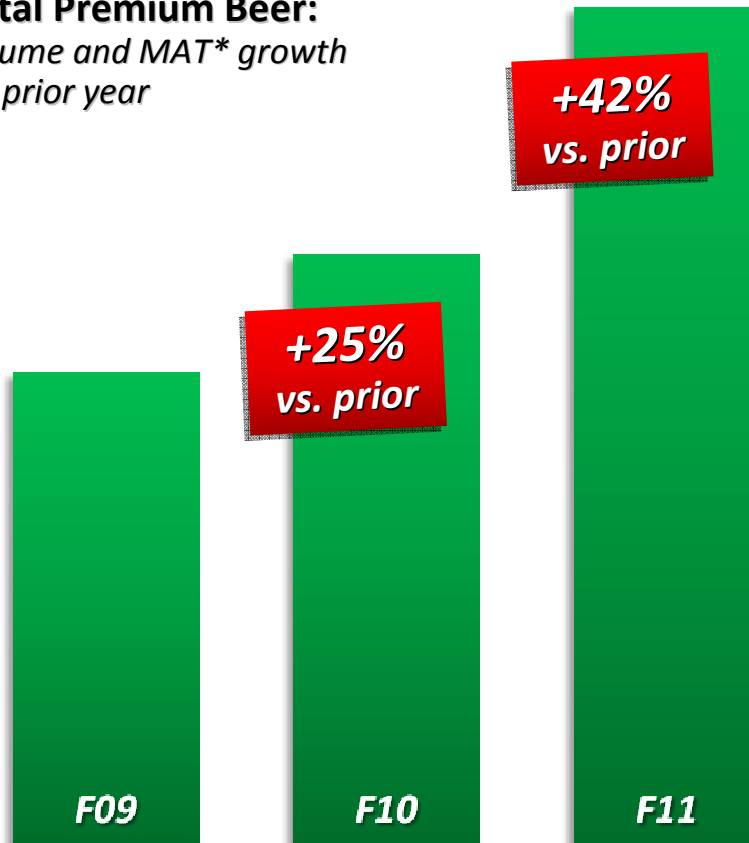
Differentiated Premium Portfolio

Local Premium Beer launched in every market



Premium is 25% of Beer category

Total Premium Beer:
volume and MAT* growth
vs. prior year



- Insight: “Our” Beer can compete with the best in the world
- 10-25% “accessible” premium
- Standardised marketing approach applied to all countries



Ouro em estado líquido.

Prémio de Qualidade Grand Gold no Monde Selection, Bélgica 2009



*MAT Dec'10



Differentiated Premium Portfolio

Standardised marketing approach applied



AS A NATION OF AVID BEER DRINKERS THE BRITISH KNOW A **PREMIUM BEER** WHEN THEY TASTE ONE.

Brewed with crystal malt to international standards.

EVERY GLASS, WORLD CLASS.

ENJOY RESPONSIBLY. NOT FOR SALE TO PERSONS UNDER THE AGE OF 18.

CHAMPAGNE HAS ALWAYS BEEN THE **PREMIUM DRINK** OF CHOICE IN FRANCE. NOT FOR LONG.

Brewed with crystal malt to international standards.

EVERY GLASS, WORLD CLASS.

ENJOY RESPONSIBLY. NOT FOR SALE TO PERSONS UNDER THE AGE OF 18.

IN GERMANY, EVERYTHING MEETS EXACTING STANDARDS. AND SOON SO **WILL THEIR IMPORTS.**

Brewed with crystal malt to international standards.

EVERY GLASS, WORLD CLASS.

ENJOY RESPONSIBLY. NOT FOR SALE TO PERSONS UNDER THE AGE OF 18.

ONLY OUR BREWMASTER HOLDS THE SECRET TO CRAFTING A **CRYSTAL MALT LAGER**.

Brewed with the finest crystal malt for a world-class taste.

Only the most exceptional and most talented are able to get the best out of nature. Just like an expert diamond cutter to be able to bring out the full and distinctive, and in the history of the world, there are few craftsmen renowned for mastering this extraordinary skill. Ours is our brewmaster.

Under the exacting international standards of his brewmaster, he uses only the finest most carefully selected grains of roasted malted barley, and sets in motion the delicate process of releasing their full taste. The result is a world-class beer with a fresher aroma, a richer golden colour and a milder taste—like gold, Uganda's original crystal malt lager.

Nature creates gems but only our Brewmaster can create the perfect Crystal.

BEYOND AN ORDINARY MALT.

ENJOY RESPONSIBLY. NOT FOR SALE TO PERSONS UNDER THE AGE OF 18.

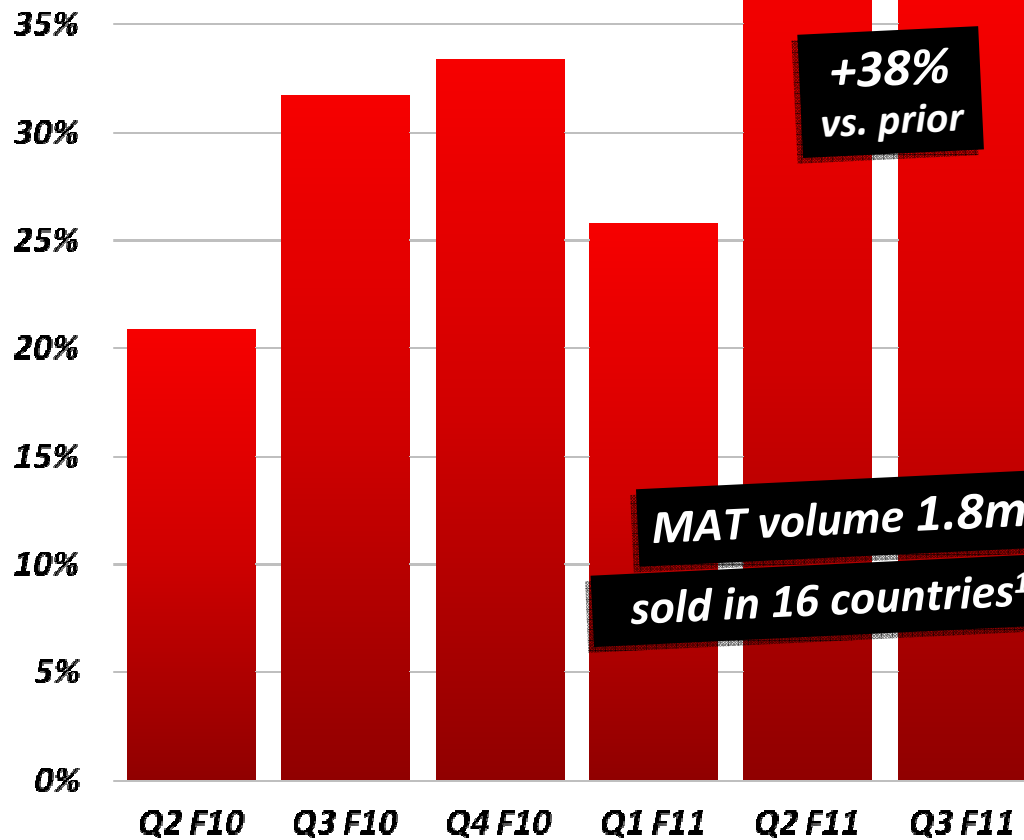


Differentiated Premium Portfolio

Castle Lager | Pan-African positioning



Castle family:
Quarterly and MAT* growth
vs. prior year



*MAT Dec'10 | ¹ Excludes South Africa

SCORE THE PERFECT SEAT
Simply get all your mates to strike a goal in the miniature goal posts provided to score the perfect seats and get closer to the game. There's only one chance for each friend!
LET THE GAMES BEGIN!

KNOW WHAT'S GOOD FOR YOU

WHY FOLLOW THE CROWD? TRY SOMETHING DARK, RICH AND SMOOTH



Differentiated Premium Portfolio

Laurentina Preta in Mozambique

Mozambique



Before

Laurentina 75 years commemorative campaign (Aug'07)

- Brand marketed alongside Laurentina Clara

HÁ COISAS QUE MELHORAM COM A IDADE.

EIS DUAS DELAS.

CADA VEZ MELHOR DESDE 1932

18 Seja responsável. Beba com moderação.

Some things get better with age. Here are two of them.

Every time better since 1932

After

Gold medal campaign (Aug'08)

- Brands positioned and marketed independently

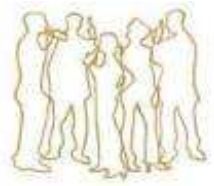
ESTA PRETA É MESMO BOA.

MEDALHA DE OURO NO CONCURSO INTERNACIONAL DE CERVEJAS, BÉLGICA 2008

18 Seja responsável. Beba com moderação.

This black is damn good.

Gold medal in international quality selection of beer, Belgium 2008



Differentiated Premium Portfolio

Laurentina Preta positioning

Mozambique



Now

The most African of our Beers campaign (Sep'09)

A mais africana das nossas cervejas.



Esta preta é mesmo boa!

Seja responsável. Beba com moderação.

A mais africana das nossas cervejas.



Esta preta é mesmo boa!

Seja responsável. Beba com moderação.

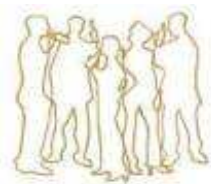
A mais africana das nossas cervejas.



Esta preta é mesmo boa!

Seja responsável. Beba com moderação.

The most African of our beers. This black is darn good.

