

SABMiller plc

Consumer Analyst Group of Europe

Alan Clark
Chief Executive

Gary Leibowitz
SVP Investor Relations

17 March 2014



Forward looking statements

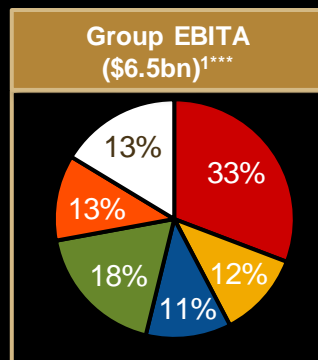
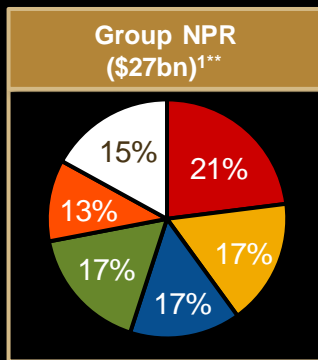
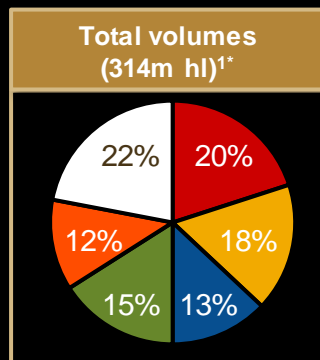


This presentation includes 'forward-looking statements' with respect to certain of SABMiller plc's plans, current goals and expectations relating to its future financial condition, performance and results. These statements contain the words "anticipate", "believe", "intend", "estimate", "expect" and 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.

SABMiller – a balanced global beer business

- World's 2nd largest brewer, with superior long-term revenue and profit growth
- #1 or 2 position in > 90% of markets
- Leading brand portfolios and in-market engagement, driven by deep local insights
- Building and broadening the beer category and its position within alcohol
- Strategic partnerships with The Coca Cola Company, Castel, CRE, Efes



■ Latin America
 ■ Europe
 ■ North America
 ■ South Africa
 ■ Africa
 ■ Asia Pacific

¹ Last twelve months to 30 September 2013 ^{*} Excludes contract brewing, includes soft drinks and other alcoholic beverages;

^{**} Net Producer Revenue ^{***} Split by region is before corporate costs and excluding exceptional items



Alan Clark – career background

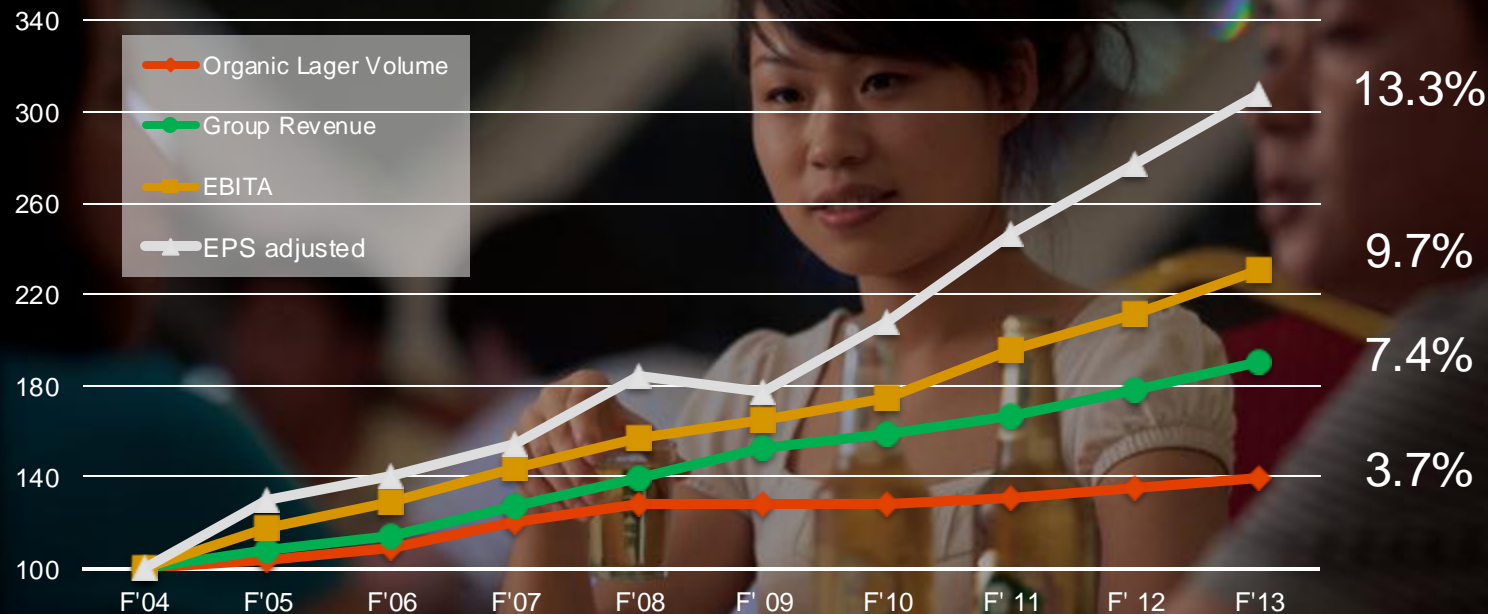


- 2013** Chief Executive, SABMiller plc
- 2012** Chief Operating Officer, SABMiller plc
- 2003** Managing Director, SABMiller Europe
- 2001** Managing Director, Amalgamated Beverage Industries
- 2000** Marketing Director, SAB Ltd
- 1996** Operations Director, Northern Regions, SAB Ltd
- 1994** General Manager, Alrode Brewery, SAB Ltd
- 1990** Training and Development Manager, SAB Ltd
- 1988** Associate Professor of Psychology, Vista University, SA
- 1985** Lecturer in Psychology, University of South Africa

