

# *Welcome*



SABMiller plc

Consumer Analyst  
Group of New York  
conference

Boca Raton, Florida  
February 19<sup>th</sup>, 2009





# Global review

**Graham Mackay**  
**CEO**





## 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.



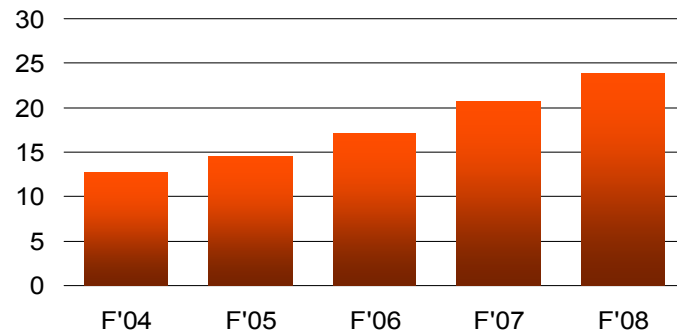
## SABMiller key facts



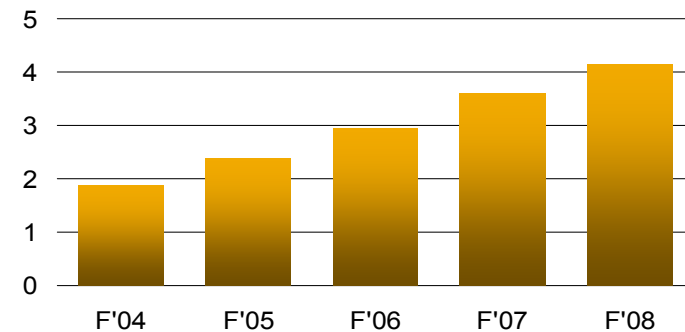
### World's 2<sup>nd</sup> largest brewer

- # 1 or 2 position in > 90% of markets<sup>1</sup>
- 5 year revenue and EBIT CAGR of 22% and 27%
- A leading Coke bottler

Revenue \$b, F04-F08



EBIT \$b, F04-F08

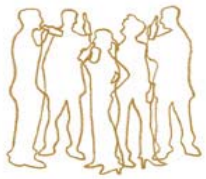


Market equity capitalization \$23.2 billion<sup>2</sup>

1. Countries in which SABMiller plc has a brewing presence (including Castel)

2. Market cap on February 17, 2009





## SABMiller key facts



- Strong portfolio of leading local brands
  - Deep local heritage with leading consumer equity
  - Leading market shares
  - Superior profitability
- Differentiated portfolio of four international brands: Grolsch, Peroni, Pilsner Urquell, MGD