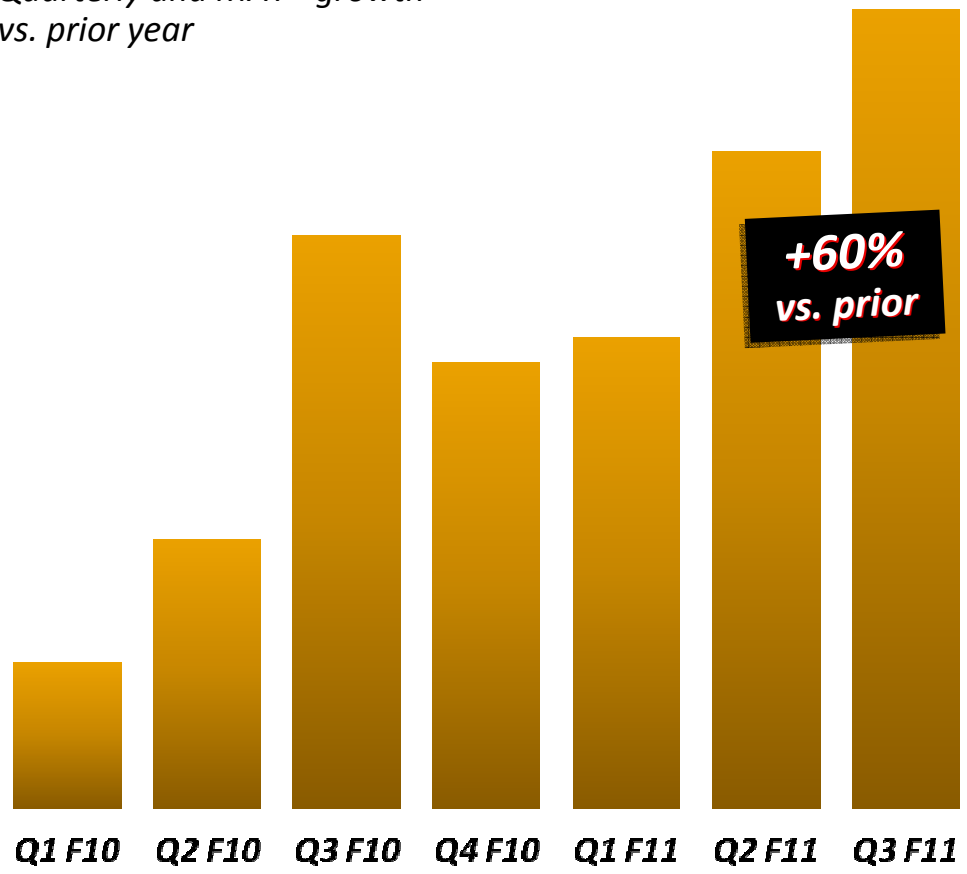


Differentiated Premium Portfolio

Laurentina Preta now the biggest brand in Mozambique

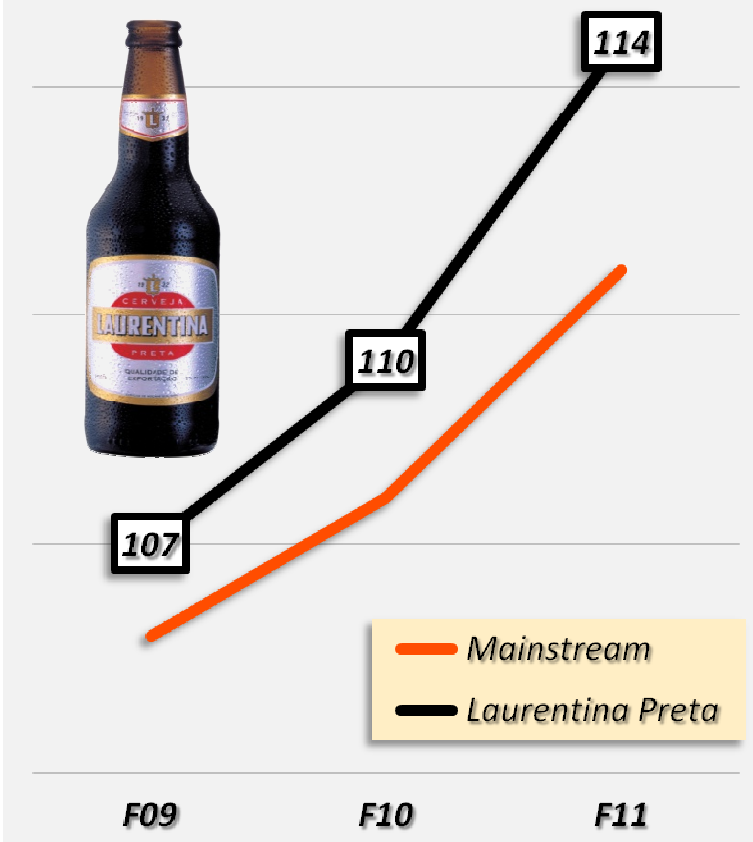


Laurentina Preta:
Quarterly and MAT* growth
vs. prior year



*MAT Dec'10

Price ladder:
Laurentina Preta indexed to Mainstream



— Mainstream
— Laurentina Preta



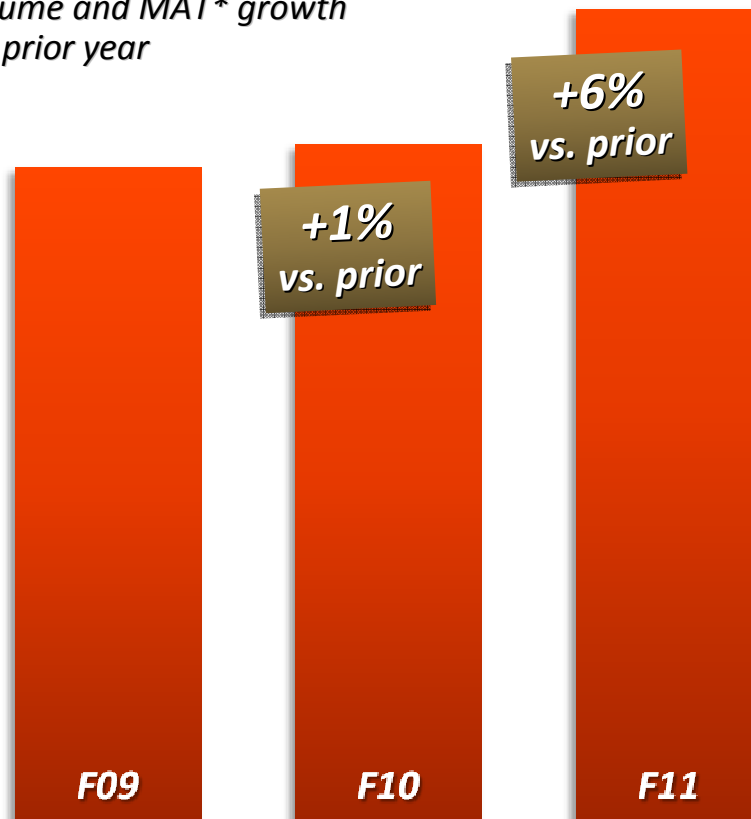
Strengthening Mainstream Brands

Investing in our core brands



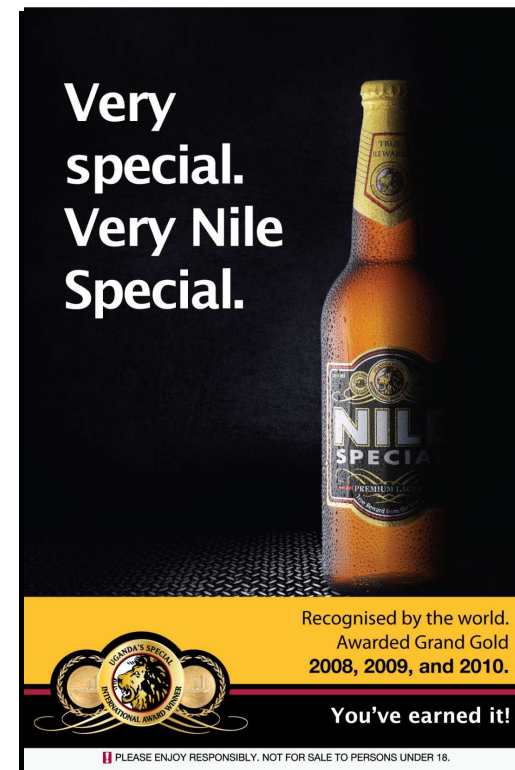
Mainstream is 63% of Beer category

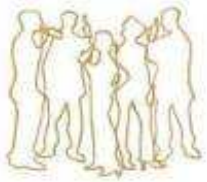
Total Mainstream Beer:
volume and MAT* growth
vs. prior year



*MAT Dec'10

- Driving distinctive positioning and integrated commercial campaigns
- Brand and Packaging renovations





Category Expansion

Making Clear Beer more affordable

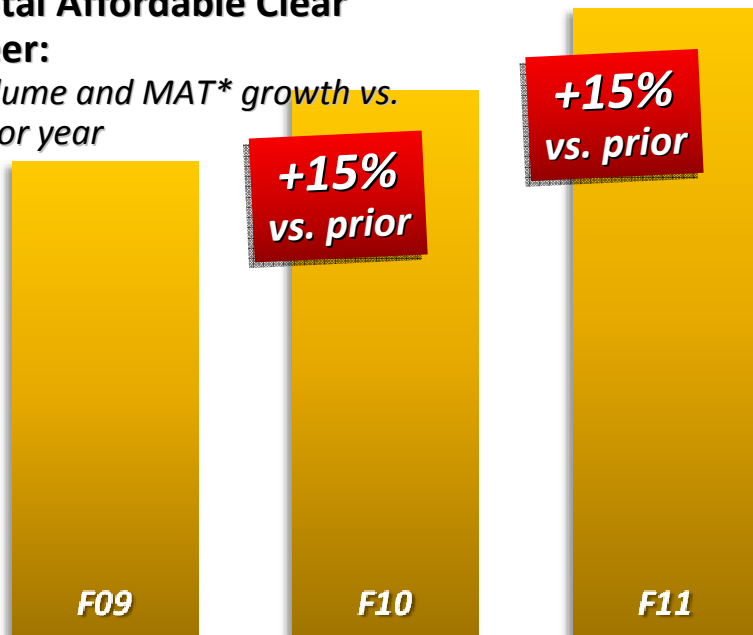


Affordable is 12% of Beer category

- Affordable Clear Beer made from sorghum
- Lower excise for local ingredients
- Price at 80% of mainstream