A decade of sustained growth

F04 index = 100

F04-F13 CAGR



Source: SABMiller results F04 = 100, growth – organic constant currency



Four consistent strategic priorities

Creating a balanced and attractive
global spread of businesses

1

Developing strong, relevant
brand portfolios that win in
the local market

2

Constantly raising the
profitability of local
businesses, sustainably

3

Leveraging our skills
and global scale

4

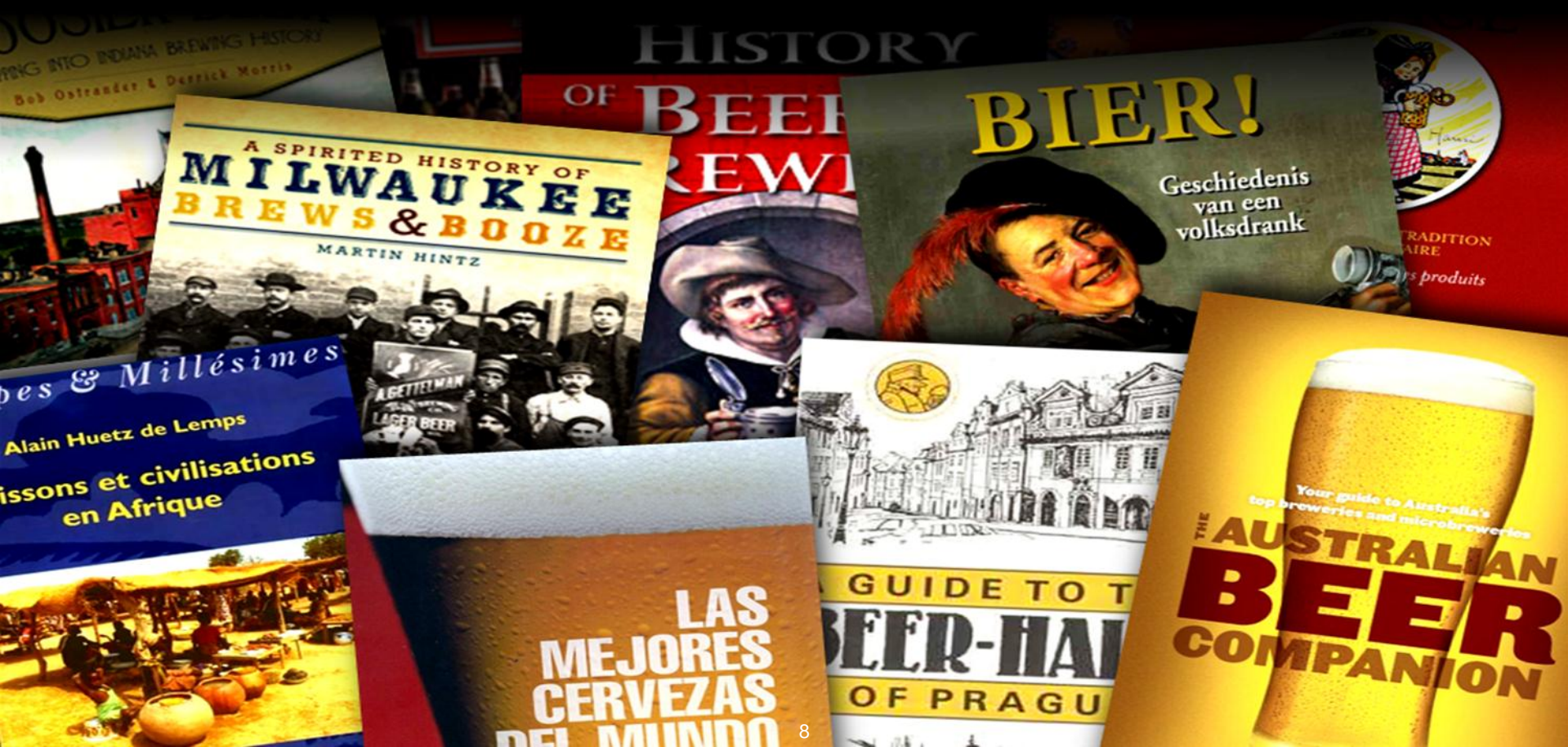
A historically decentralised approach

Decentralised industry dynamics, brand portfolios, operations, and local accountability, bound by:

- Common culture
- Global performance and talent management
- SABMiller Ways to drive growth and efficiency
- Singular approach to business/M&A turnarounds



Beer has always been passionately local...



Who produces the best beer in the world?



Netherlands	42%
Belgium	31%
Germany	17%



El Salvador	39%
Germany	34%
USA	8%



Mozambique	42%
Germany	11%
Italy	7%



Czech	92%
Germany	3%
Belgium	1%

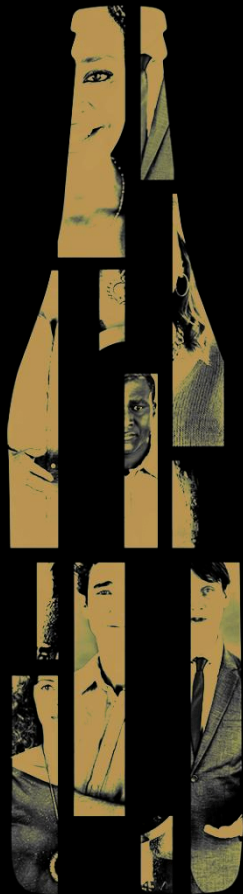


Poland	56%
Czech	14%
Germany	12%



Germany	51%
Italy	12%
Ireland	7%





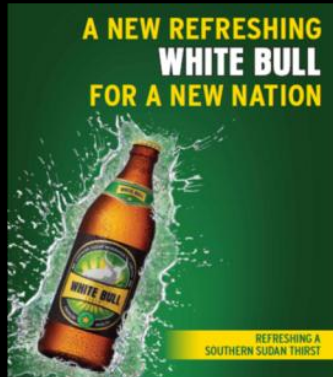
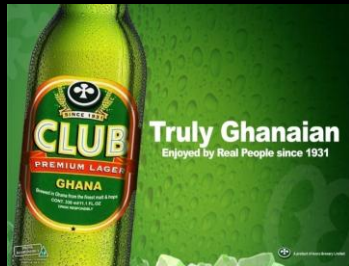
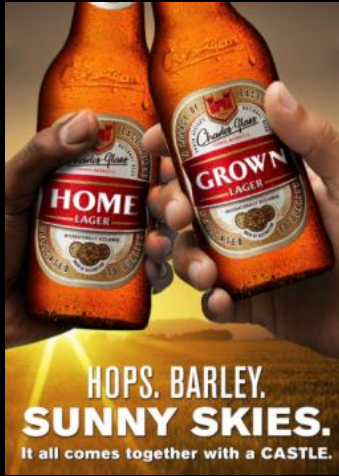
Replicable successes across markets

Past and present



REPLICABLE SUCCESSES

Brand renovation, building national icons



REPLICABLE SUCCESSES

Brand portfolio construction

Example:
Colombia
compass and
positioning
territories

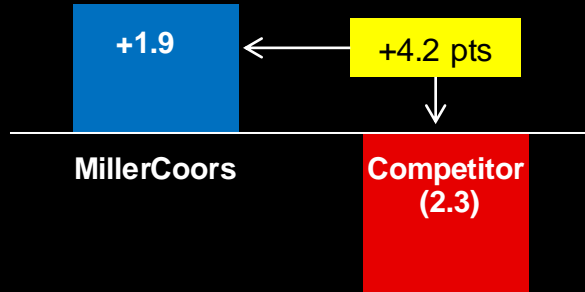


REPLICABLE SUCCESSES

Sales and channel execution improvement

Across marketplaces, from sophisticated to rudimentary

US: Total Cross Channel Partnership Performance, based on choice of category captain

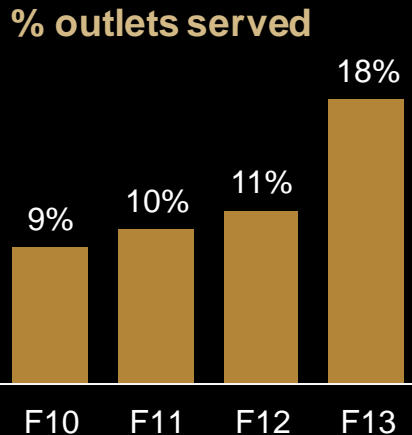
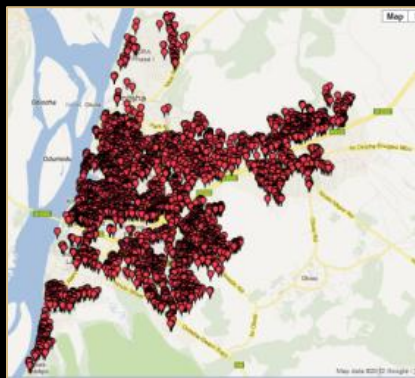


