

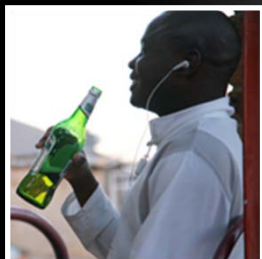


# *SABMiller plc*

**F'13 First half results**  
Six months ended 30 September 2012

Jamie Wilson, Chief Financial Officer  
Gary Leibowitz, Sr. VP Investor Relations

27 November 2012



# Forward looking statements



This presentation includes 'forward-looking statements' with respect to certain of SABMiller plc's plans, current goals and expectations relating to its future financial condition, performance and results. 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 document. 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. The past business and financial performance of SABMiller plc is not to be relied on as an indication of its future performance.

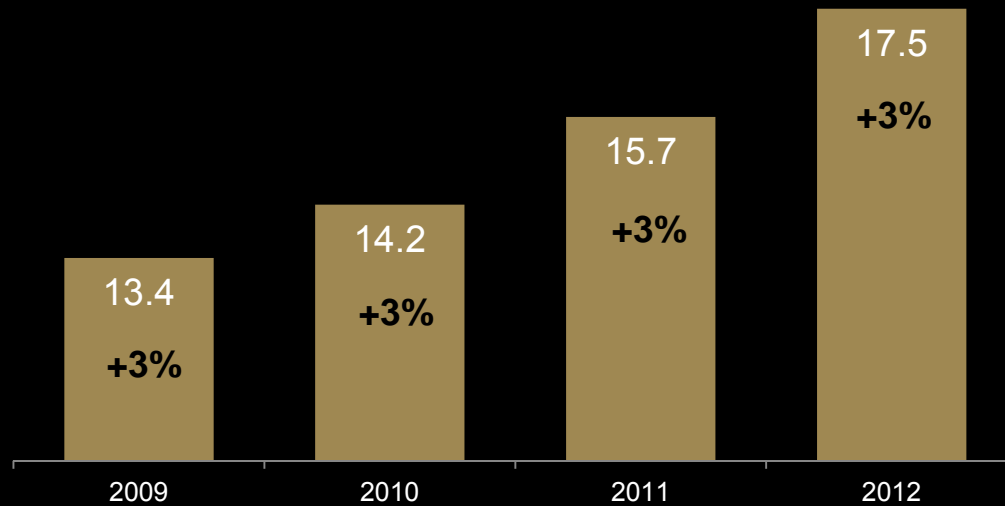
All references to "EBITA" in this presentation refer to earnings before interest, tax, amortisation of intangible assets (excluding software) and exceptional items. EBITA also includes the group's share of associates' and joint ventures' EBITA on the same basis. All references to "organic" mean as adjusted to exclude the impact of acquisitions and disposals, 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. References to "underlying" mean in organic, constant currency.

## OVERVIEW

*Strong revenue growth continues*

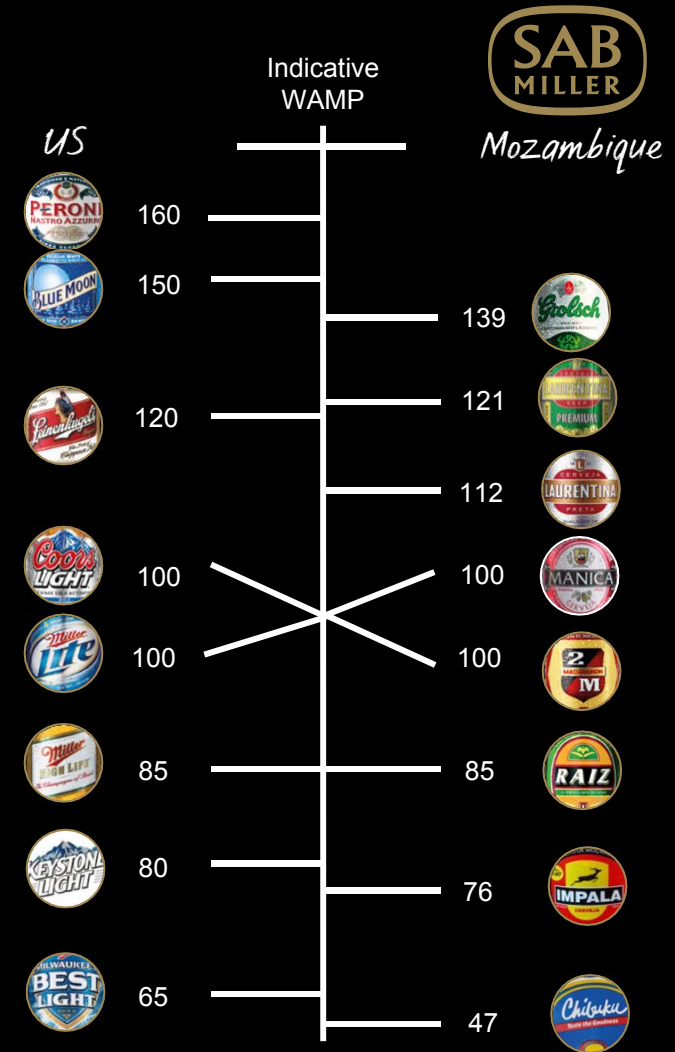
**Proven approach to brand and beer market development continues to deliver**

Group revenue (US\$ bn) and Group revenue per hl growth (%)\*



© SABMiller plc 2012

\* Group revenue per hl growth is organic, constant currency for the six months to 30 September



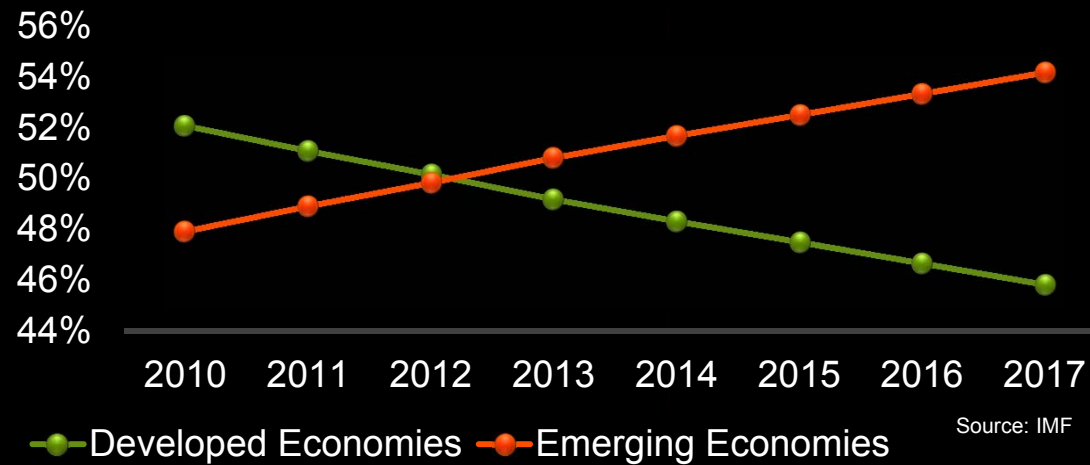


## OVERVIEW

*Emerging market fundamentals remain strong*

**Despite cyclical growth moderation**

Contribution to world GDP



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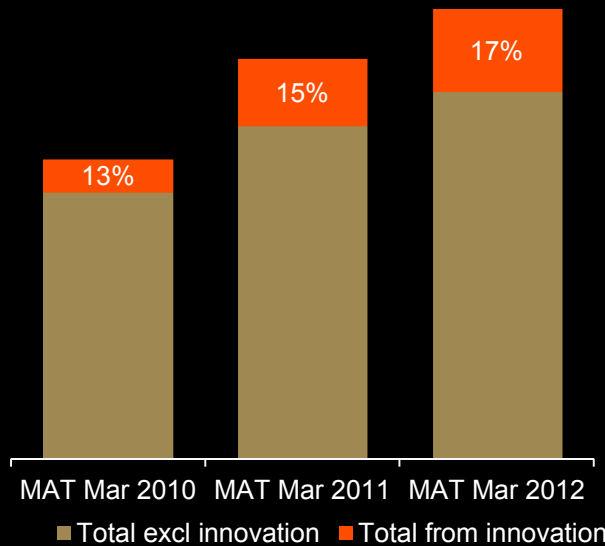