Total Affordable Clear Beer:

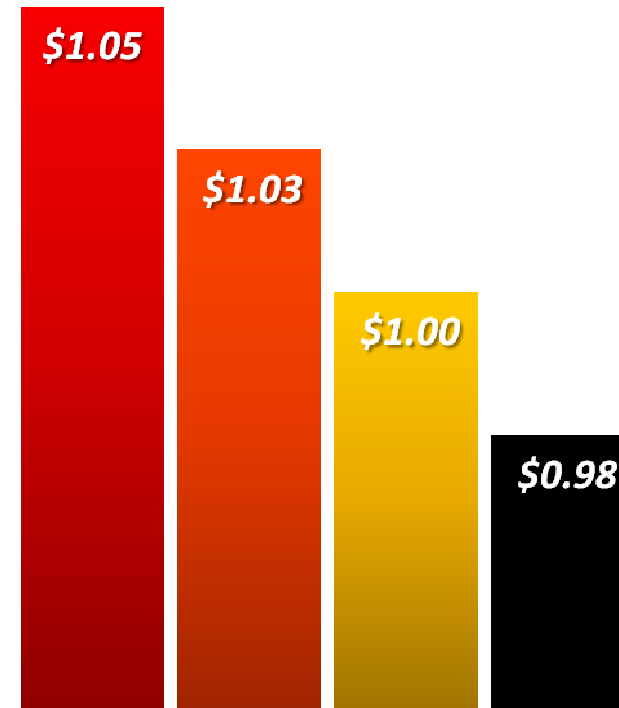
volume and MAT* growth vs. prior year



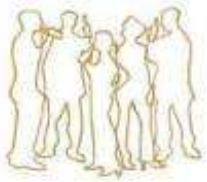
*MAT Dec'10

Improving affordability over time

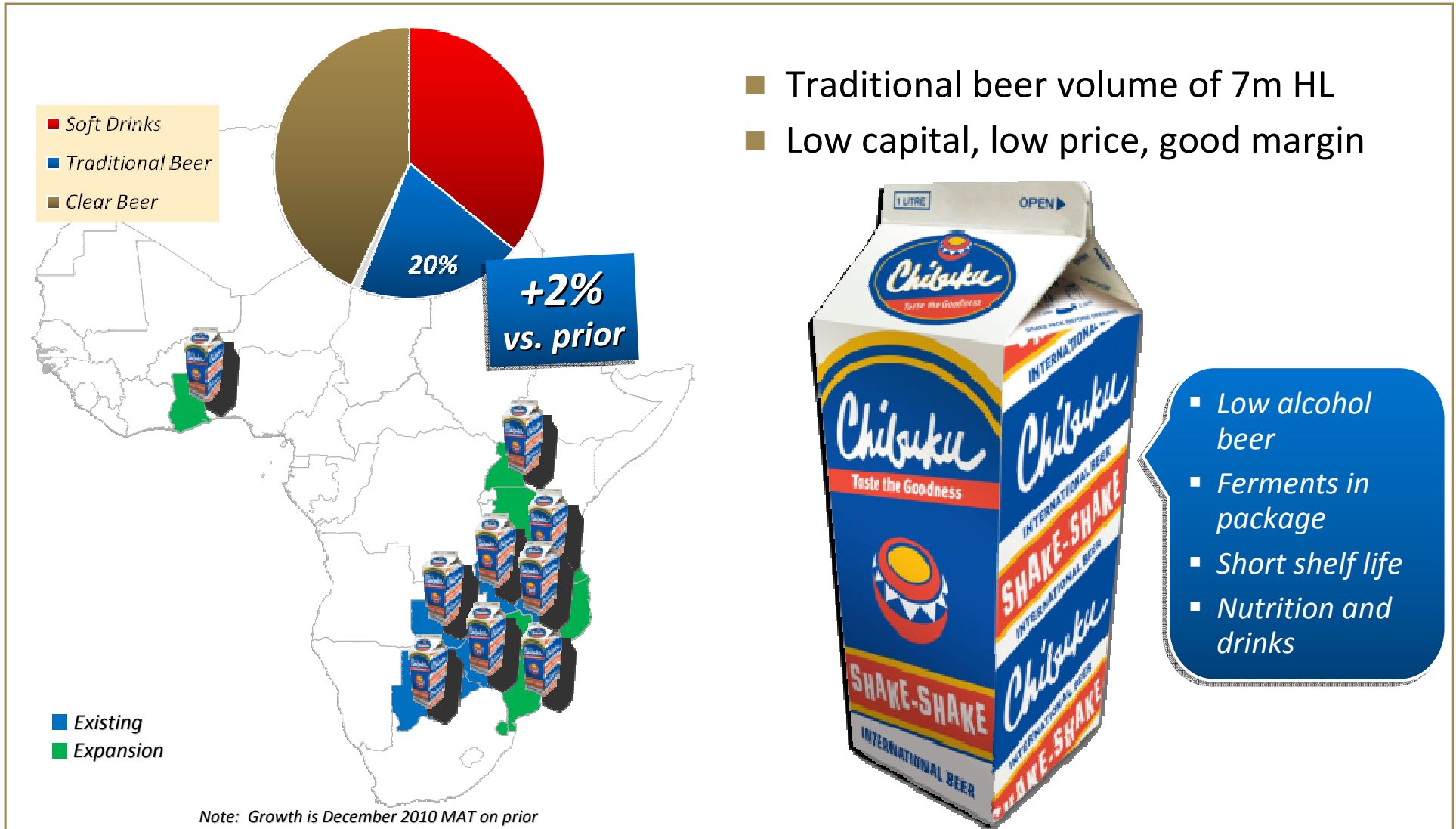
- Pricing restraint to improve average affordability



Note: Price p/serve illustration uses Mozambique pricing as a proxy



Expanding Traditional Beer footprint



- Traditional beer volume of 7m HL
- Low capital, low price, good margin

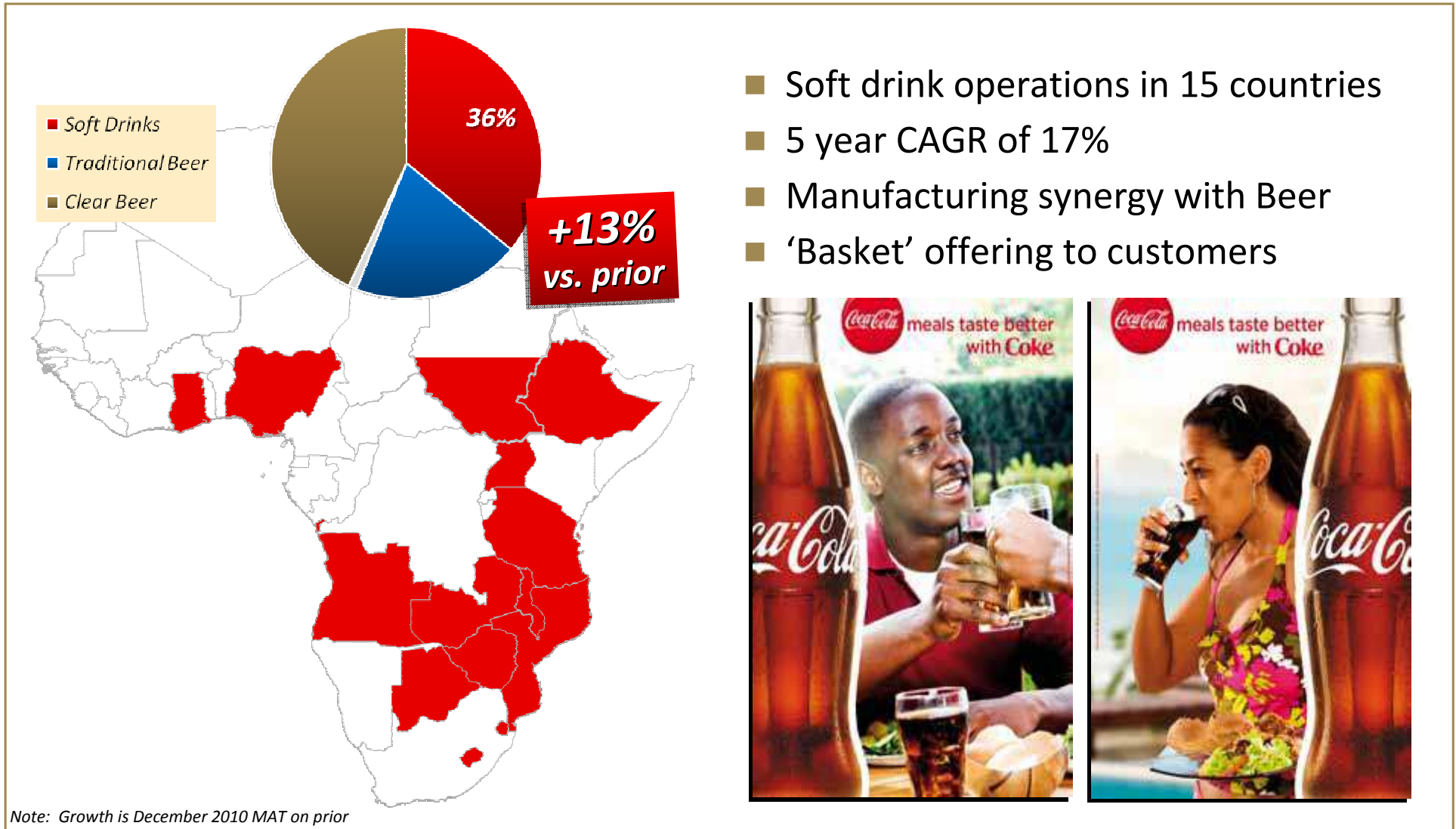


- Low alcohol beer
- Ferments in package
- Short shelf life
- Nutrition and drinks