Source: Nielsen 52 weeks 9-7-13

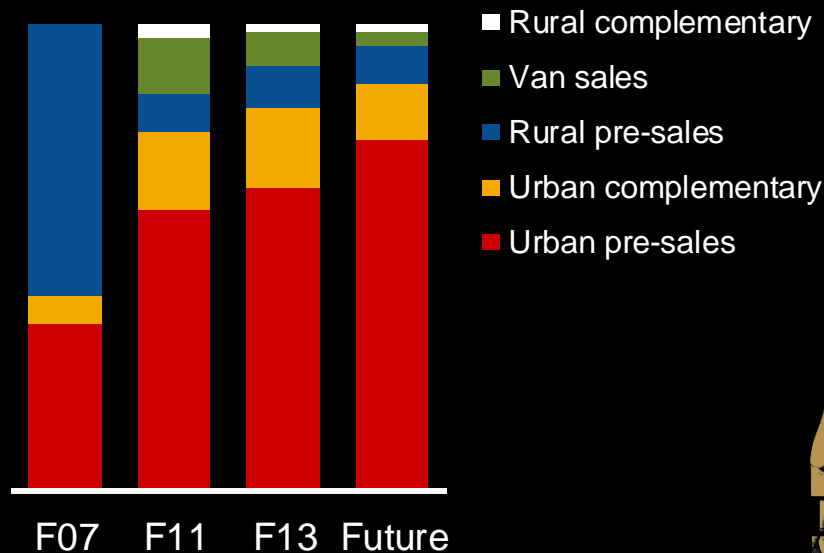
Improved market penetration



Africa: increasing outlet penetration

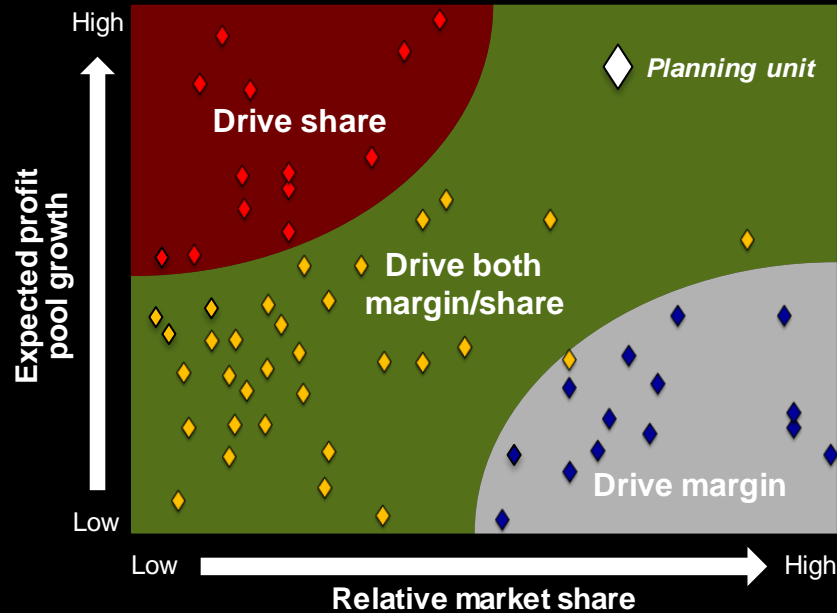


Colombia: service model evolution

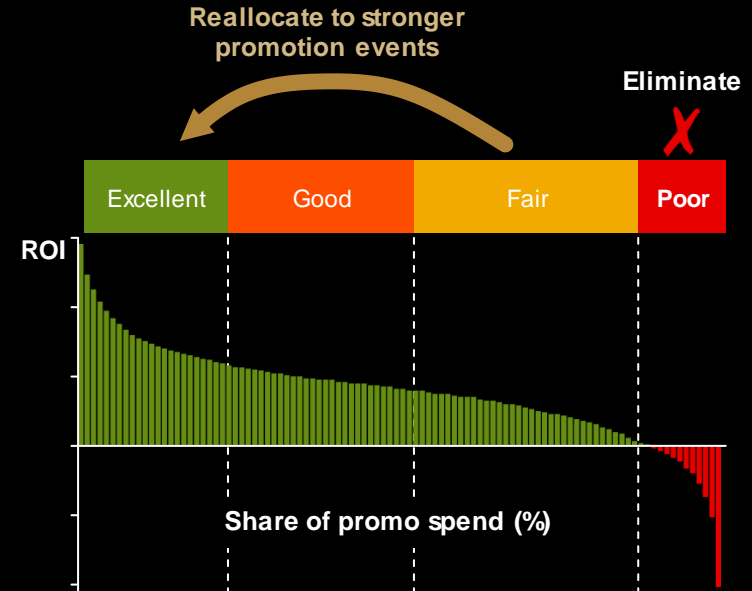


Revenue management

Clear US local market strategy



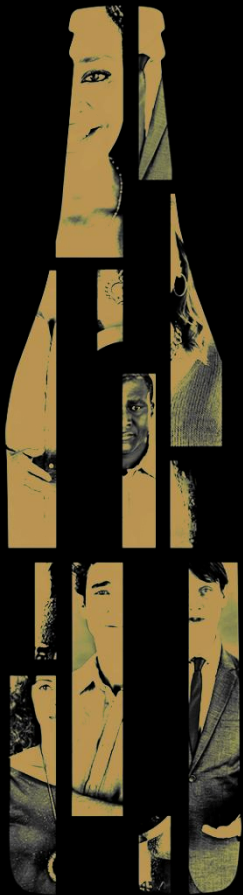
Price promotion effectiveness



Stakeholder relations

- Excise
 - Engaging with governments to avoid unfavourable rate or formula changes
 - Engagement enabled lower excise for cassava and sorghum-based beer in parts of Africa
- Led industry/government collaboration on illegal alcohol in Peru