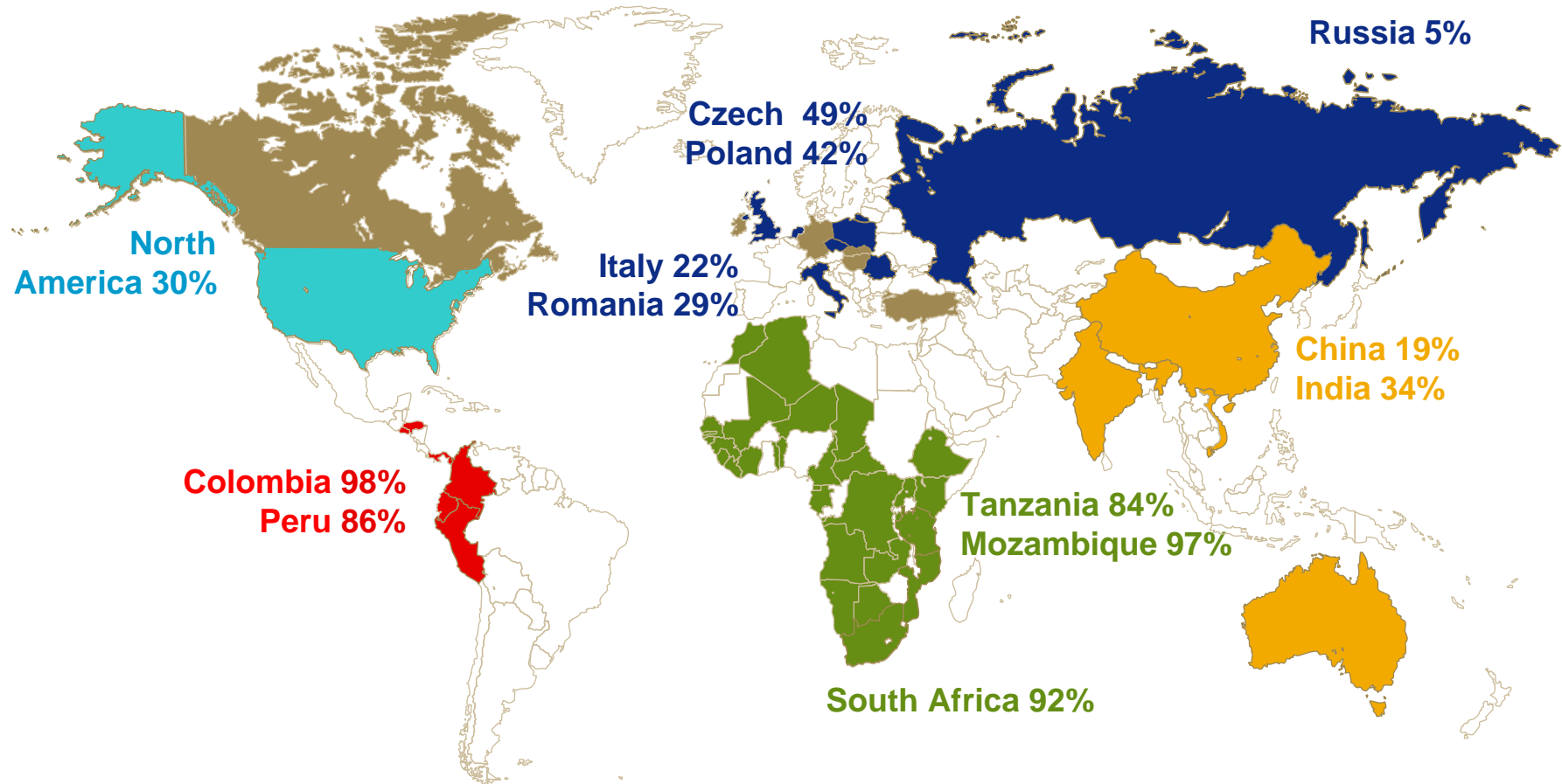
Country	Brand	Rank
Poland	Tyskie	1
Czech	Gambrinus	1
Romania	Timisoreana	1
Italy	Peroni	1
South Africa	Carling Black Label	1
Tanzania	Safari	1
Mozambique	2M	1
Botswana	St. Louis	1
Colombia	Aguila	1
Peru	Cristal	1
Ecuador	Pilsner	1
China	Snow	1
India	Haywards 5000	2