## OVERVIEW



*SABMiller's model of leading local flagship brands, innovation and expanding premium assortment is working*

Innovation accounts for  
**17% of Africa growth\***



\*New to local consumer; New to local market; 3 year lifespan

**Innovation** up and  
down the price ladder



Strengthening core  
mainstream brands

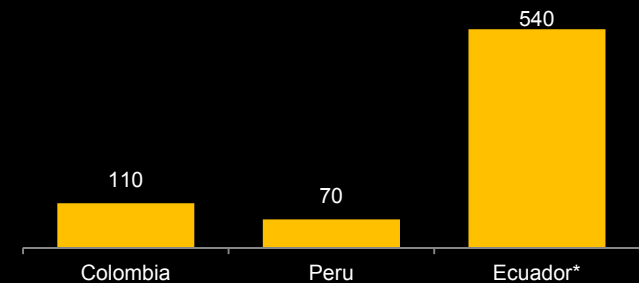


# Latin America



- Further alcohol share gains
- Packaging innovation driving affordability
- Brand mix and productivity driving margins
- Economic headwinds: reduced exports in certain sectors

SABMiller LAE share gain (bps) - MAT



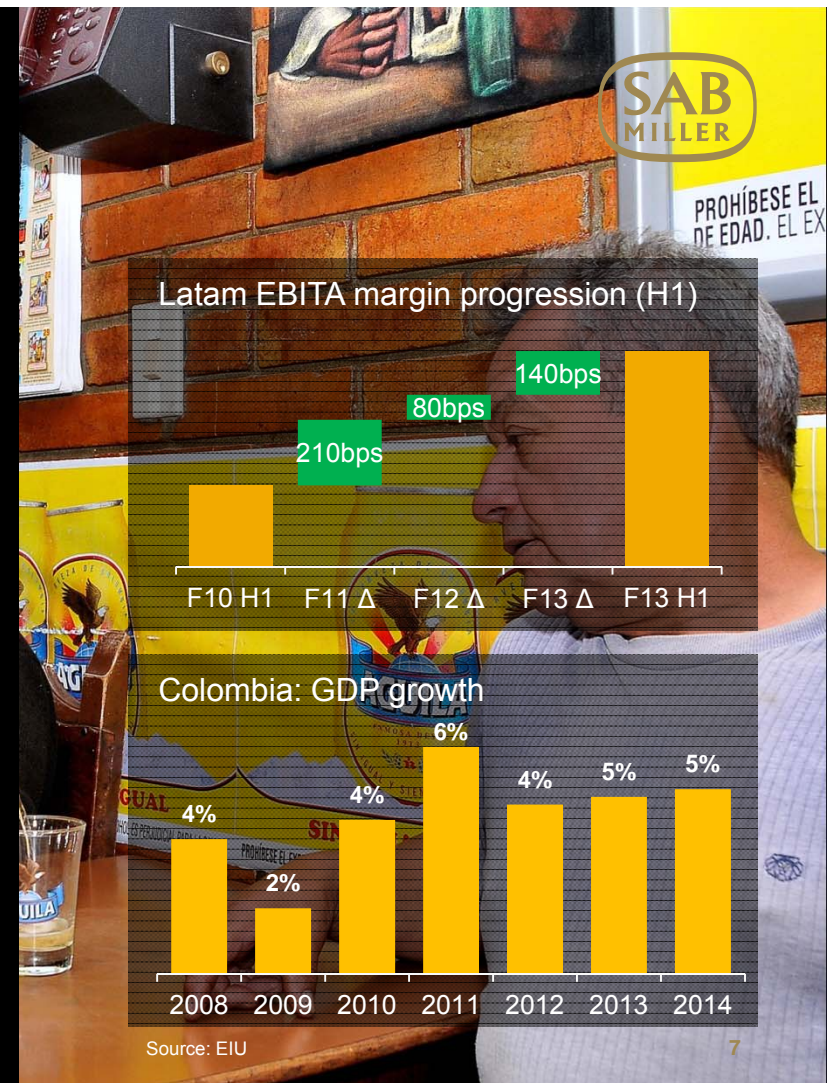
\*based on June data

Aguila pack range



# Latin America

- Further alcohol share gains
- Packaging innovation driving affordability
- Brand mix and productivity driving margins
- Economic headwinds: reduced exports in certain sectors





## *Europe*

- Heightened support behind flagship brands
- Structural changes in beer industry
- Re-based businesses competing effectively in “new norm”
- Innovation contributing to growth
- Efes positive to financials

## Europe

- Heightened support behind flagship brands
- Structural changes in beer industry
- Re-based businesses competing effectively in “new norm”
- Innovation contributing to growth
- Efes positive to financials

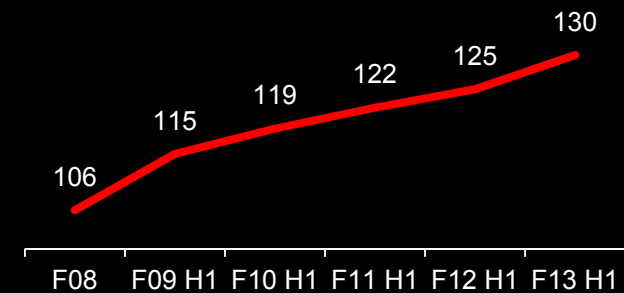


## North America

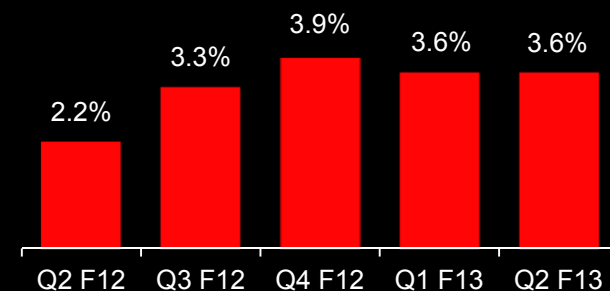
- Revenue management, mix and cost efficiencies driving margins and funding marketing
- Consistent strength of Coors Light, focus on Miller Lite
- Tenth & Blake outpacing growth in crafts
- Strong pipeline in above premium



Group revenue/hl (H1)