Growth opportunities ahead



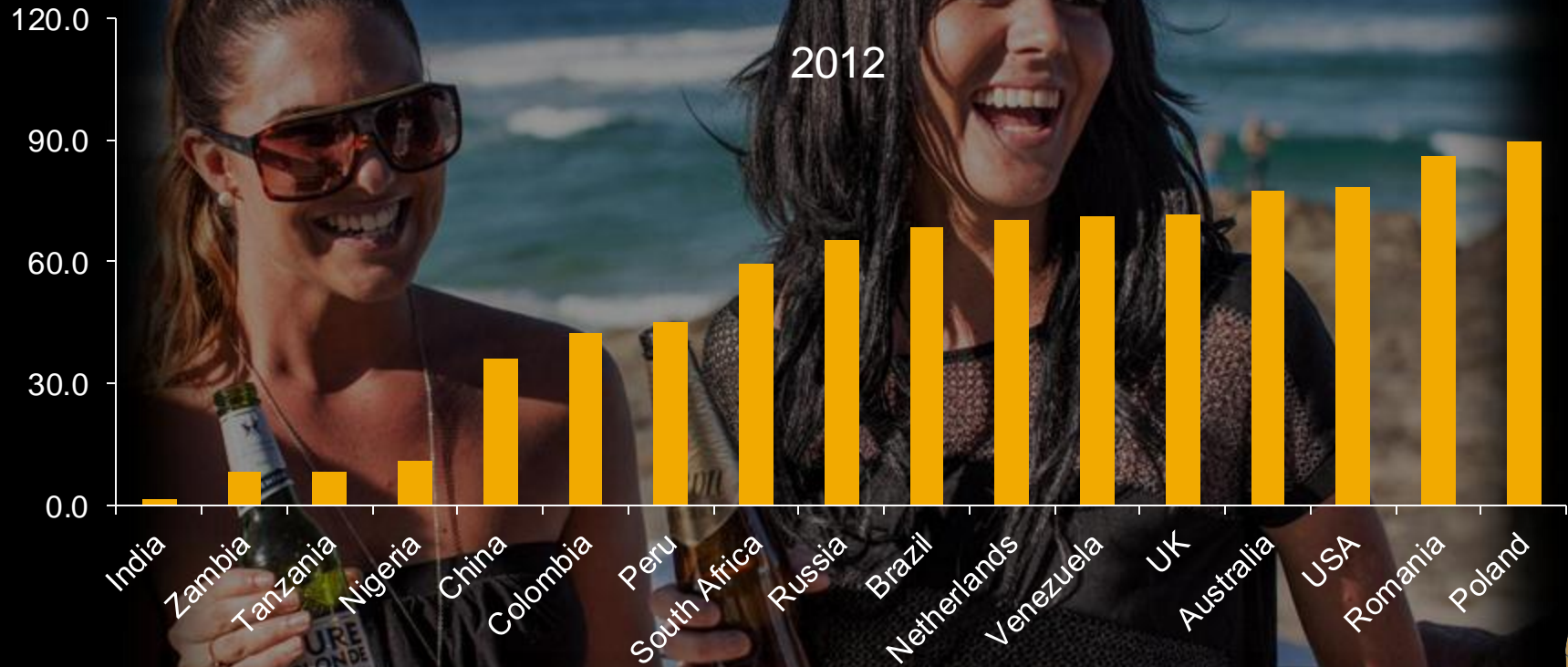
Beer: the natural and moderate choice

<p><i>Beer as a...</i> Natural Product</p> <ul style="list-style-type: none">▪ Natural ingredients (cereal, hops and water), no rework or additives▪ Lower ABV	<p><i>Beer as a ...</i> Social Contributor</p> <ul style="list-style-type: none">▪ Brings consumers together▪ At the heart of social traditions and bonding in pubs and bars	<p><i>Beer as a...</i> Sensorial Experience</p> <ul style="list-style-type: none">▪ Rich, refreshing tastes, colours and aromas▪ Steeped in rituals and symbolism in both serving and drinking
<p><i>Beer as...</i> Rooted in Heritage</p> <ul style="list-style-type: none">▪ Wide ranges of traditional recipes, often centuries old▪ Authenticity and local heritage	<p><i>Beer as an...</i> Economic Contributor</p> <ul style="list-style-type: none">▪ Significant contributor to government revenue▪ Provides revenue and jobs in agriculture, packaging, services, retail and tourism	<p><i>Beer as an...</i> Environmental Contributor</p> <ul style="list-style-type: none">▪ Emphasis on sustainable, efficient resource use▪ By-products recycled for agriculture and packaging



GROWTH OPPORTUNITIES AHEAD

Beer per capita consumption



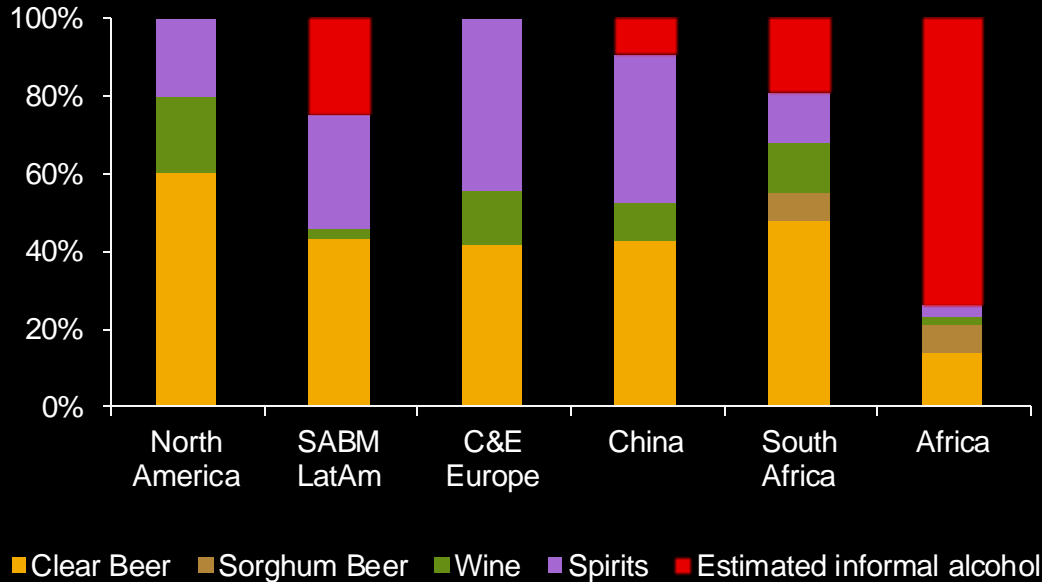
Source: Plato Logic Global Beer Market (November 2013)