One of the world's leading brewers

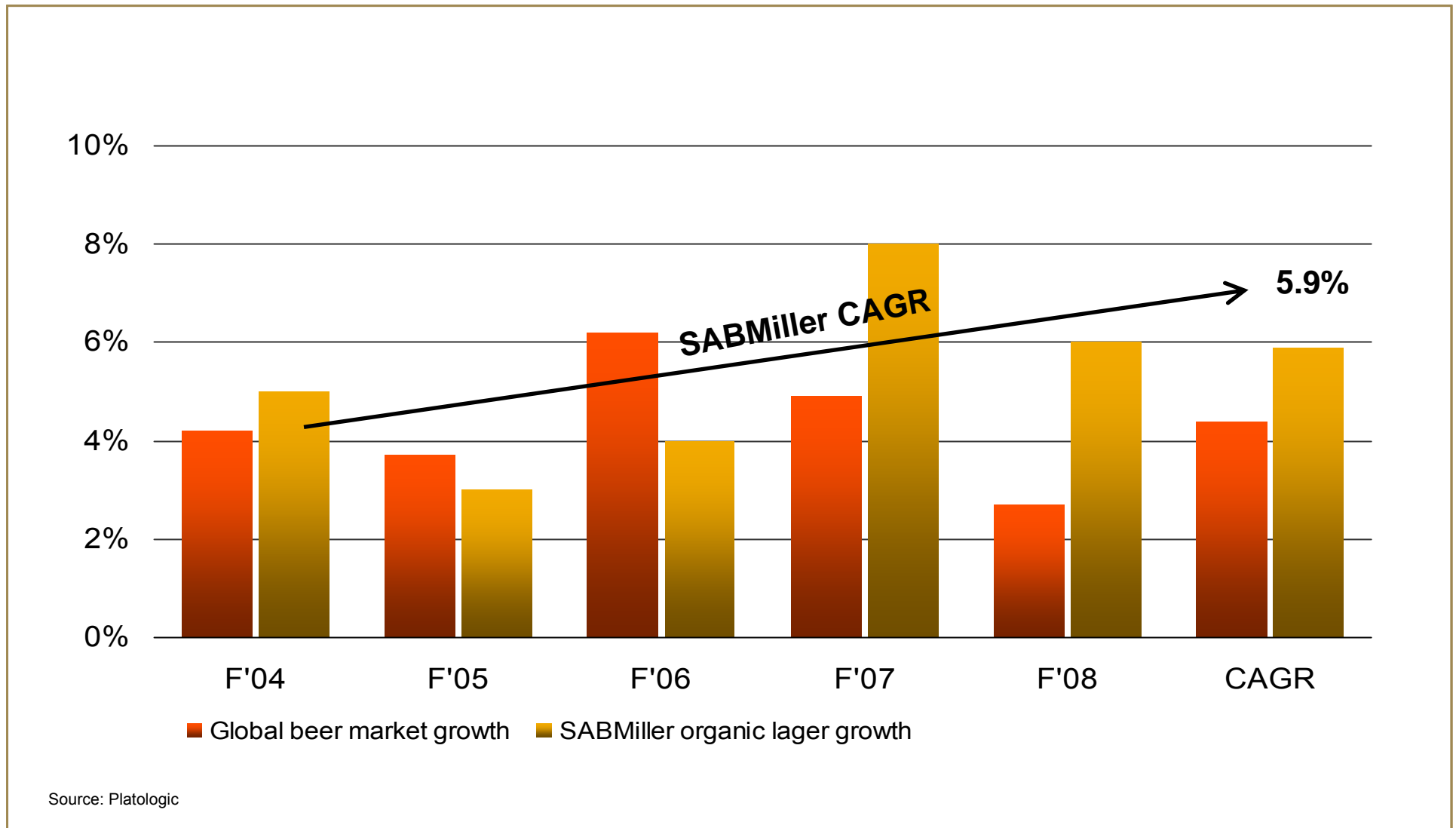


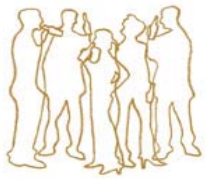
### Key country market shares





## Outperforming the global beer market



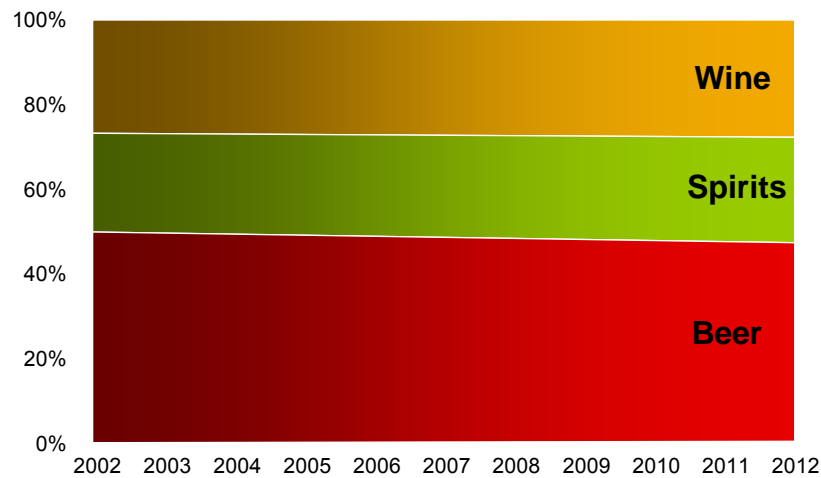


# Beer's increasing share of alcohol

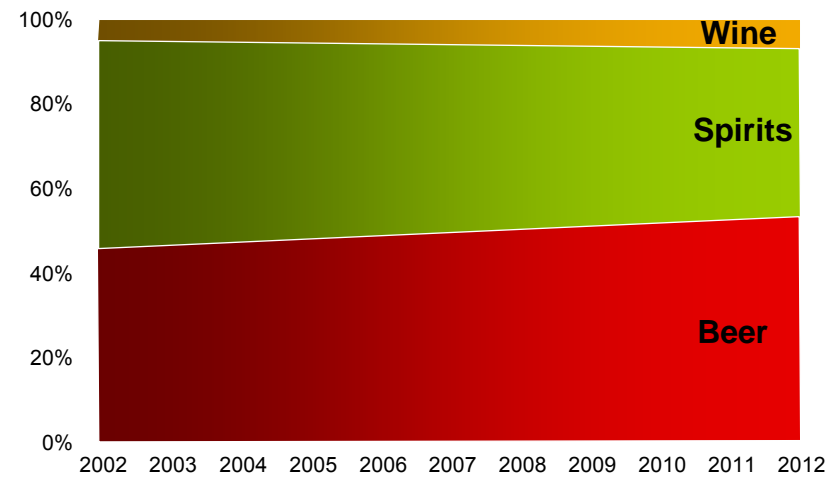