MillerCoors group revenue/hl vs. LY





## North America

- Revenue management, mix and cost efficiencies driving margins and funding marketing
- Consistent strength of Coors Light, focus on Miller Lite
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- Strong pipeline in above premium



Leinenkugel's volume  
**+ 32% YTD\***



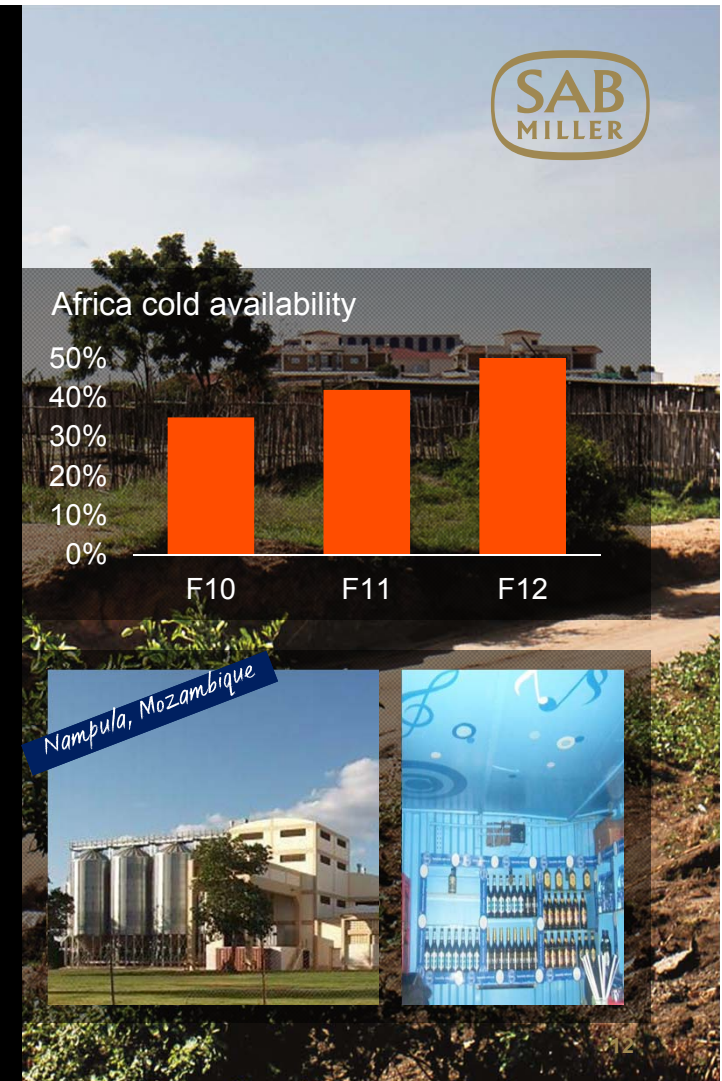
\* Trading day adjusted

Launch in  
**Jan 2013**



# Africa

- Robust volumes despite East Africa headwinds
- Significant strides in S&D penetration and in-trade execution
- Premium and affordable segment growth
- Operating leverage and Angola synergies boosting margins



# Africa

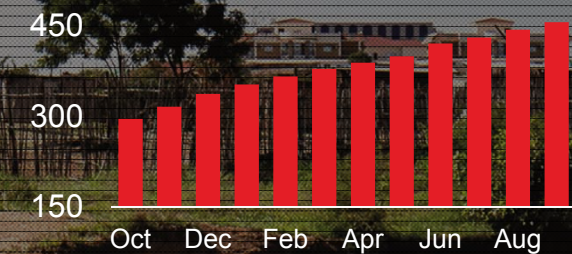
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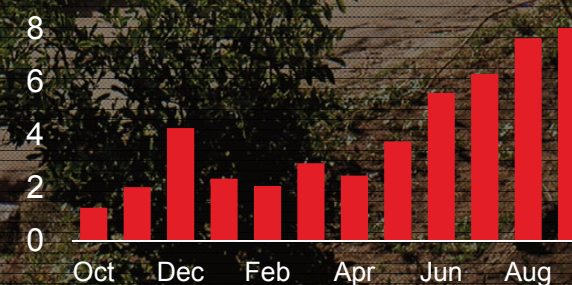
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Castle Lite MAT volume, 000s hls, 2012



Impala monthly volume, 000 hls, 2012





## Asia Pacific

- China share increase led by Snow
  - Industry slowing, competitive intensity rising
  - Inputs and wages constraining margins
- India: accelerated growth, broadened portfolios
  - Growth strategies differentiated by state, driving EBITA and margins
  - Continued regulatory headwinds



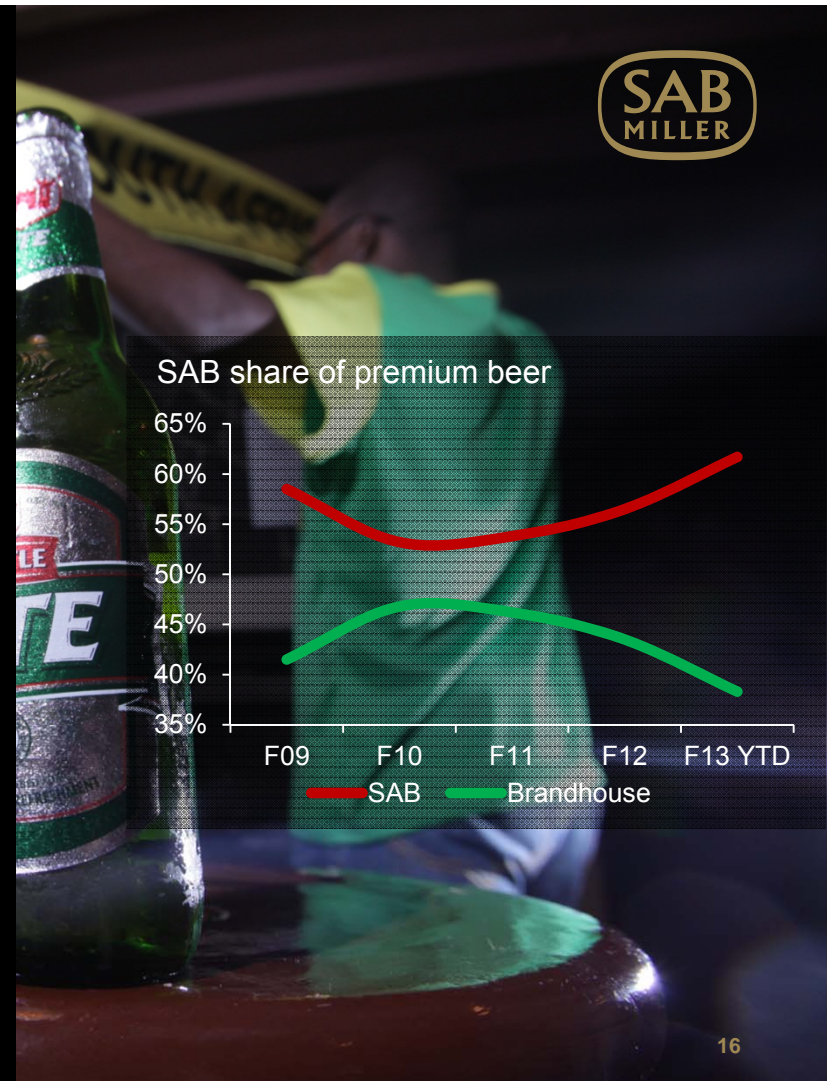
## Australia

- Continuation of long term beer and alcohol industry trends
- Consumer confidence levels remain weak
- Volume decline mitigated by improved revenue management
- SABMiller actions becoming visible
  - Brand portfolio repositioning
  - Retailer relationships
  - Beer focused sales force
- Integration and synergies in line with plan