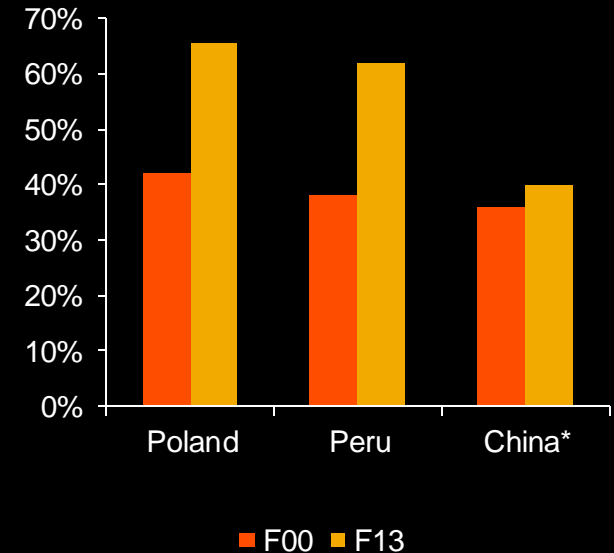
GROWTH OPPORTUNITIES AHEAD

Beer's share of alcohol

Share of alcohol, indicative estimates



Beer share of alcohol



Sources: WHO, Canadian Euromonitor, Hughes & Munday, GURI, internal analysis

*CY2012 for China

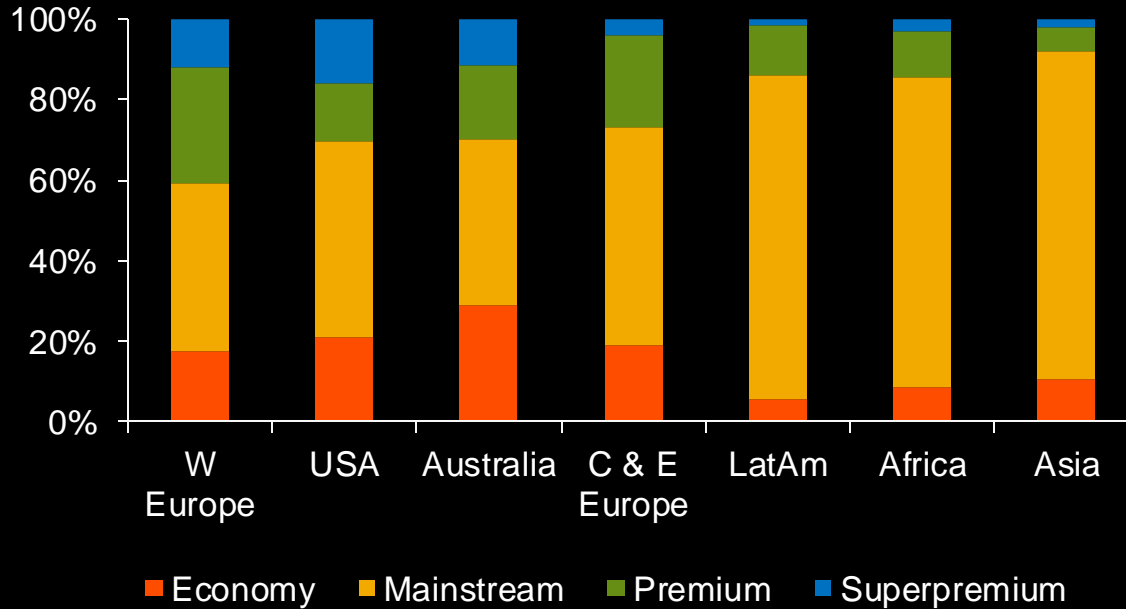


GROWTH OPPORTUNITIES AHEAD

Unit revenue

Beer industry volume, by segment

2013F

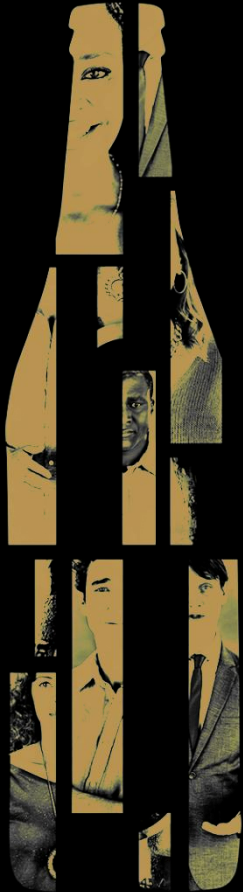


Source: Canadean forecast 2013 data.

Definitions: super premium >150 index, premium 110-150, economy <90 index

Africa per Canadean excludes Egypt, Morocco & Tunisia which are included in "Middle East, North Africa"





Driving SABMiller's future success



DRIVING SABMILLER'S FUTURE SUCCESS

1

Focus on beer category growth

2

Leveraging scale

3

Stakeholder partnership



DRIVING SABMILLER'S FUTURE SUCCESS

Focus on further beer category growth

Refresh core lager
across markets

Increase premium mix

Accelerate global brands

Lead the development of
the beer category

Innovate across a vibrant
spectrum of beer styles

Access more consumer
needs and occasions

Selective participation in
adjacent categories



DRIVING SABMILLER'S FUTURE SUCCESS

Refresh and renovate core lager

On-going importance of moving national icon brands forward

- Building or re-building brands over time
- Evolving as consumer needs change

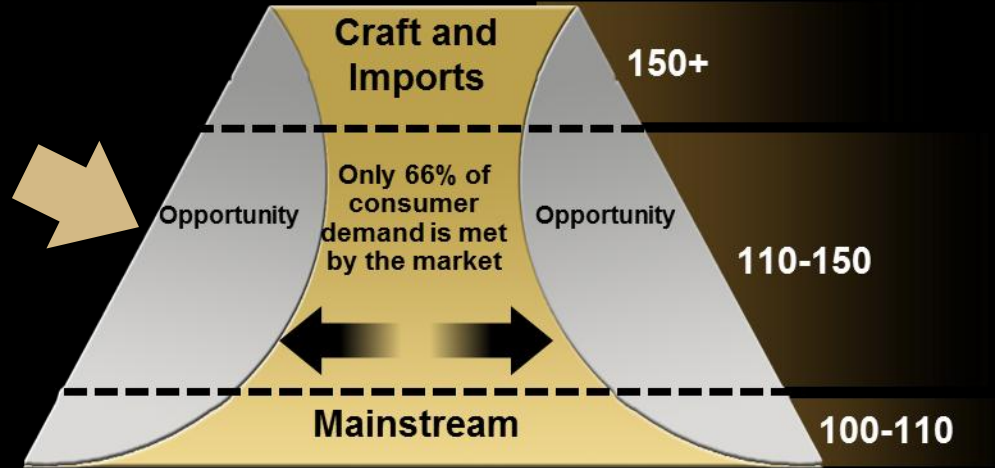


DRIVING SABMILLER'S FUTURE SUCCESS

Premiumisation



Stretching the price ladder: the 110-150 price index opportunity

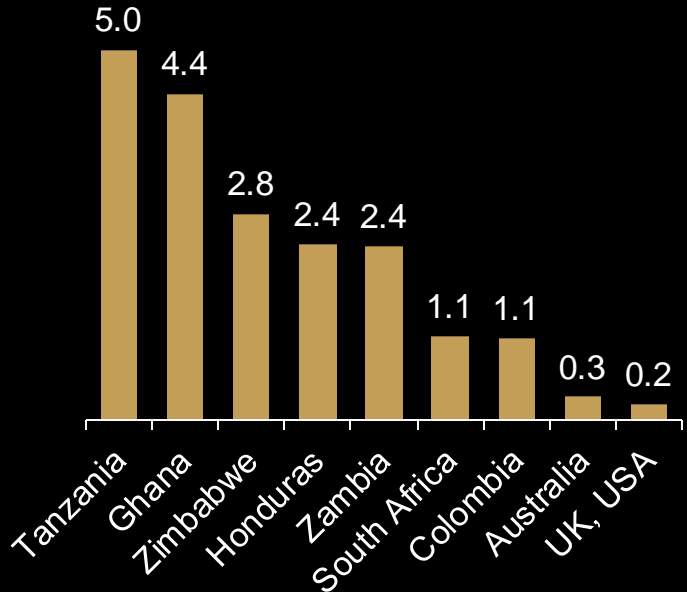


Premiumisation

China: Snow range by price/channel segment					
Price		Restaurants 500ml bottle	Night outlets 330ml bottle	Off trade 330ml cans	Snow variant (% of franchise total)
¥65 US\$10.75	International Premium				PILOT in major metros: Opera Lady & Opera Gent
¥55-60 US\$9-10					PILOT in 3 major metros: MGD
¥15 US\$2.50	Super Premium				Crystal Draft (1%)
¥10 US\$1.65	Premium				Snow Draft (4%)
¥8 US\$1.30	Medium				Brave the World (33%)
¥4 US\$0.65	Upper mainstream				Window (27%)
¥3 US\$0.50	Mainstream				Opera Mask (35%)

Affordability

Hours worked for a mainstream beer



Africa

Enablers of beer price reductions versus mainstream

-10%



Pricing
RSP compliance, deeper rural penetration

-20%



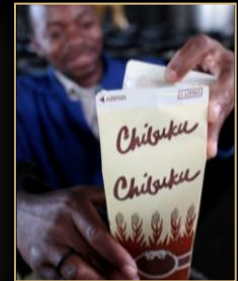
Transaction packs
Draught, smaller returnable bottles

-30%



Local grains
Sorghum, cassava, bringing excise & farming advantages

-50%



Opaque beers
Expanding Chibuku beyond southern Africa



DRIVING SABMILLER'S FUTURE SUCCESS

Innovation

- Innovate to fuel growth
- New liquids, packs and experiences

Refresh the Category



Develop the Category (within beer)



Expand the Category (beyond beer)



DRIVING SABMILLER'S FUTURE SUCCESS

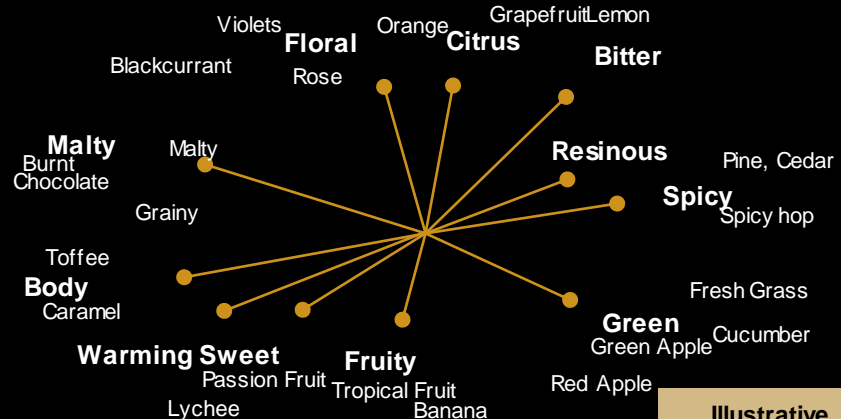
Innovation

- Expand to other beer styles
- Growth of mainstream has driven taste harmonisation
- Product landscaping highlights “white spaces”
- Greater use of intrinsics and functional benefits to target premium occasions

Beer has many variables to drive differentiation e.g.