Multi-Beverage model creates scale advantages

Expanding Soft Drinks





Winning through Channel Execution

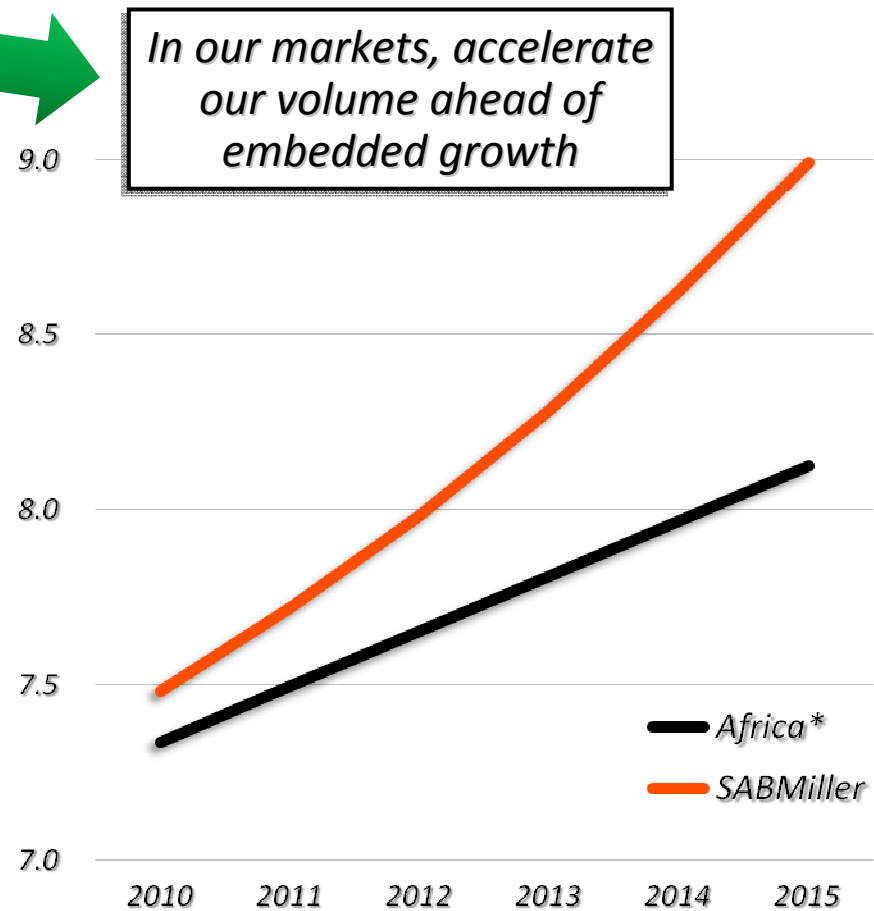
Increasing investment



- Double digit increases in marketing spend over 3 years
- Route to Market | A balance of direct service and well organised distributors
- Increased sales staff investment and coverage to reach more consumers
- Technology investment to measure daily trade execution
- Outlet execution uplift to 'cut through' and communicate brand and price
 - More accessible consumer pricing
 - Increase cold availability incidence
 - Step change in category development



Africa* Beer Consumption:
litres per capita



Source: Plato, August 2010; *Africa excluding South Africa



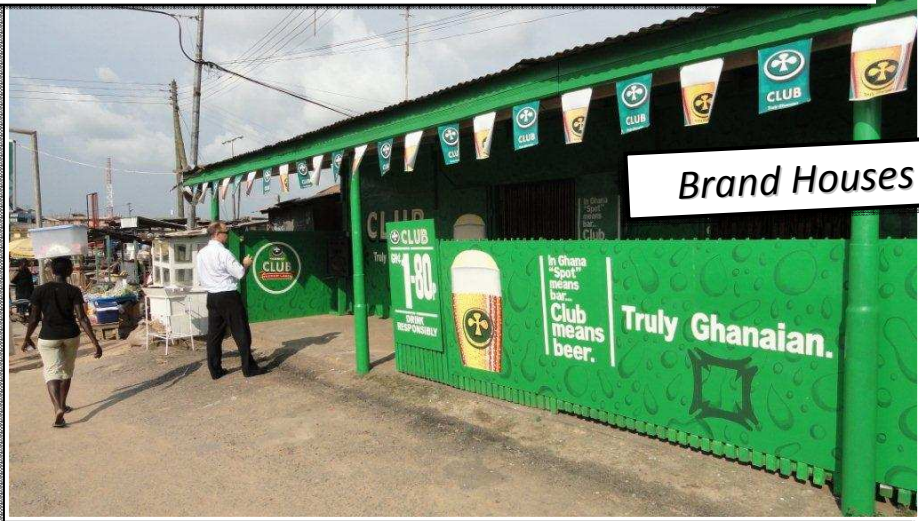
Winning through Channel Execution

Influence the consumer at the point of sale

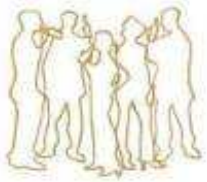
95%+ on premise consumption



Look of success



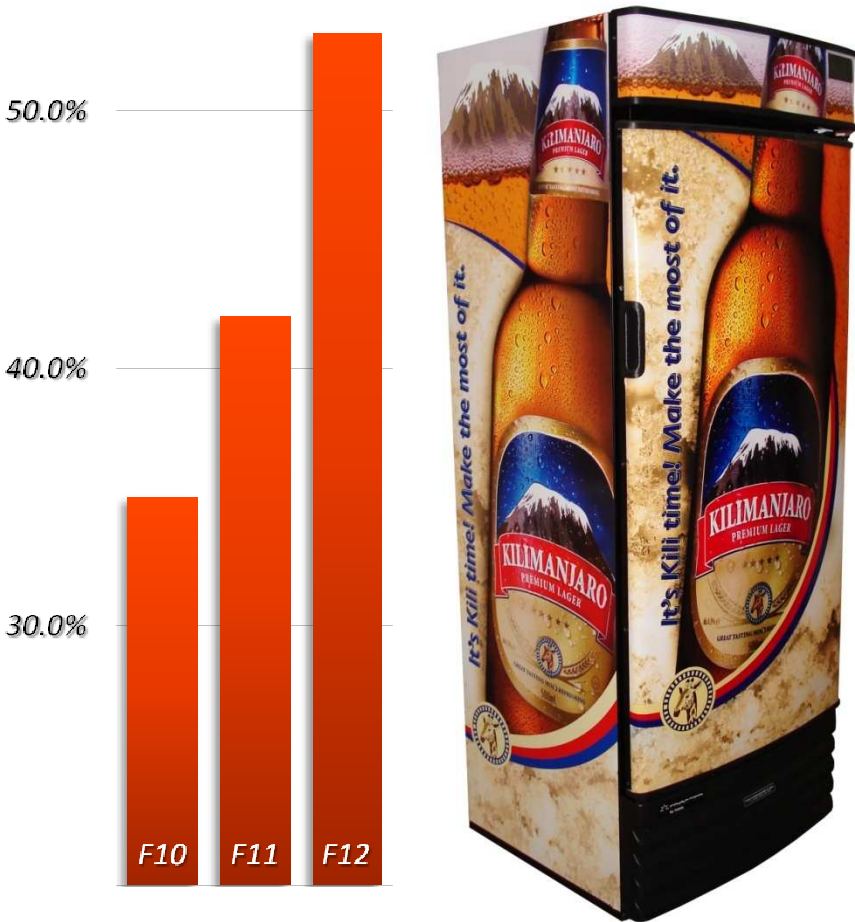
Brand Houses



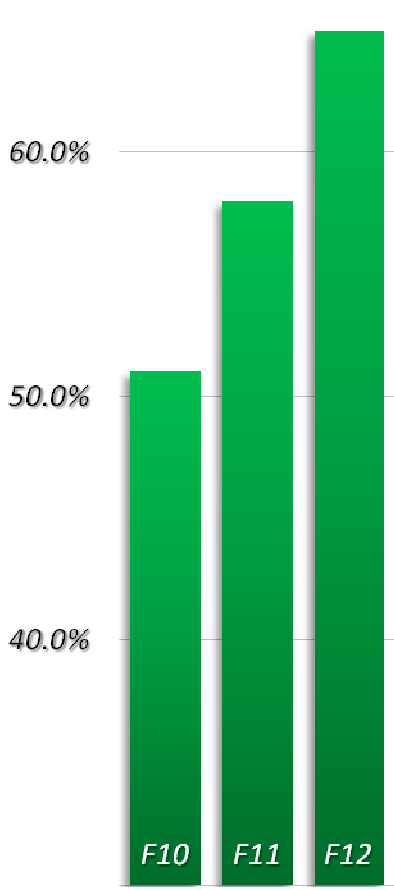
Winning through Channel Execution

Improving affordability and cold availability

SABMiller Africa Cooler Penetration:
% serviced outlets with cold availability



Price Compliance:
% outlets at RRP



Affordability is key

FAIR DEAL

- CARLING Black Label M 10⁰⁰ 750ml
- CASTLE M 10⁰⁰ 750ml
- HANSA M 10⁰⁰ 750ml
- MALUTI M 10⁵⁰ 750ml
- CASTLE LITE M 10⁵⁰ 750ml
- REDD'S ORIGINAL M 10⁵⁰ 660ml

WHY PAY MORE

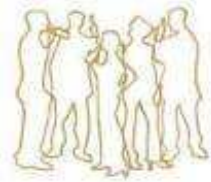
Enjoy Responsibly. Not for Sale to Persons Under the Age of 18.