## South Africa

- Premium led revenue growth
- Strength of Castle and Castle Lite
- Marketing and sales leadership
- Affordability and retail service extension drive in soft drinks
- Supply side savings driving margins



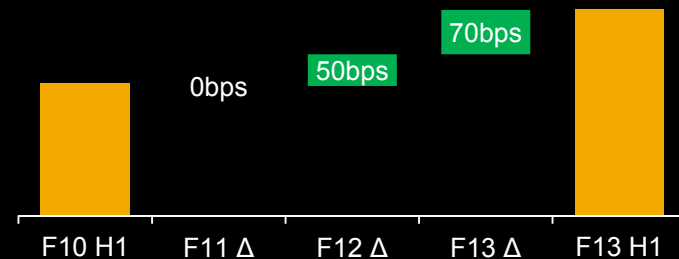


# South Africa

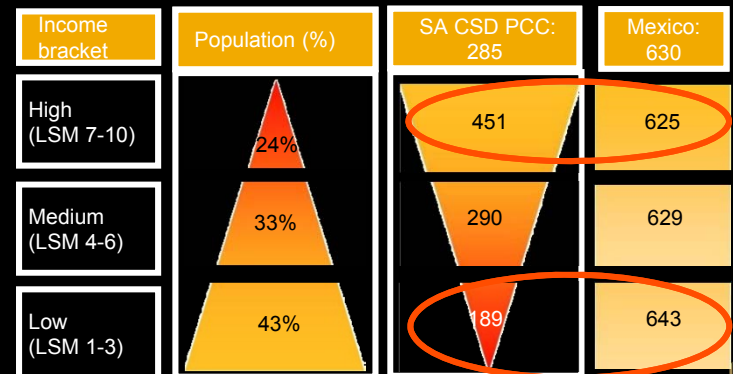
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SA subsidiaries EBITA margin progression (H1)

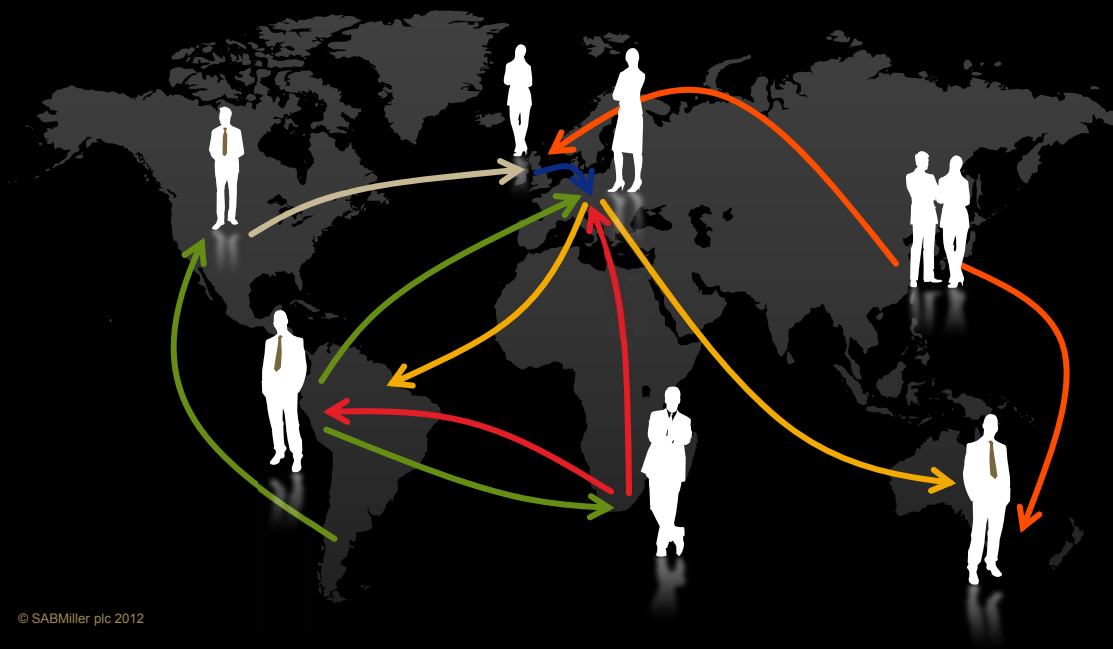


Soft drinks growth potential

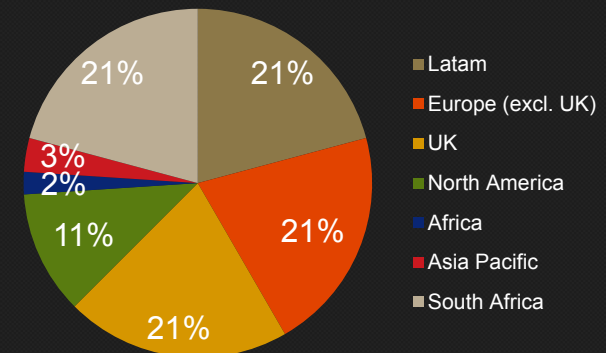


# *Leveraging our skills and global scale*

- Global Talent Model tracking top 200 critical roles and high potential 'future leaders'
- 32 moves of executive talent across regions made since 1st April 2012



**Contribution of Talent for T200 by nationality\***



\*Excludes CUB (talent review in progress)