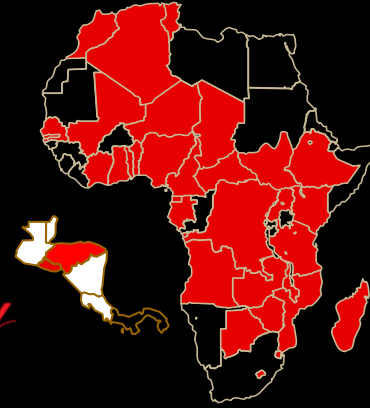
- | | |
|-------------------------------|--------------------------|
| ■ Ingredients | ■ Bitterness / sweetness |
| ■ Colour | ■ Alcohol level |
| ■ Carbonation | |
| ■ Smell | |
| ■ Style | |
| ■ Flavourings | |
| ■ Filtration / Pasteurization | |
| ■ Fermentation | |

Landscape and Sensory maps



Creating value with non-alcoholic drinks

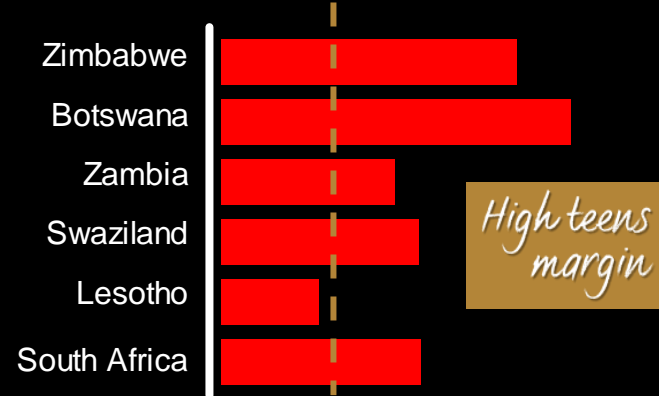
- Across Africa, Central America, Central Asia (CCI)
 - Coca Cola bottlers (subs & assoc.) in 32 markets
- Broader beverage scale advantages
 - Operations
 - Distribution
 - Outlet relationships and space



The Coca-Cola Company



F13 soft drinks EBITA margin by country



DRIVING SABMILLER'S FUTURE SUCCESS

1

Focus on beer category growth

2

Leveraging scale

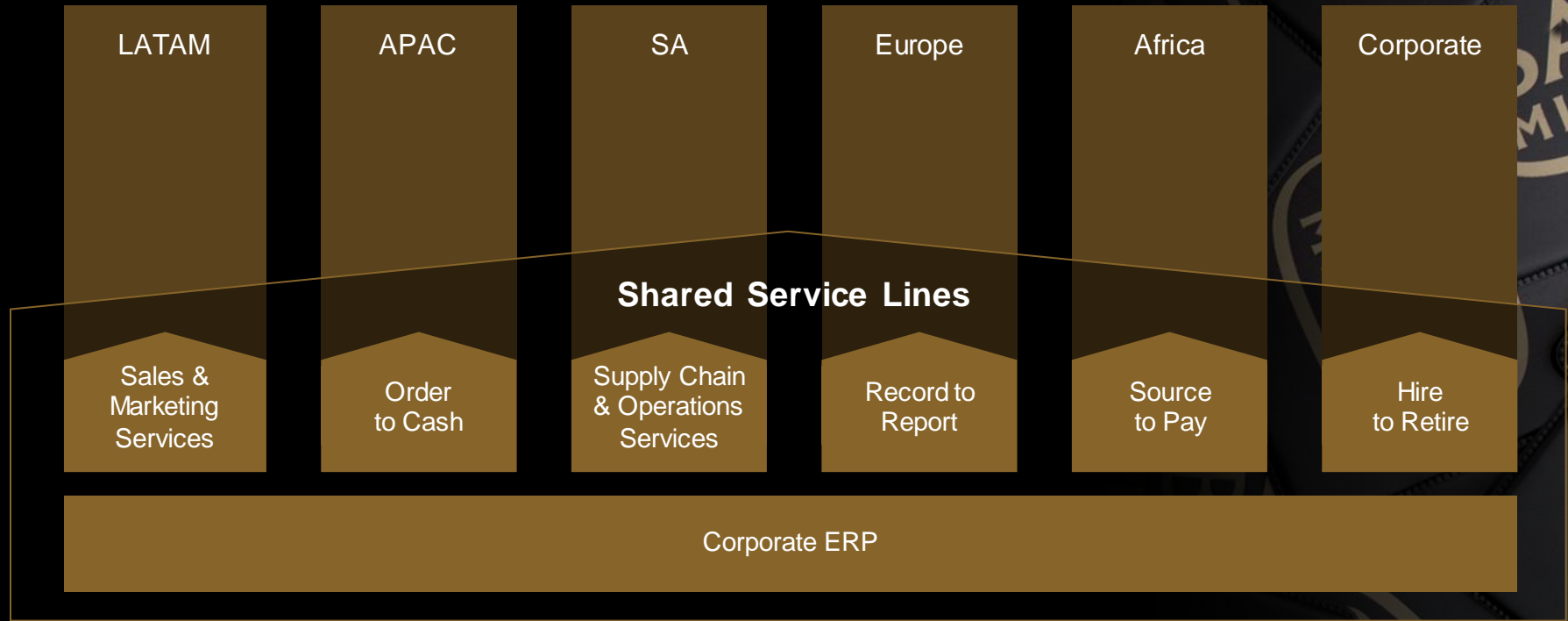
3

Stakeholder partnership



DRIVING SABMILLER'S FUTURE SUCCESS

GBS building on the foundation of BCP



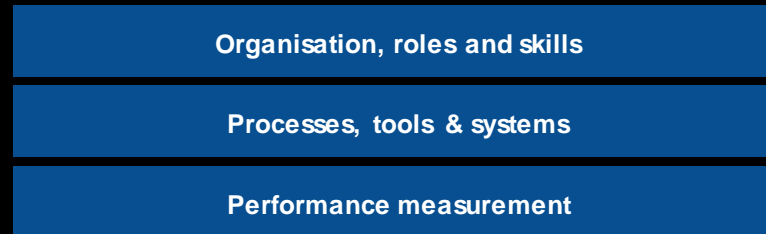
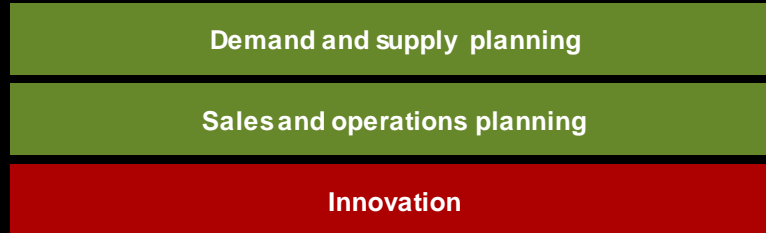
DRIVING SABMILLER'S FUTURE SUCCESS