Tanzania Review

Robin Goetzsche

Managing Director - Tanzania Breweries Ltd
Operations Director - SABMiller East Africa





SABMiller

East Africa footprint



■ TANZANIA

- 1993 | 50% acquired of Tanzanian Breweries Ltd
- 1998 | IPO in 1998 resulted in 75% stake
- 2001 | EABL agreement for 20% in TBL
- 2010 | EABL exits TBL

■ KENYA

- 2001 | Closed Castle Brewing
- 2001 | SABMiller agreement for 20% in KBL

■ UGANDA

- 1997 | 40% acquired in Nile Breweries
- 2001 | Increased to 93%
- 2010 | Acquired Rwenzori Bottling

■ SOUTH SUDAN - 2009 | Commissioned Southern Sudan Beverages (Juba)

■ ETHIOPIA - 2008 | Acquired Ambo water from government



■ SABMiller East Africa



Tanzania's economic fundamentals

Strong GDP and embedded growth

	F10	F11	F12	F13	F14	CAGR
<i>GDP - US\$m</i>	26,400	31,200	35,400	40,100	45,800	10.1%
<i>Real GDP Growth - %</i>	6.4%	6.5%	6.6%	6.3%	6.3%	
<i>GDP per Capita - US\$</i>	605	698	773	854	951	8.0%
<i>Pop – m</i>	45	46	48	49	51	2.2%
<i>Pop Growth - %</i>		3.1%	3.0%	2.9%	2.8%	
<i>LDA Pop – m</i>	21	21	22	22	23	1.8%
<i>LDA Pop Growth - %</i>		2.0%	2.3%	2.6%	2.4%	
<i>Consumer price - % y on y</i>	7.0%	7.0%	7.5%	7.5%	7.5%	
<i>Exchange rate - USD ave.</i>	1,333	1,483	1,554	1,662	1,780	

- Economic growth of 6%+ p.a.
- Currency depreciation at inflation



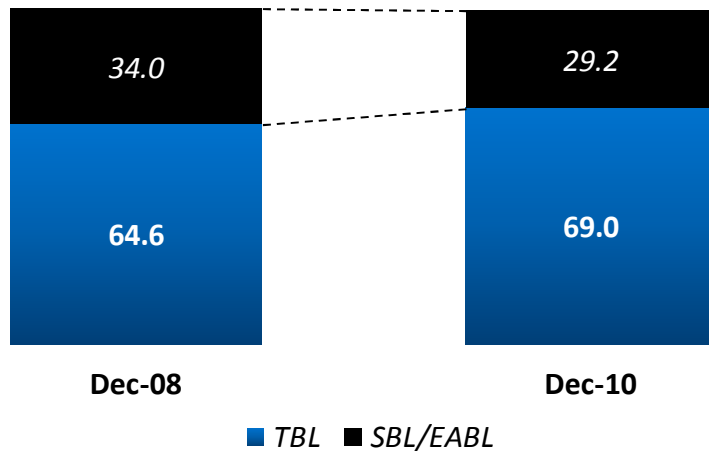
The competitive landscape

Progressive market share growth

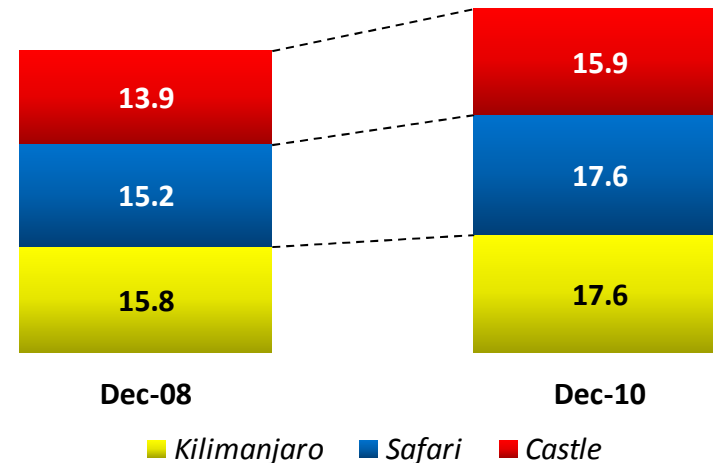


- Brand portfolio innovations
- Commercial initiatives
- Improved quality and capacity
- Strong growth in premium brands

Market Share: MAT%



Brand Share: MAT%



Source: Frontline



Tanzania Breweries Ltd

Before and after ... what has changed



Before 2008

Production led + internal focus

- **'Friendly' external environment**
 - JV with EABL
- **'Squeezing' the asset base**
 - Optimizing capacity and costs
- **A staid brand portfolio**
 - Low DME investment
 - >95% of volume at one price point
- **Poor channel advocacy**
 - Weak trade execution

After 2008

Market led + brand focus

- **More competitive industry**
 - Competitor with regional ambition
- **Deliberate expansion of capacity and footprint**
 - Step change in quality & capacity, SKU flexibility
- **Rejuvenated brand portfolio**
 - Significant increase in DME
 - Diversified price ladder
- **Improved channel advocacy**
 - Stepped up activity and impact in-trade



Tanzania Breweries Ltd



Our ambition

- #1 brand in each category and segment
- Superior route to market capability
- Competent people delivering quality and service
- Strong financial discipline
- Relevance to Tanzanian society at large

Delivered through

- Consumer value provided by volume scale and market share growth
- Ensuring double digit EBITA growth and sustainable margins



Strengthening mainstream brands

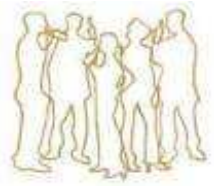
Kilimanjaro Premium Lager



- “Greater Heights” campaign
- Intrinsic - Refreshing the Tanzanian Thirst (Splash campaign)
- Continue to own the “pride in origins” platform
- Local football and music sponsorships
- Moving annual growth of +10%



*% MAT Dec'10



Strengthening mainstream brands

Safari Lager



- “Strength of spirit” campaign
- Intrinsic – Masculine character.
More taste, more satisfaction
- New bottle launch in 2010
- Brand turnaround
 - MAT +1%
 - 3MM +6%

**Kwa wanaume wa ukweli
Waletao mabadiliko**

John Kayange.
Mmiliki wa gereji.

Ladha kamili, Inayoridhisha zaidi.

HAIRUHUSIWI KULUZWA KWA WENYE UMRI CHINI YA MIAKA 18.