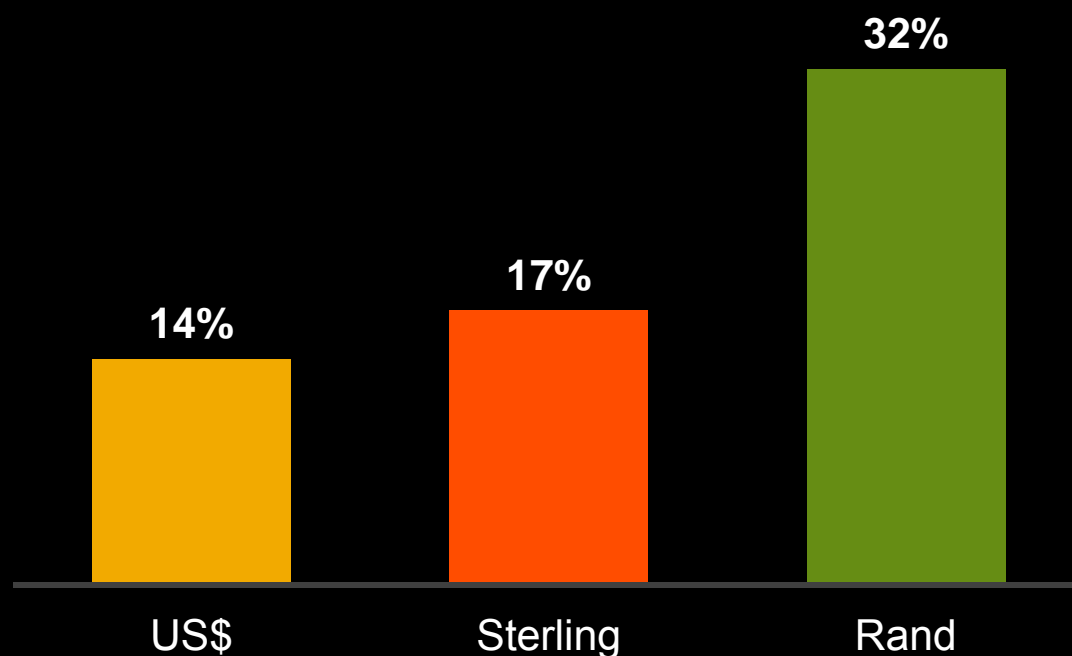
# *Financial Review*

Jamie Wilson, Chief Financial Officer

# *Continued strong growth in EPS and dividends*



## **Adjusted EPS**



## *Interim Dividend*

24.0 US cents per share - up 12%





## *Strong revenue and earnings growth*

<b>Sept 12</b>	<b>Reported</b>	<b>Organic</b>
Total Volumes	8.7%	4.4%
Lager Volumes	6.9%	3.9%

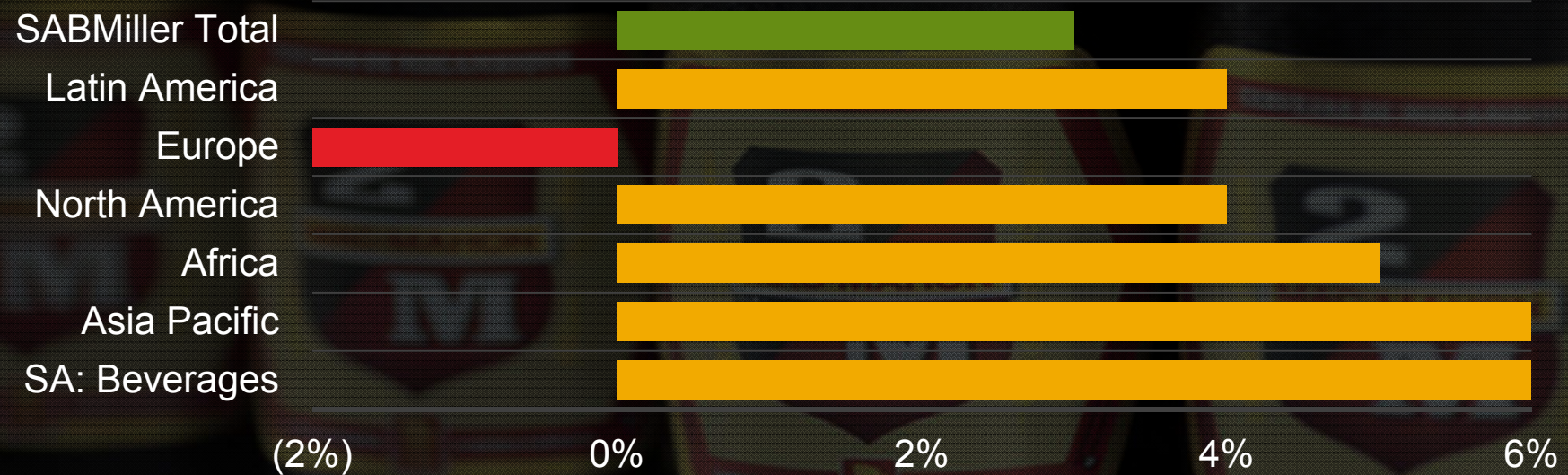
	<b>Reported</b>	<b>Organic, constant currency</b>
Group revenue	11.4%	7.6%
EBITA	17.5%	9.4%
EBITA margin	100 bps	30 bps

All figures include our share of associates and joint ventures

# Organic, constant currency group revenue per hl performance



**Group revenue per hl performance by division, YoY %**  
6 months to 30 September 2012



Figures include our share of associates and joint ventures

## *Input costs in line with expectations*

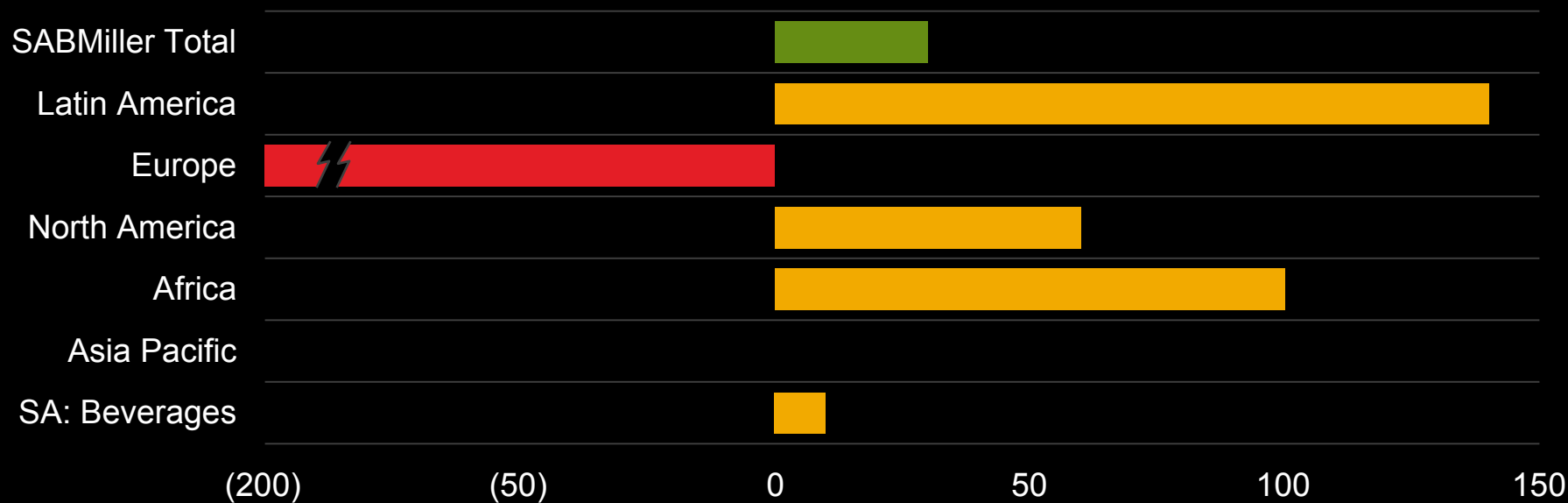
- Half year constant currency increase per hl
  - Total raw materials
  - Total COGS

} Up mid-single digits
- Continued rise in barley and malt prices
- Higher fuel prices drive up distribution costs
- Global procurement programme benefits ahead of plan, mitigating cost increases

# Organic, constant currency EBITA margin



6 months to 30 September 2012, YoY basis points change



Year-on-year reported EBITA margin grew by 100bps



# *Business capability programme progress*

- Net operating benefits developing as expected, driven by procurement
  - Significant progress in indirect categories
  - Raw and packaging materials continue to deliver benefits
- ERP implementations
  - Global Template design and build complete and being tested in Poland
- Global IS operating model being established
- Good progress in centralising our treasury operations

# Cash flow, finance costs and taxation

US\$m	Sept 12	Sept 11
Adjusted EBITDA*	3,255	2,913
Working Capital (outflow) / inflow (incl provisions)	(219)	71
Capex **	655	760
Free Cash Flow ***	1,684	1,479
Adjusted net finance costs	391	229
Adjusted EBITDA* margin	22.9%	21.9%
Effective tax rate	27.5%	28.5%

\* EBITDA before cash flows from exceptional items of US\$81 million plus dividends received from MillerCoors of US\$517 million (2011: US\$121 million and US\$494 million respectively). The revenue included in the calculation of the adjusted EBITDA margin is the revenue of our subsidiaries, plus our share of MillerCoors' revenue.