## Alcohol share trends

**Developed markets**



**Emerging markets**



**2002-12e  
beer CAGR:**

**W. Europe  
-0.6%**

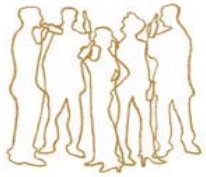
**N. America  
0.7%**

**E. Europe  
5.2%**

**S. America  
3.8%**

**Africa/Asia  
6.0%**

Source: Datamonitor Jan 2009 share of liquid, converted at ABVs: beer 5%, wine 12%, spirits 40%  
Source: Plato Logic Jan 2009



# Leading emerging market alcohol growth



## Typical alcohol pricing ladder

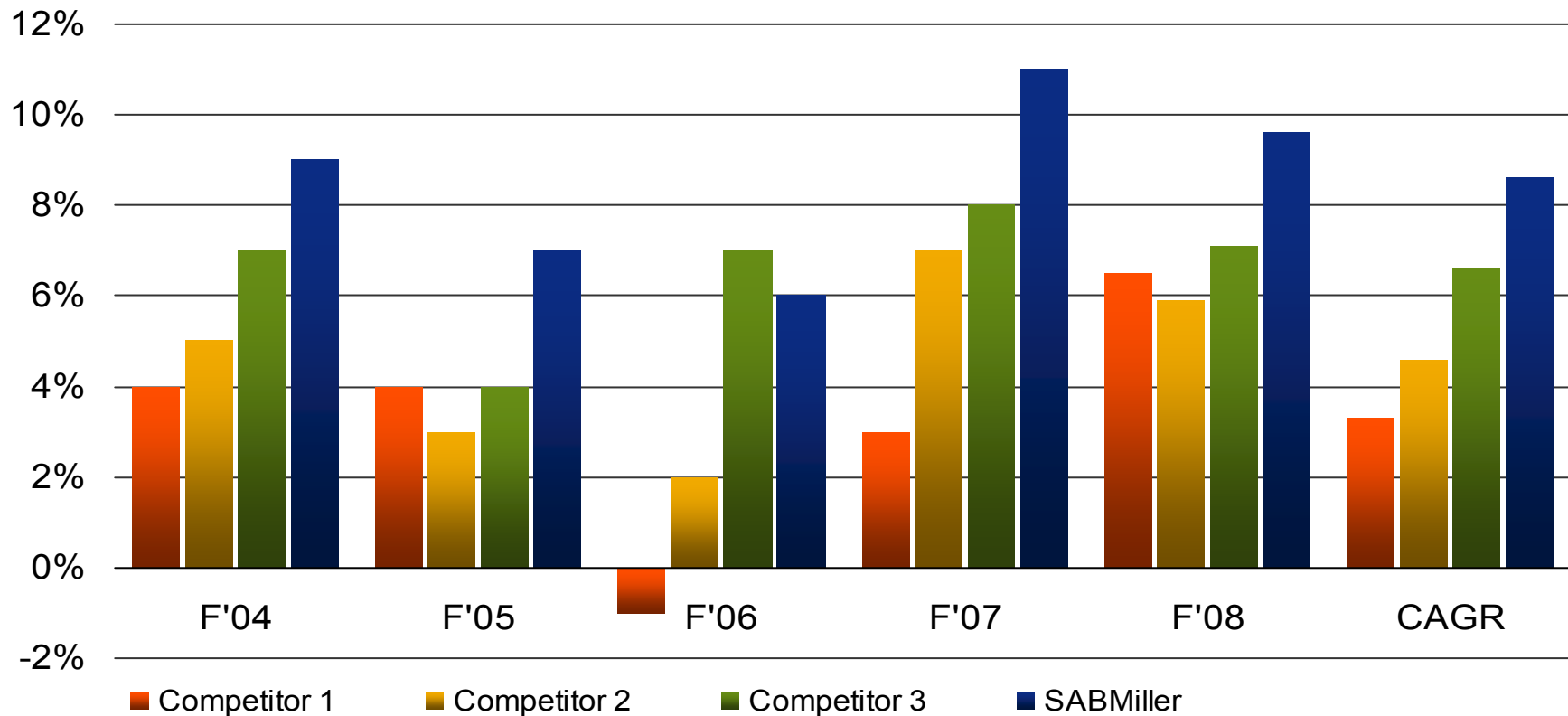
300+	}	Imported spirits
150-300		Imported beer
140	}	Local premium beer
100		Mainstream beer
60	}	Economy beer
40	}	Local subsistence alcohol
20		