* MAT and 3MM Dec'10

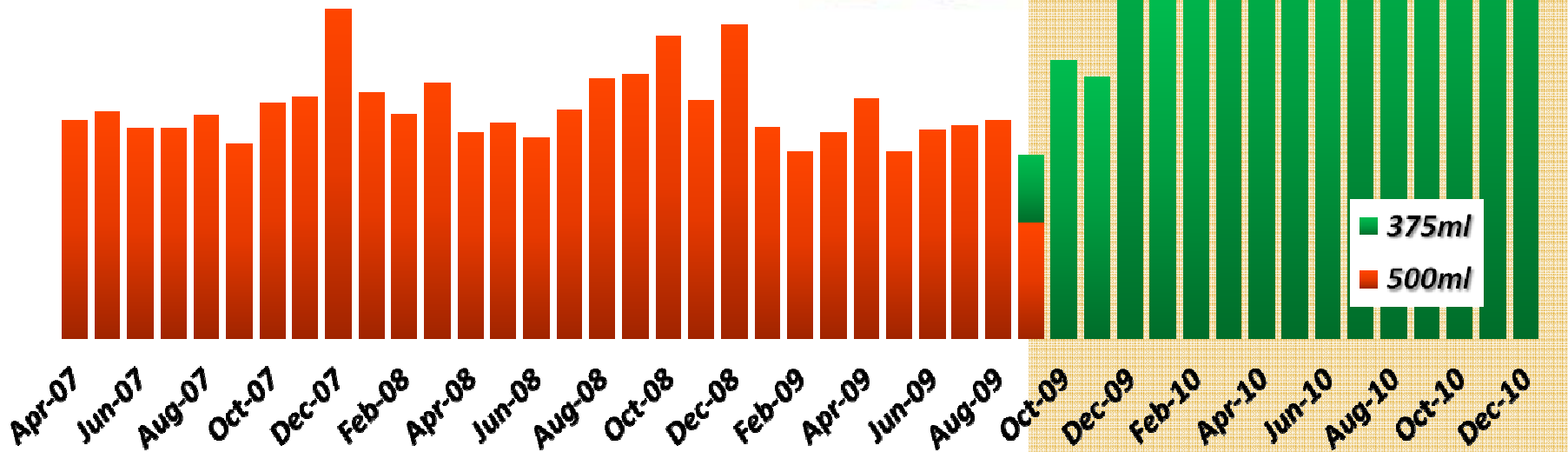


Differentiated Premium Portfolio

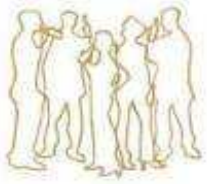
Ndovu Special Malt



Ndovu Special Malt:
Monthly volume and MAT* growth
vs. prior year



*Growth is December 2010 MAT on prior

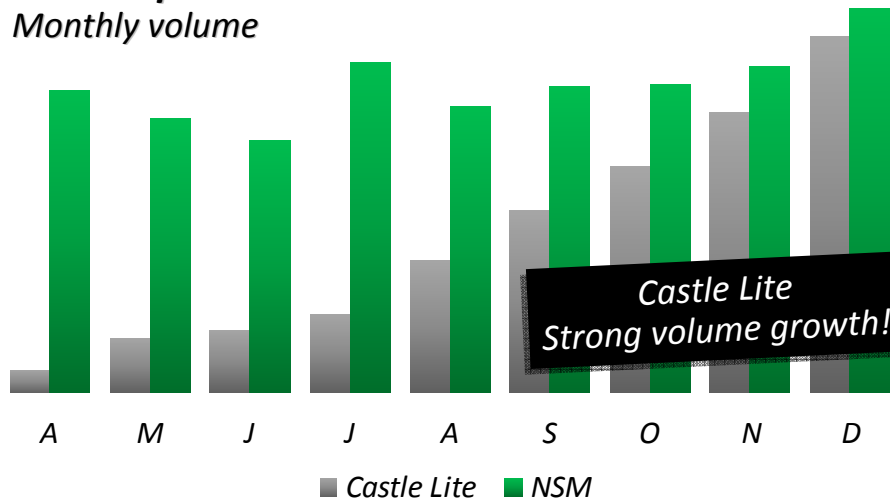


Differentiated Premium Portfolio

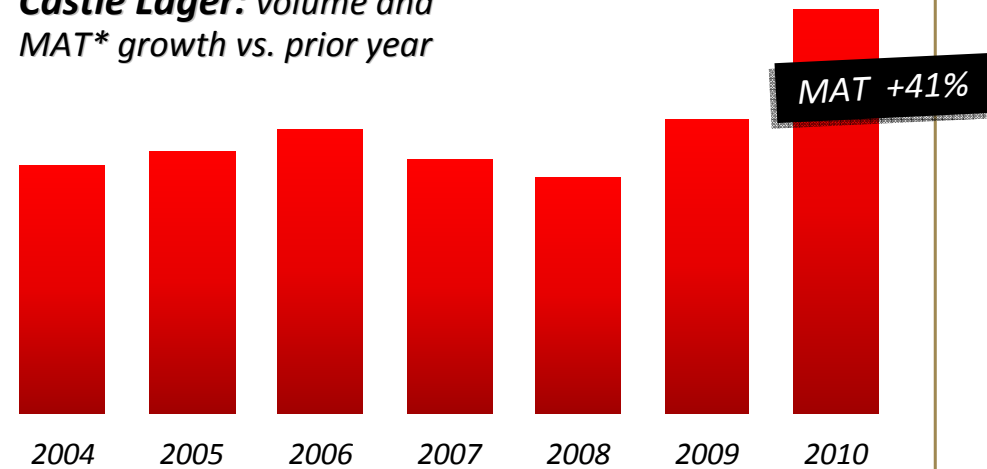
Premium brand growth driving positive mix



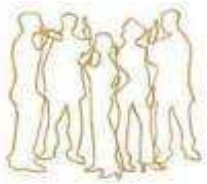
Ndovu Special Malt and Castle Lite:
Monthly volume



Castle Lager: volume and MAT* growth vs. prior year



* MAT Dec'10

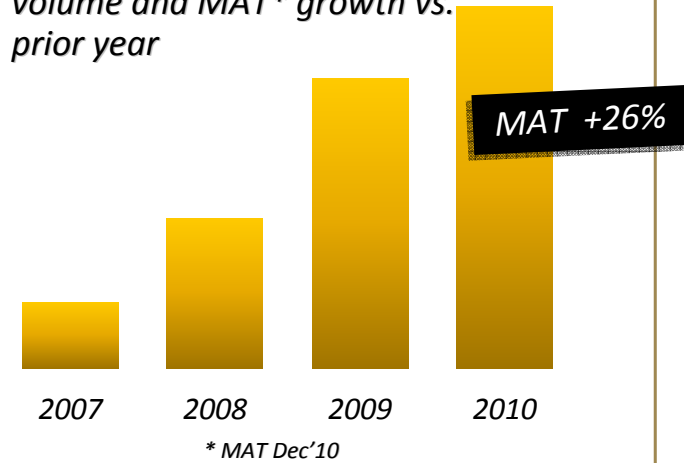


Expanding Categories

Brand and pack innovation has driven volume growth



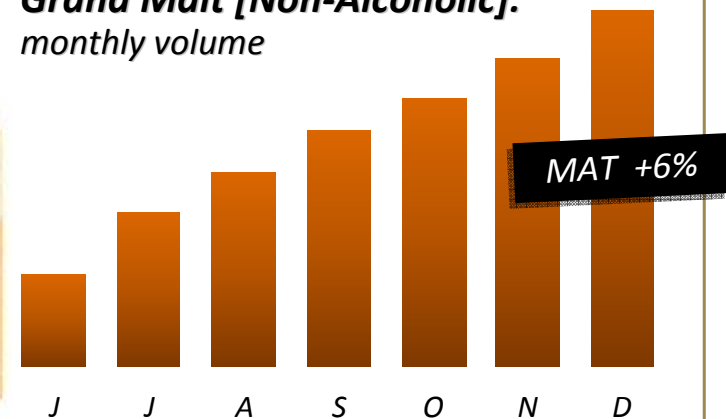
Eagle [Affordable Lager]: volume and MAT* growth vs. prior year



Redd's: volume and MAT* growth vs. prior year



Grand Malt [Non-Alcoholic]: monthly volume

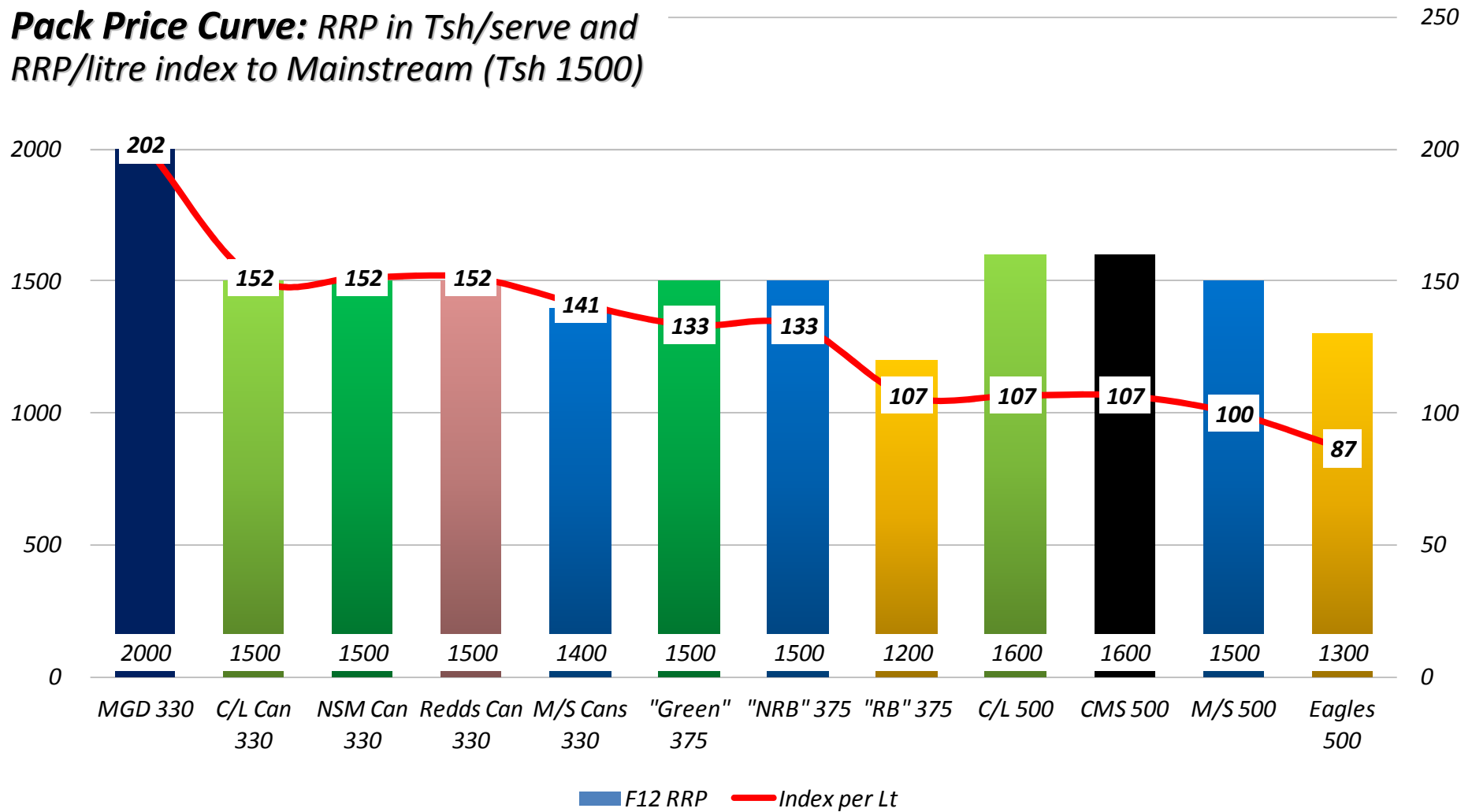


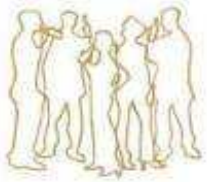


Revenue management

Brand Pack Price architecture creating value

Pack Price Curve: RRP in Tsh/serve and RRP/litre index to Mainstream (Tsh 1500)





Winning through Channel Execution

In trade execution

- RTM structured to enable profitable relationships to **maximise beer availability at the right price**
 - Distributor/DC engagement programs
 - Terms of trade effectiveness
 - Guide to Operations Excellence
- Sales force **execution focused** on
 - “Going through the door” (call hit rate)
 - Building relationships that support our initiatives
 - Leveraging hand held technology benefits

- *11 Depots and 14 Distributors, 180 Distribution centres*
- *10,000 retail outlets serviced, Sales force of 125*

- **Driving market share growth** at outlet level through
 - Quality product experience
 - Brand and pack availability
 - Price in line with expectation
 - Visibility aiding choice and enhancing the experience





Winning through Channel Execution

Single minded brand focused outlets



Differentiated Premium Portfolio

The latest Ndovu Special Malt billboard execution

WAY BEYOND AN ORDINARY MALT



Ndovu Special Malt, with unique Crystal Malt is
Tanzania's Premium Lager of choice

Awarded the Monde Selection Grand Gold Medal 2010



Drink Responsibly Not for Sale to Persons Under the Age of 18.