\*\* Includes purchases of property, plant and equipment, and intangible assets.

\*\*\* Net cash generated from operating activities, less cash paid for the purchase of property, plant and equipment, and intangible assets, net investments in existing associates and joint ventures (in both cases only where there is no change in the group's effective ownership percentage) and dividends paid to non-controlling interests, plus cash received from the sale of property plant and equipment and intangible assets and dividends received.

# Net debt



US\$m	Sept 12	March 12
Non-current borrowings	(16,499)	(18,164)
Current borrowings	(2,122)	(1,063)
Cash and cash equivalents	780	745
Borrowings-related derivative financial instruments	729	620
Net debt	(17,112)	(17,862)
Gearing (%)	65.0	68.6
Net debt/Adjusted EBITDA*	2.6	2.9
Weighted average interest rate for gross debt portfolio (%)	4.4	4.9

\* This is the ratio of net debt at the period end to adjusted EBITDA (EBITDA before cash flows from exceptional items plus dividends received from MillerCoors) for the 12 months to the period end

## *Financial outlook – current financial year*

- Fundamental potential of our emerging markets remains strong
  - Moderation of economic growth in some markets
- Positive impact from acquisitions and business combinations will reduce
- Selective pricing where market conditions permit with input cost pressures remaining a factor
- Continued investment in brand development, innovation, systems & capability
- Full year capex will approximate US\$1,600m
- Expected full year tax rate of 27.5%



## *Conclusion*

- Strong revenue and EBITA growth continues
  - Our proven approach to brand and beer market development continues to deliver
  - Pricing, mix and cost efficiencies contributing
- Emerging market fundamentals remain strong
- Our model of leading local flagship brands, innovation and expanding premium assortment is working
- We continue to invest in capacity, systems and capability