End-to-end supply chain optimisation

1 Sharpen focus on the
Consumer &
Customer

2 Drive functional
excellence

3 Stimulate
innovation through
Technical insight



DRIVING SABMILLER'S FUTURE SUCCESS

Procurement is a globally integrated function

- Expanding category focus to in-directs
- Spend under centralised management to increase to >80%
- Specialist capabilities built at global and regional level



DRIVING SABMILLER'S FUTURE SUCCESS

1

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Sustainable development

Raising the bar, tackling key challenges

Water, energy and carbon management

- Multi-stakeholder partnerships to mitigate risk
- Water efficiency +20% between 2008-2013
- Energy efficiency +8% per hl of lager produced in 2013
- Reduced CO₂ emissions by 10% in 2013

Entrepreneurial development

- *Tenderos* retailer programme reaches 40,000 retailers
- Promote responsible retailing, formalise and grow businesses

Sustainable supply chain

- We source over 50% of African raw materials locally
- We indirectly support >1m jobs across Africa through our value chain

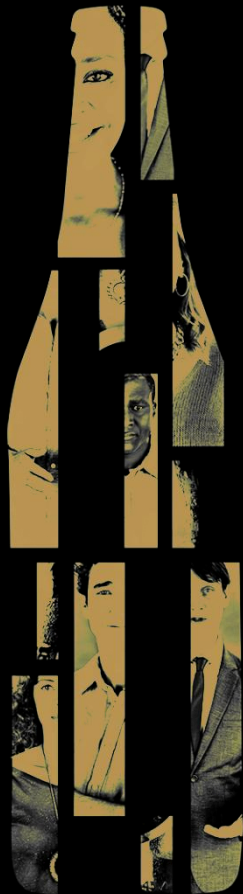


DRIVING SABMILLER'S FUTURE SUCCESS

The role of alcohol and beer in society

- Open dialogue with regulators
- Focus on self regulation
- Industry commitment to address alcohol harm





Regional review



Our conviction behind developing markets remains

Current headwinds in some markets

- FX rates rebalancing; imported inflation hitting consumer disposable income
- Excise increases/ regulatory changes
- Political uncertainty

Long term fundamentals intact

- Balanced geographical footprint
- Underlying beer fundamentals remain strong
- Broadening and deepening the beer category's relevance to consumers and customers

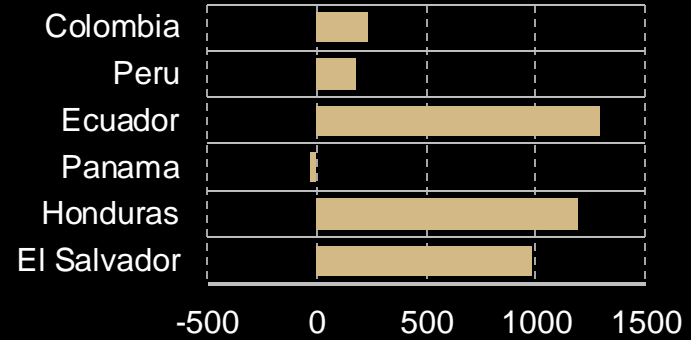
SABMiller has proven adept at operating in these circumstances



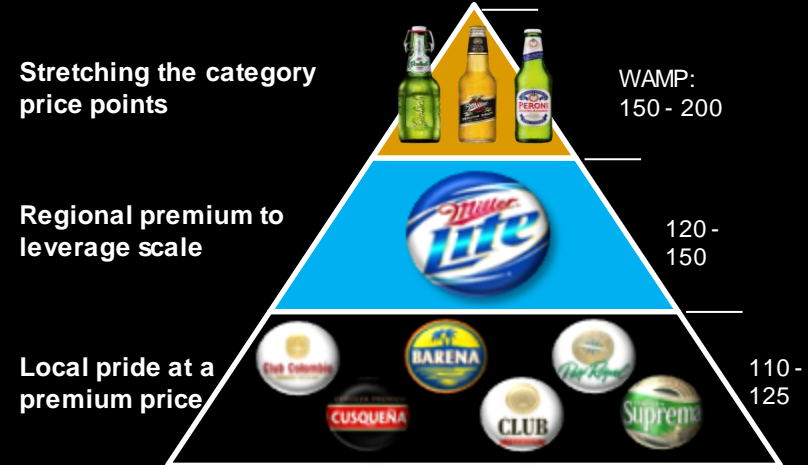
Latin America

- Continuing growth in LAE share, across new consumers and occasions
- Large embedded volume growth potential
 - Includes sourcing from illegal alcohol
- Packaging strategy driving affordability
- Premium growth: MGD, Miller Lite, local
- Accelerated innovation
- Extending outlet reach, sales and service
 - Since F08, doubled outlets served to 700k, fridge penetration up to c. 40%
- Continuous cost efficiency improvement

Beer share of alcohol increase (bps)*



Growth in premium beer

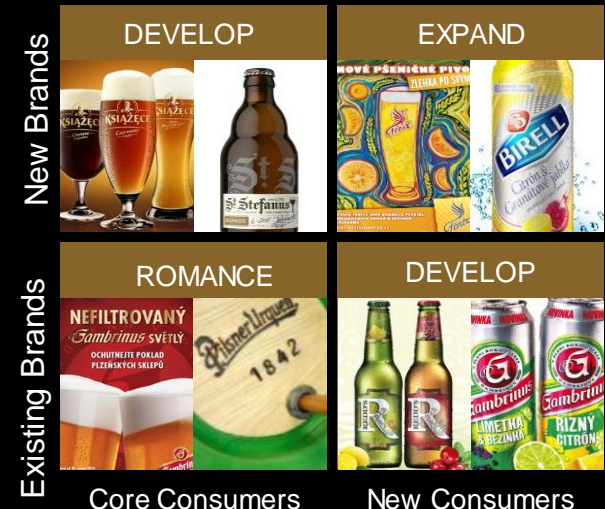


Europe

- Margin pressure due to segment, channel and package mix, competitive environment and consumer softness
- SABMiller enhancing perceptions of beer, to drive LAE share and premiumisation
- Sustaining core brand equities and accelerating innovation and portfolio breadth
- Win at the front line; partnering with customers and creating new experiences
- Business model evolving to leverage scale and skills and reduce costs



Changing market dynamic



MillerCoors




- Win in premium lights
- Expand in above premium with scale innovations
 - Above-premium up 3ppts to 14% of revenue in 2013
- Create value through strong revenue and category management
 - Net rev/hl up 3.4% in 2013
- Support and develop the MillerCoors distribution system for effectiveness and value
- Restructuring the organisation for future growth and efficiency



Africa

- Enormous growth potential
 - Beer's LAE share still < 20% (including informal)
 - Trading up from informal alcohol; rise of the middle class
- Broadening our portfolios, stretching price ladders
 - Mainstream; premium; affordability, enabled by local sourcing
- Soft drink and selected spirits participation complement our beer operations
- Deeper outlet penetration and retail relationships
- Broader geographic footprint within our markets, including west Africa; further investment underway

Premium segment growth in Africa

	Our Powerhouse brand in Africa	4 year CAGR +20%
	Redefine the stout category	4 year CAGR +6%
	Capturing premium drift	4 year CAGR +193%