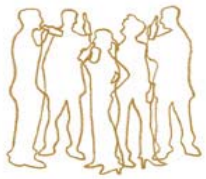
## Sector leading top line growth



### Organic constant currency revenue growth



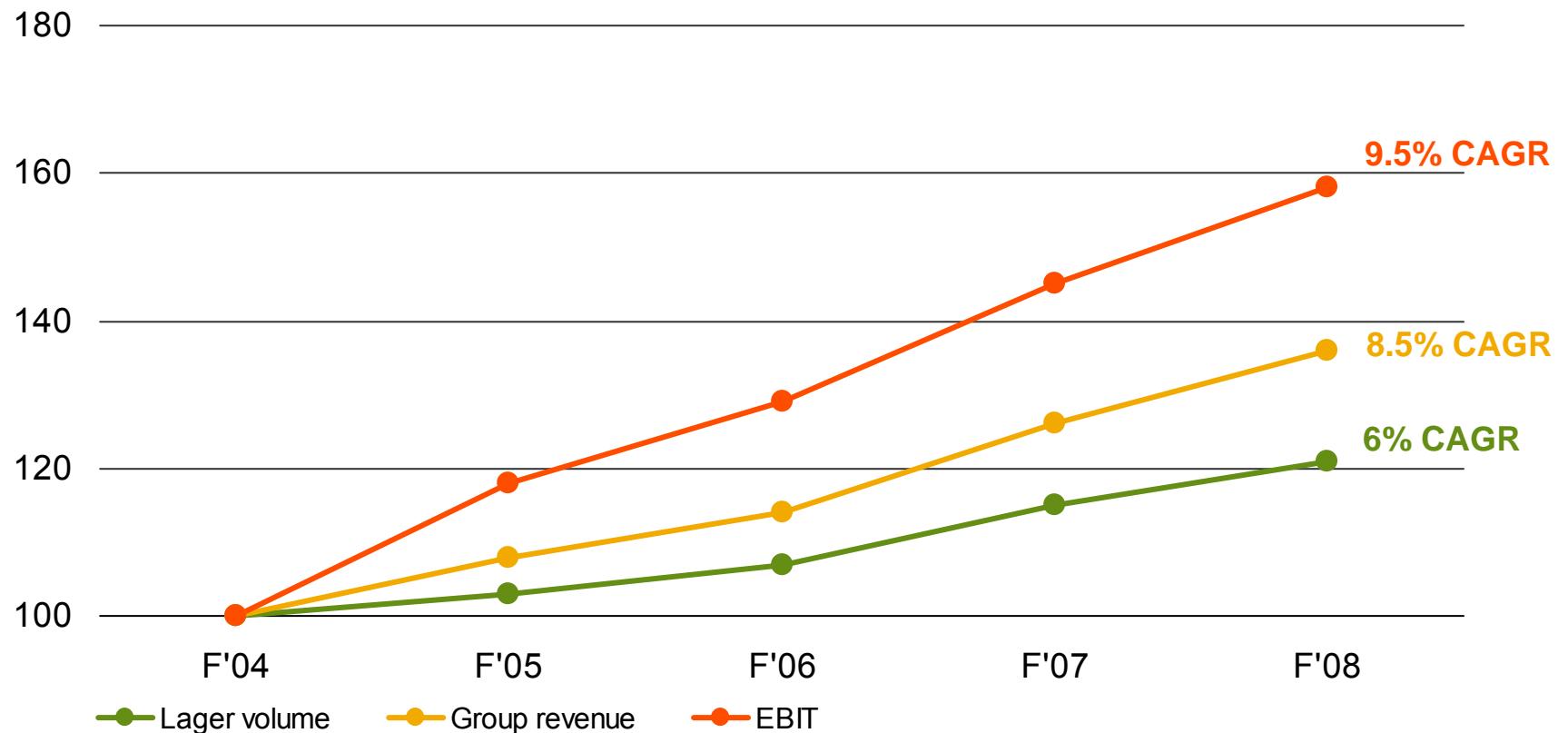




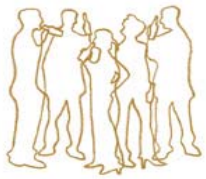
## Superior growth through the income statement



### Organic volume, constant currency revenue & EBIT growth



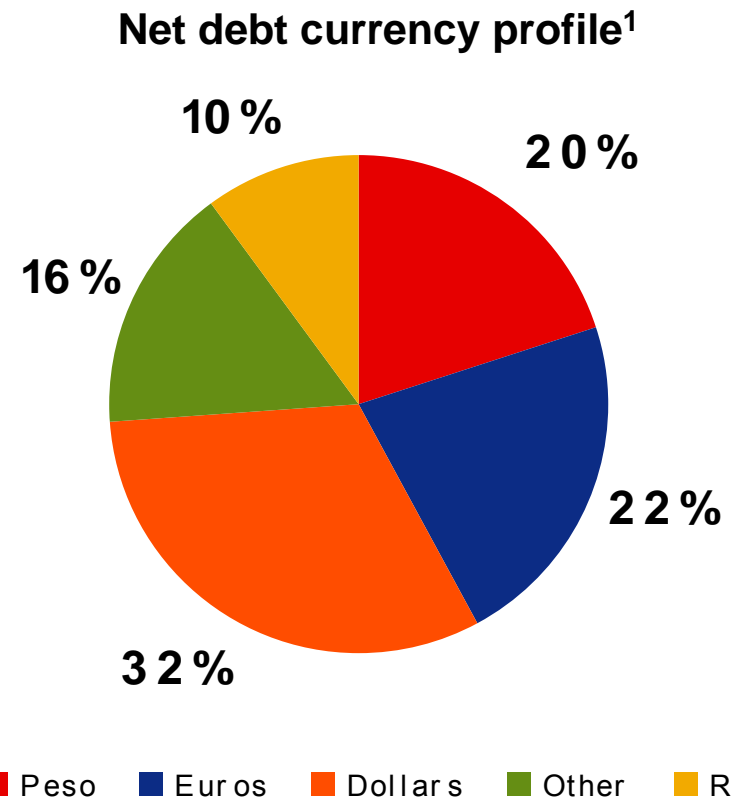
F04 = 100, growth – organic volumes; organic constant currency



## Strong financial profile



- Low gearing:
  - Net debt/EBITDA c. 2x
- Significant undrawn committed borrowing facilities in place
- Limited refinancing until 2011
- Strong interest cover
- Stable Baa1/BBB+ ratings



1. Figures as at 30 September 2008. These include the fair value of derivative assets or liabilities held to manage interest rate and foreign currency risk of borrowings.