Q&A

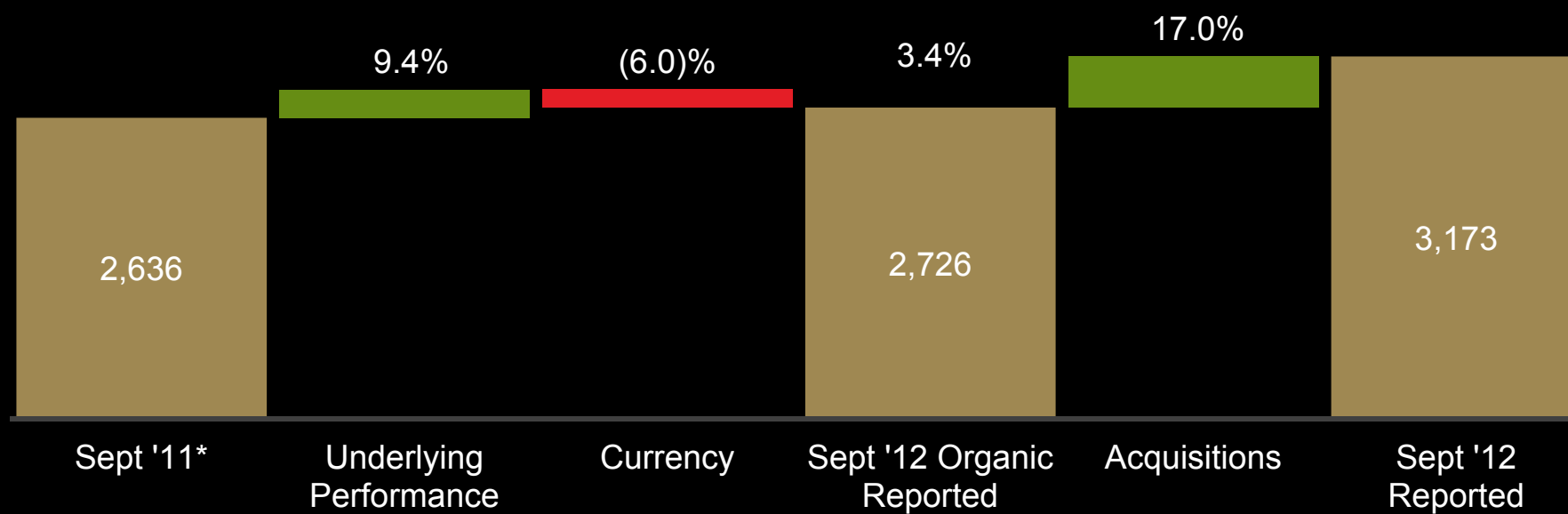


*Supplementary information*

# EBITA growth



EBITA (including associates and joint ventures) components of performance, US\$m



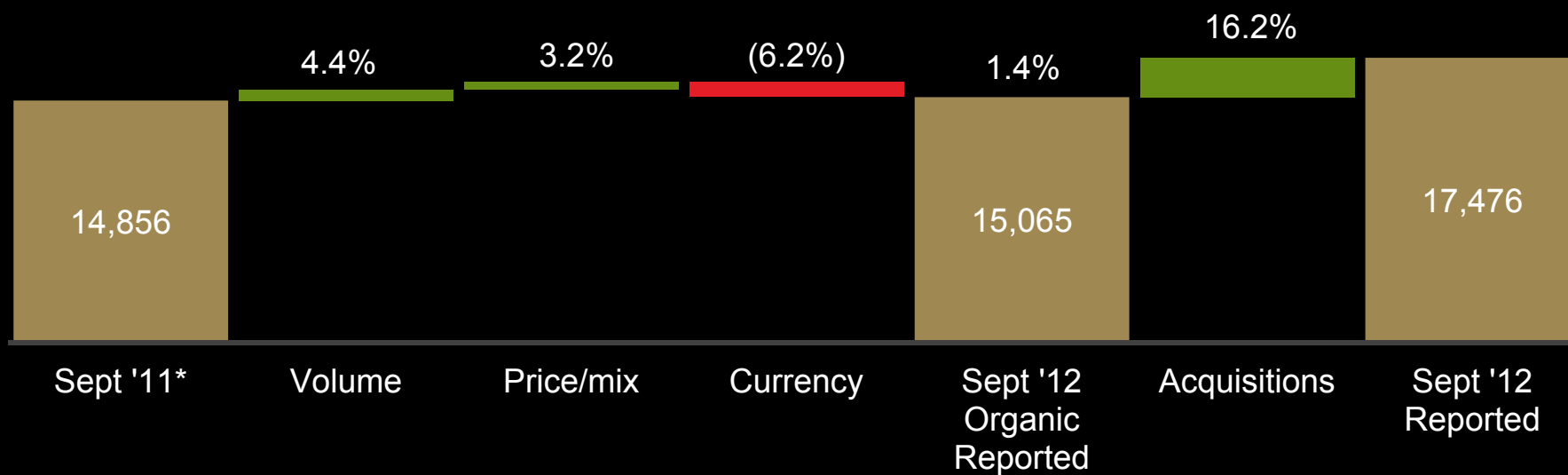
\* Adjusted for disposals



# Group revenue growth



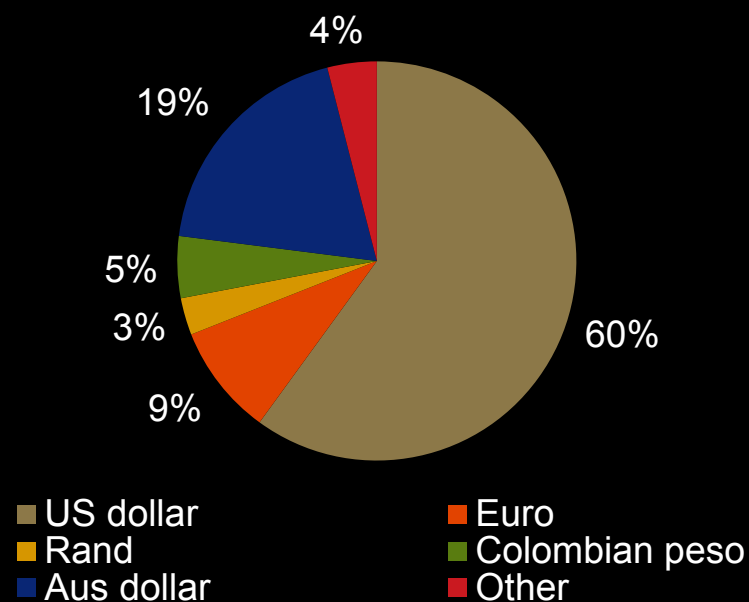
Group Revenue (including associates and joint ventures) components of performance, US\$m



\* Adjusted for disposals

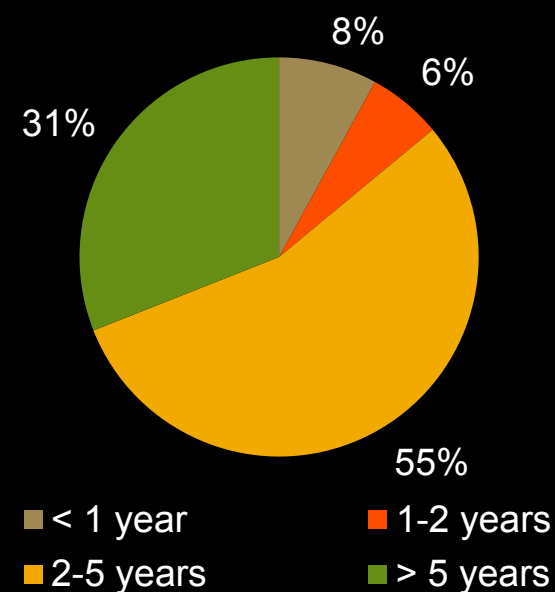
# Net debt: currency and maturity profile

Currency profile \*



\* Including the impact of cross currency swaps

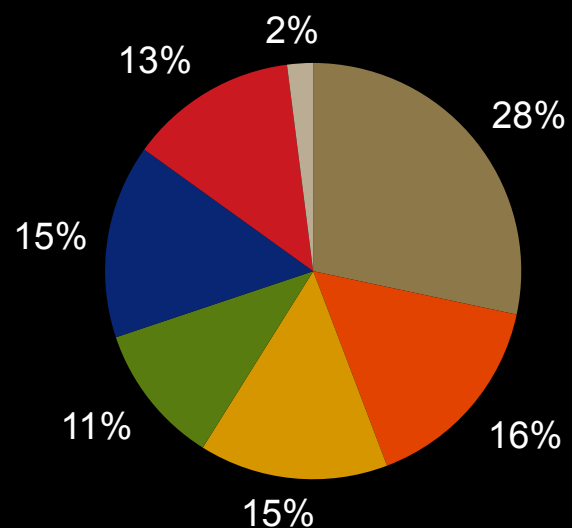
Maturity profile \*\*



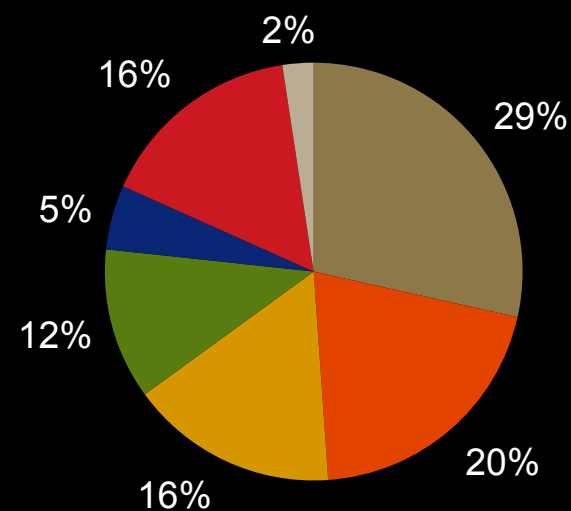
\*\* Cash and cash equivalents netted against current borrowings

# Reported EBITA contribution\*

September 2012



September 2011



■ Latin America 
 ■ Europe 
 ■ North America 
 ■ Africa 
 ■ Asia Pacific 
 ■ South Africa: Beverages 
 ■ South Africa: Hotels & Gaming

\* Before corporate costs

# Financial results



US\$m	Sept 12	Sept 11	Change %
Reported			
Group revenue	17,476	15,688	11
EBITA	3,173	2,701	17
EBITA margin (%)	18.2	17.2	100 bps
Sales volumes (hl'000)			
Total	162,799	149,775	9
Lager	132,446	123,917	7
Soft drinks	26,614	22,609	18
Other alcoholic beverages	3,739	3,249	15



# Group Revenue by division

US\$m	Sept 12*	Sept 11**	Change %
Organic, constant currency			
Latin America	3,655	3,396	8
Europe	2,812	2,650	6
North America	2,896	2,830	2
Africa	1,866	1,655	13
Asia Pacific	1,565	1,409	11
South Africa: Beverages	2,929	2,669	10
South Africa: Hotels and Gaming	266	247	8

\* Results for the half year ended 30 September 2012 have been translated at the prior period exchange rates