Strengthening mainstream brands
Kilimanjaro Premium Lager billboard execution





Category Expansion

Tanzania Distilleries Ltd a key portfolio component



- Owned by Tanzania Breweries Limited 65% and Distell 35%.
- **Double digit year on year growth**
- **95%+ spirits market share within Tanzania**
- **Exports** to Southern Sudan, Uganda, Burundi, Rwanda and Kenya
- **F12 capacity expansion project**





Category Expansion

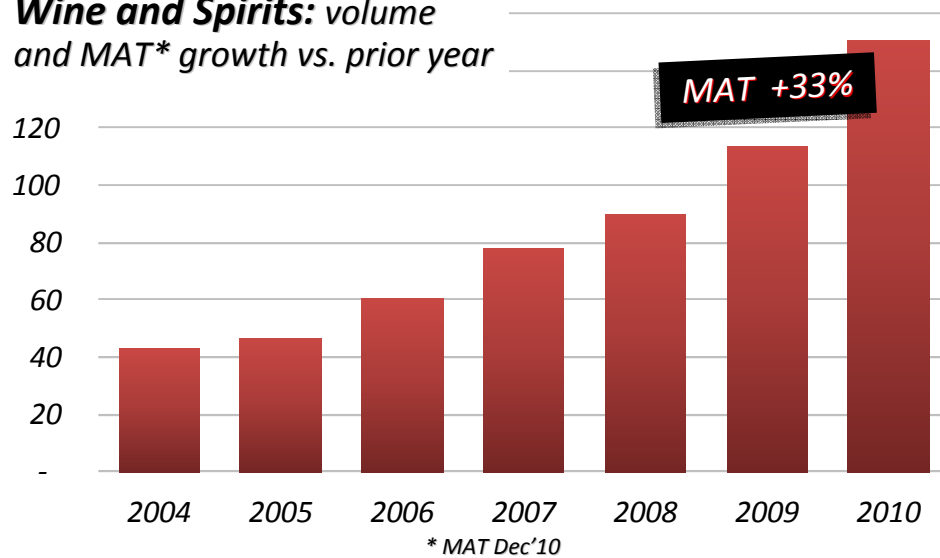
Tanzania Distilleries Ltd a key portfolio component



- **Konyagi market leader** in spirits
- **Local wine initiative**
 - including vineyards in Dodoma
 - No excise on domestic wine



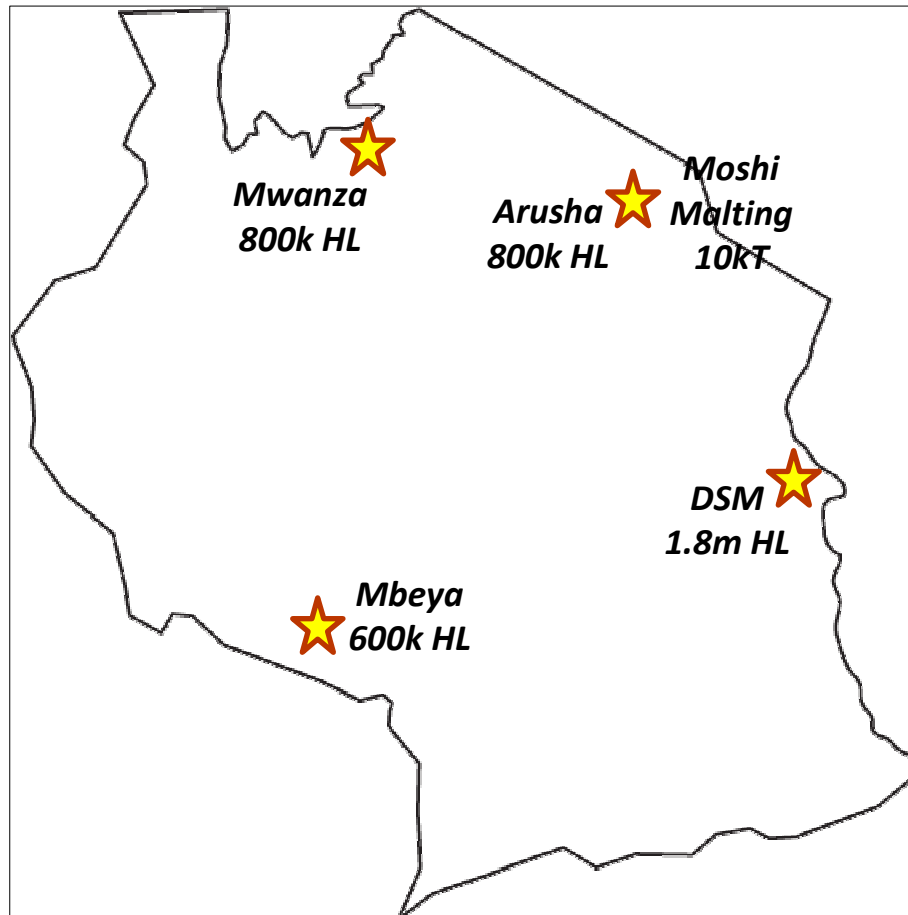
Wine and Spirits: volume and MAT* growth vs. prior year





Capacity Expansion

Well positioned manufacturing footprint



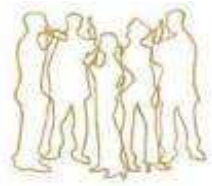
- DSM, Arusha and Mwanza >50% of volume
- Rural penetration continues to offer growth opportunities as infrastructure improves
- Brewery footprint mitigates against significant transport costs
- Significant growth in far south (Mbeya supply area)
- 4th brewery commissioned in Nov'09 (Mbeya)
- New 48k p.h. packaging line in DSM
- Brewhouse and water treatment upgrades



Capacity Expansion | Mbeya brewery

11 months in the making ... world class in Africa!





Sustainable development

Increasing local raw material content in our beers



■ Barley farming

- Farmer support through extension services (9 people)
- Over 500 small scale farmers, divided into 10 co-ops
- 2011 contracts for 19000t
 - 31% self-sufficiency
 - In 2010 8300t harvested at 14% self-sufficiency
- TBL finances inputs

■ Sorghum farming

- 11000t for 2011

■ Grapes from **vineyards** in Dodoma for TDL





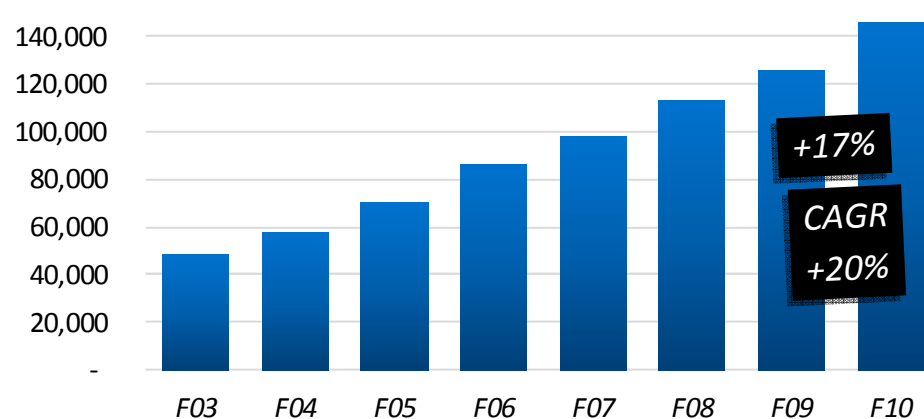
Tanzania Breweries

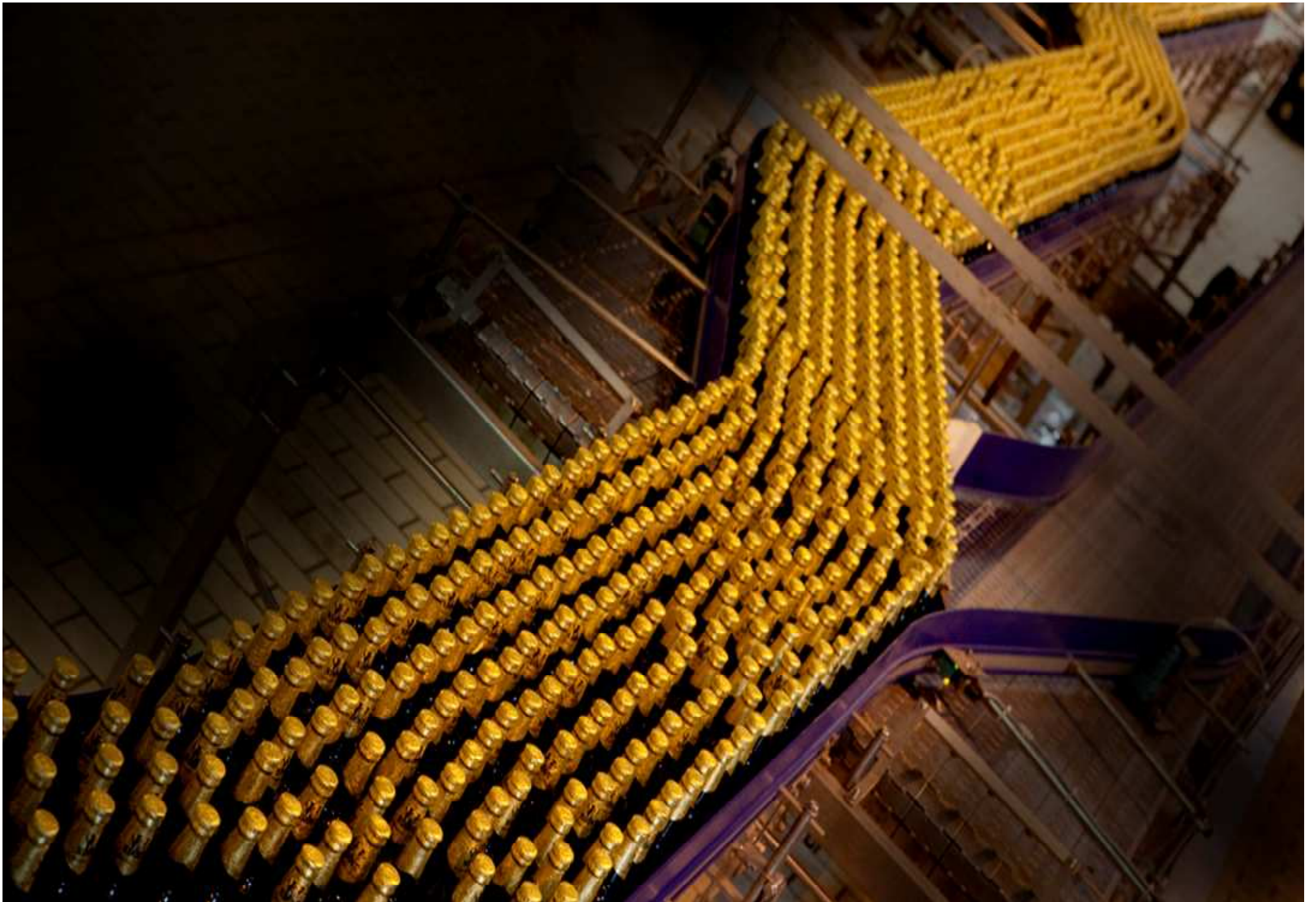
Outlook



- Alcohol beverage market has the potential to continue to grow at +6% p.a.
- Tanzania Breweries is well positioned to capitalise on this:
 - Balanced brand portfolio
 - Commercial team geared to build competitive advantage in the market
 - Significant capacity investment in place to deliver sustainable product quality, efficiently
 - We continue to build on our reputation as the leading organisation in Tanzania, providing our shareholders with consistent returns