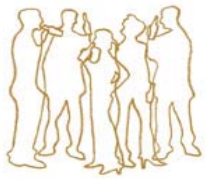
## Comparative resilience in tough times



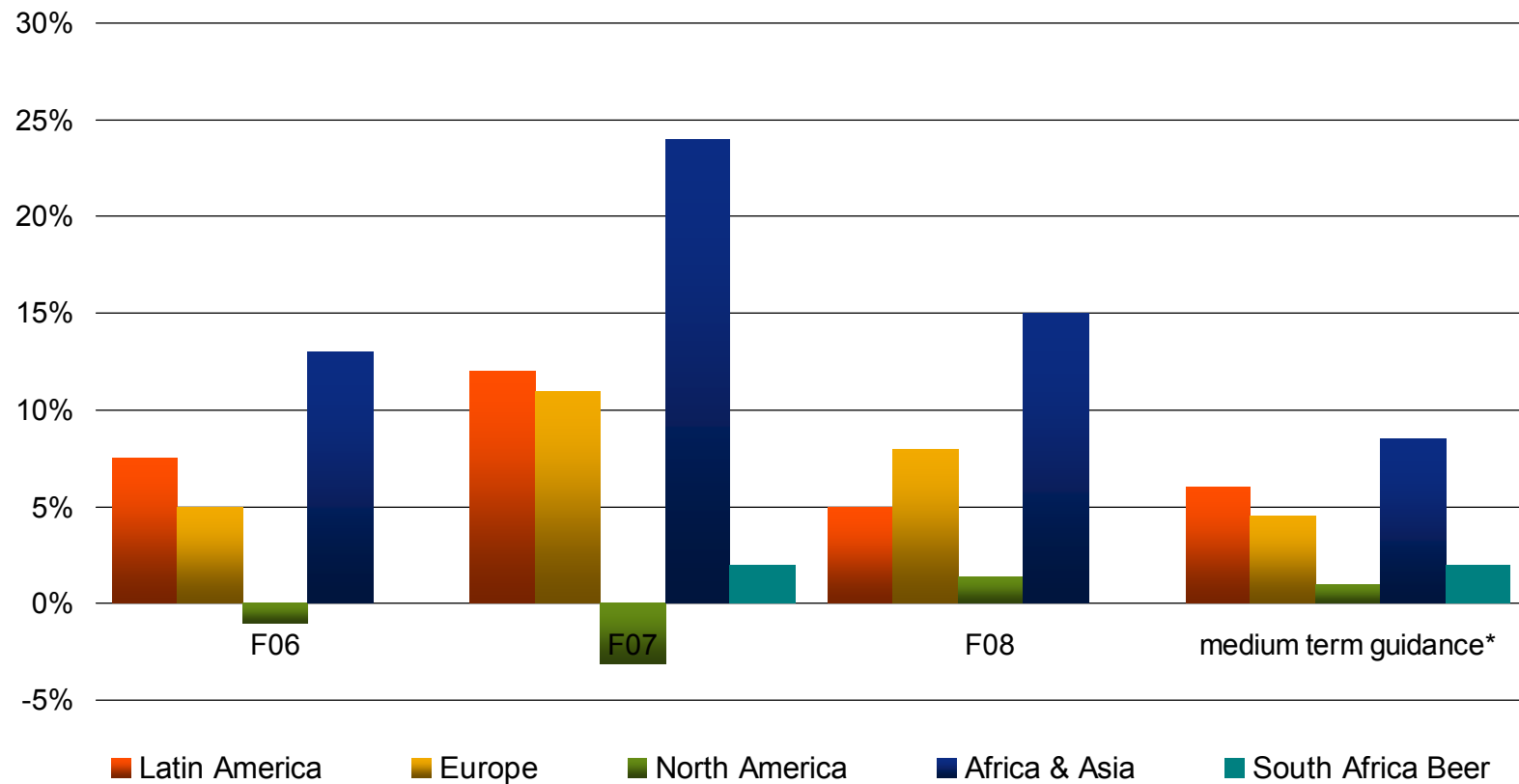
### **Beer is comparatively resilient**

- Growth has slowed but volumes are stable
- Affordability is good
- Key part of consumer lifestyle routines
- Peaks and troughs less pronounced than other sectors