Expansion of the affordable segment



Asia Pacific – Australia

- Reinvigorate our Carlton & United Breweries (CUB) brands and commercial functions while delivering cost synergies and savings

Winning portfolio

Restore the core



Immediate growth



Future growth



Innovation pipeline

Channel management and route to market



Asia Pacific – China

- Further build CRSB's market leadership
 - Organic market share gains, complemented by acquisitions
- Increasing breadth within the Snow franchise
 - Across premium price segments, driving rev/hl
- Improving route to market, distributor influence and channel execution
- Short term margin headwinds including Kingway acquisition
- Unit revenue, scale and cost control to drive margins longer term

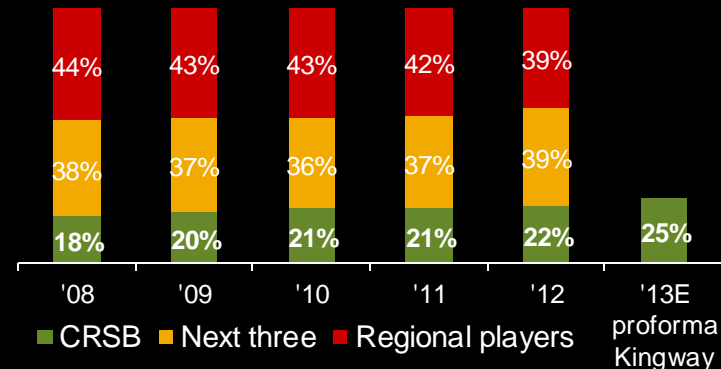


China: cumulative US\$1.2bn investment by SABMiller into our joint venture since 1994



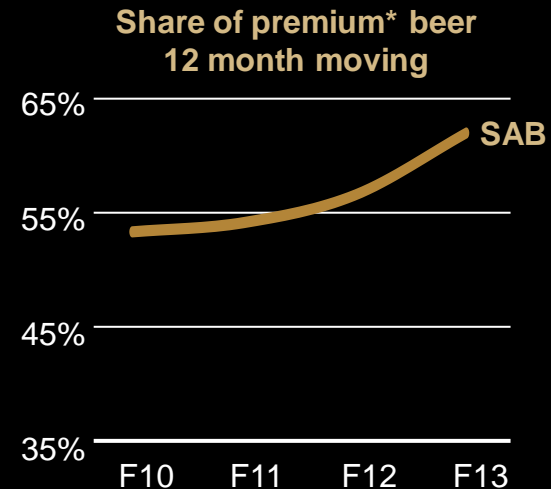
Based on SABMiller's proportionate 49% share.
 Cumulative investment to end calendar 2012: \$0.7bn cash injection and \$0.5bn retained earnings.
 Excludes the Kingway acquisition (effective Sept 2013)

CRSB market share evolution



South Africa

- Further extend our clear market leadership in core lager
- Broader portfolio to appeal to new consumers on more occasions
- Capitalise on our unmatched outlet reach and channel execution
- Rigorous revenue and cost management
- Manage beer's positioning among stakeholders and communities as a moderate drinking choice



* Premium beer includes PU, Grolsch, PNA, MGD, Castle Lite, CMS, HMG, Dreher, Heineken, Amstel, Windhoek, Guinness

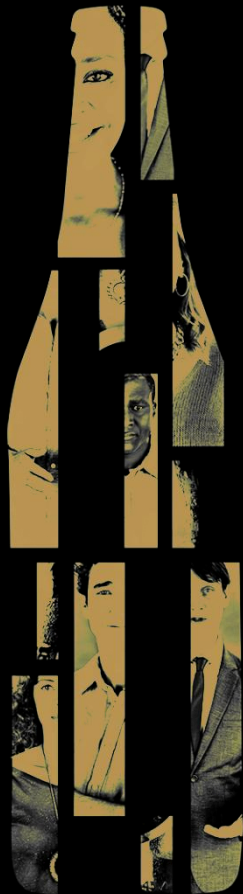
Source: SAB volumes, Brandhouse volumes from STI tracker



Conclusion

- SABMiller's consistent strategy is delivering replicable successes
- We see substantial revenue and margin growth opportunities ahead
- We are increasingly leveraging our global skills and scale
- Refreshing and romancing core lager is at the heart of the business
- Our broader portfolios will build the beer category, attracting more consumers on more occasions





Q&A



Divisional medium term guidance

	<i>C&E Europe</i>	<i>MillerCoors</i>	<i>Latin America</i>	<i>South Africa</i>	<i>Africa</i>	<i>Asia Pacific</i>
Date guidance published	Feb 2014	June 2013	March 2013	Feb 2012	Oct 2012	July 2013
Volume	LSD	-1 to flat	4-6%	Beer: 1-4% SD 2-5%	HSD (GDP +50%)	5-8%**
NPR/hl (since 2014) Revenue/ hl (prior to 2014)	LSD	2-4%	3-5%	MSD ²	MSD (@cc)	Flat/ slightly positive***
EBITA margin¹	+30-60 bps post F15	+30-60 bps	+60-80 bps	+30-80 bps	+50-80 bps	+20-40bps



¹ average annual growth in EBITA margin (on Revenue) ² MSD around CPI for beer, slightly below CPI for SD (CPI target 4 – 6%)

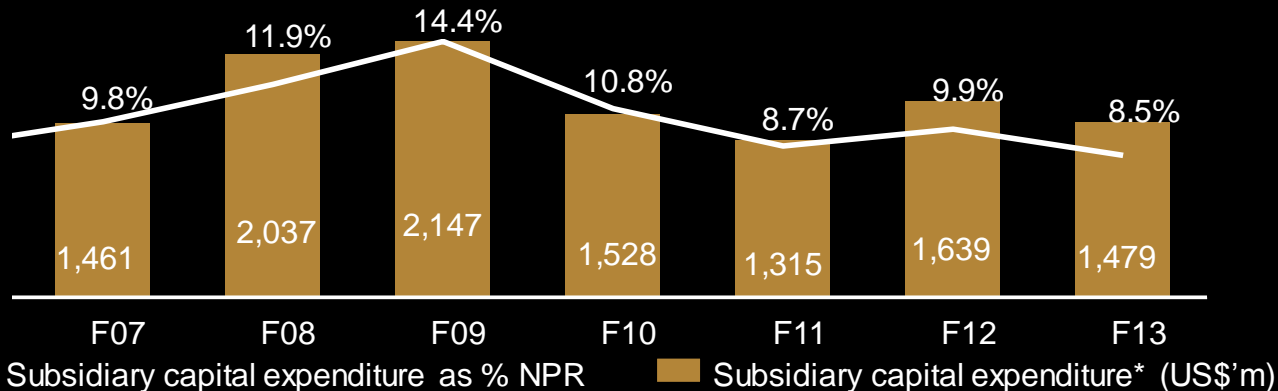
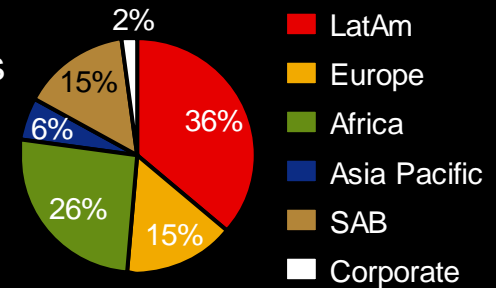
** Driven by China; *** 3-5% offset by country mix



Capital expenditure

Investment will continue to support growth

- Capital expenditure will continue to reflect 8 - 10% of NPR
- Developing market growth supported by capacity expansions
- Investment in new product and packaging capabilities



*Purchase of property, plant and equipment and intangible assets