\*\* Adjusted for disposals



# EBITA by division



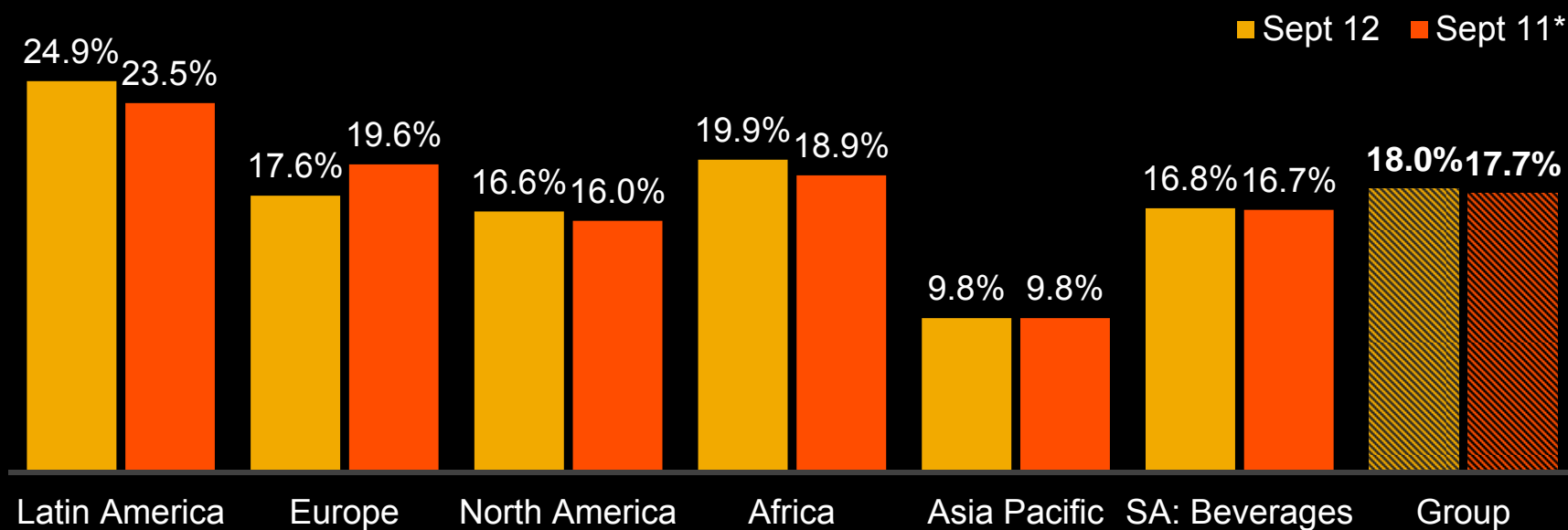
US\$m	Sept 12*	Sept 11**	Change %
Organic, constant currency			
Latin America	910	797	14
Europe	494	520	(5)
North America	481	451	6
Africa	372	313	19
Asia Pacific	153	138	10
South Africa: Beverages	492	446	11
South Africa: Hotels and Gaming	75	67	12

\* Results for the half year ended 30 September 2012 have been translated at the prior period exchange rates

\*\* Adjusted for disposals

# EBITA margin performance

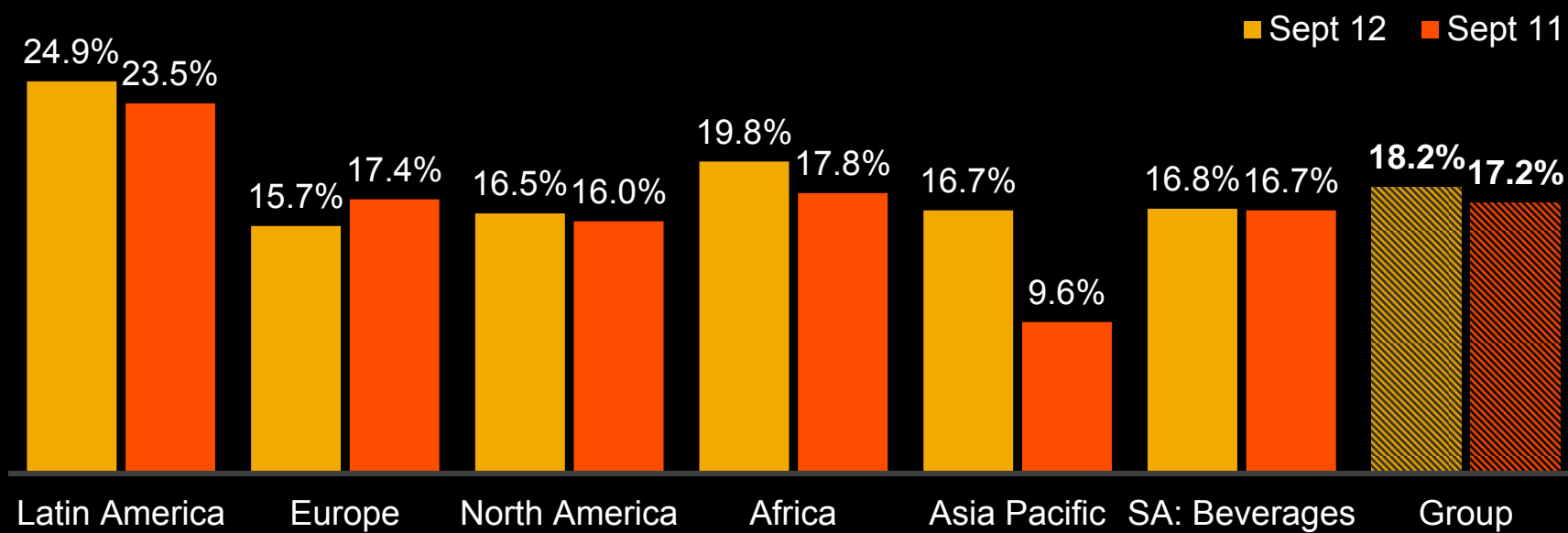
Organic, constant currency basis



\* Adjusted for disposals



## *Reported EBITA margin performance*



# Reported volumes \*



## Reported Domestic Lager volumes by country, hl '000

	Sept 12	Change %		Sept 12	Change %
South Africa	12,444	1	Romania	3,562	25
Colombia	9,524	3	India	2,846	23
Poland	8,719	10	Australia	3,550	n/a
Peru	6,098	5	Italy	2,117	1
Czech Republic	3,918	2	Tanzania	1,438	(8)
Ecuador	2,733	4	China **	34,753	6

\* Excluding intra-group volumes

\*\* Equity accounted share of volumes

# Exchange rates



## Closing rates currency vs US\$

	30 Sept 12	31 Mar 12	30 Sept 11		30 Sept 12	31 Mar 12	30 Sept 11
Australia	<b>0.96</b>	0.97	1.03	Mozambique	<b>27.98</b>	27.42	26.82
China	<b>6.29</b>	6.29	6.38	Peru	<b>2.60</b>	2.67	2.77
Colombia	<b>1,801</b>	1,792	1,915	Poland	<b>3.20</b>	3.13	3.30
Czech Republic	<b>19.32</b>	18.52	18.33	Romania	<b>3.53</b>	3.30	3.26
Euro	<b>0.78</b>	0.75	0.75	South Africa	<b>8.31</b>	7.67	8.10
India	<b>52.88</b>	51.40	48.97	Tanzania	<b>1,575</b>	1,585	1,660

# Balance sheet



US\$m	Sept 12	March 12*
Goodwill and intangible assets	29,978	30,255
Property, plant and equipment	9,087	9,162
Investment in joint ventures and associates	10,805	10,592
Other non-current assets	1,224	1,115
Current assets excluding cash	3,694	4,087
Cash and cash equivalents	780	745
Net assets of disposal groups held for sale	-	72
Borrowings	(18,621)	(19,226)
Other current and non-current liabilities	(10,610)	(10,770)
<b>Net Assets</b>	<b>26,337</b>	<b>26,032</b>

\* Restated