TBL: EBIT in Tsh milions







Investing in Africa

Increased capacity and new markets



New Markets

- Nigeria – recent entry
- Southern Sudan – performing well; operating at capacity after 18 months
- Ethiopia (Ambo water) – partnership with government; new capacity in place – performing well
- Zimbabwe re-incorporated in F11

Recent Breweries commissioned

- Angola, North Luanda 2.5m HL
- Mozambique, Nampula 500k HL
- Tanzania, Mbeya 500k HL



Zimbabwe

Back in the fold

Zimbabwe



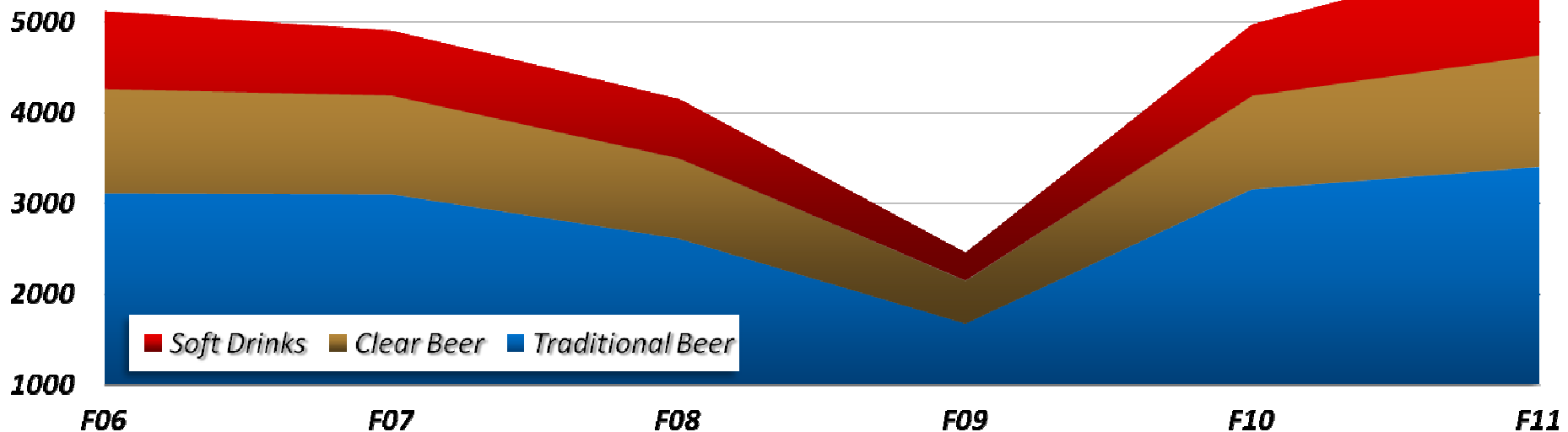
- Strong recovery in volume
- By volume, again the biggest operation in the Africa portfolio
- US\$ default currency, single digit inflation and political compromise
- An experienced management team in a well run business

Total Beverages:

6000 – volume in kHL and H1 growth vs. prior year

Beer +54% vs. prior

Soft Drinks +41% vs. prior





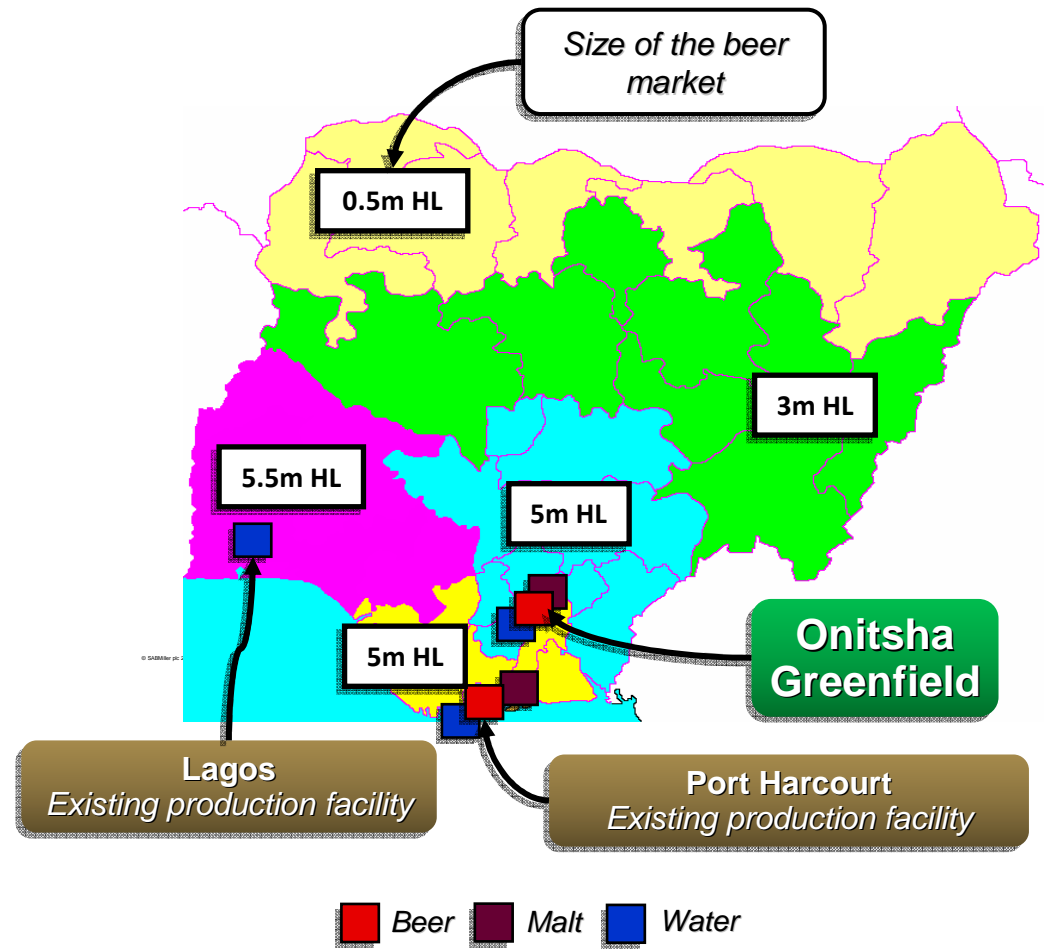
Nigeria

Onitsha Greenfield brewery

Nigeria



- Largest population in Africa
 - 2nd biggest beer market
- Forecast to grow by 4.7% p.a.
- Voltic water (acquired in 2008)
- Port Harcourt, Grand brewery (acquired in 2009)
- Onitsha Greenfield (completion Sep'12)
 - Investment of \$100m over 3 years





Licence to Trade

Localising our supply chain

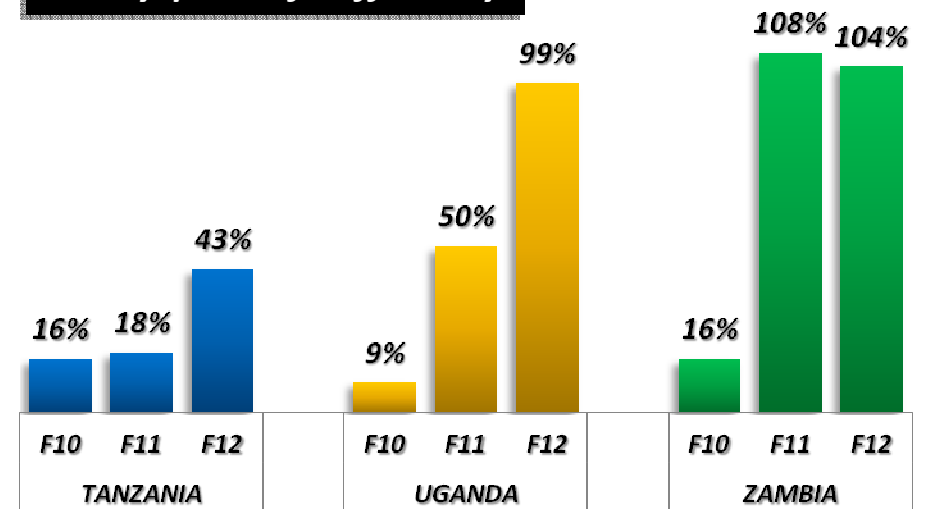


From 18,000 to 45,000 farmers by F13



- ~80 % of raw materials historically imported
- Driving costs savings through raw material substitution
- Government support and excise advantage

Barley | % Self Sufficiency





SABMiller Africa: Conclusion



- Africa's long term growth prospects remain positive
- We have strong and defensible market positions
- Investments in capacity, people and marketing paying off

Halve the price of beer

Double the price of beer

and ... Go farming!



Africa

Medium-term value driver outlook



- **Volume growth**
 - High single digits

- **Revenue per hl**
 - 3-5% revenue per hl increase subject to currency fluctuations

- **EBITA margin**
 - Growth of +80-100 bps average per year