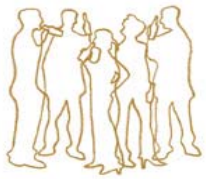


## Recent growth exceeded medium term guidance



LatAm F06 is South America *pro forma* vs. prior year

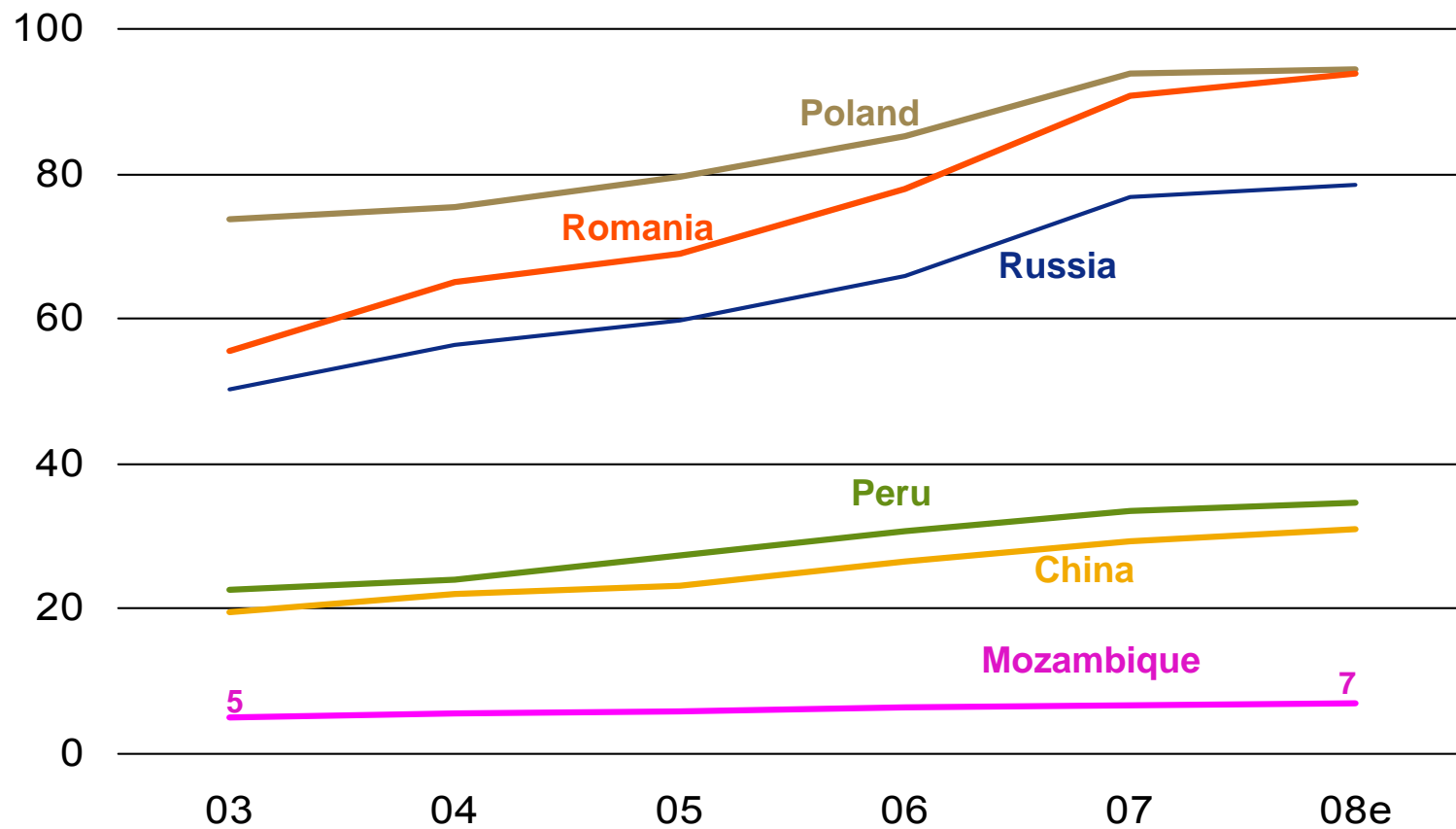
\* Medium term guidance as at original publishing on respective divisional seminar dates



## Consolidating rapid recent industry growth



### Per capita consumption: litres per year



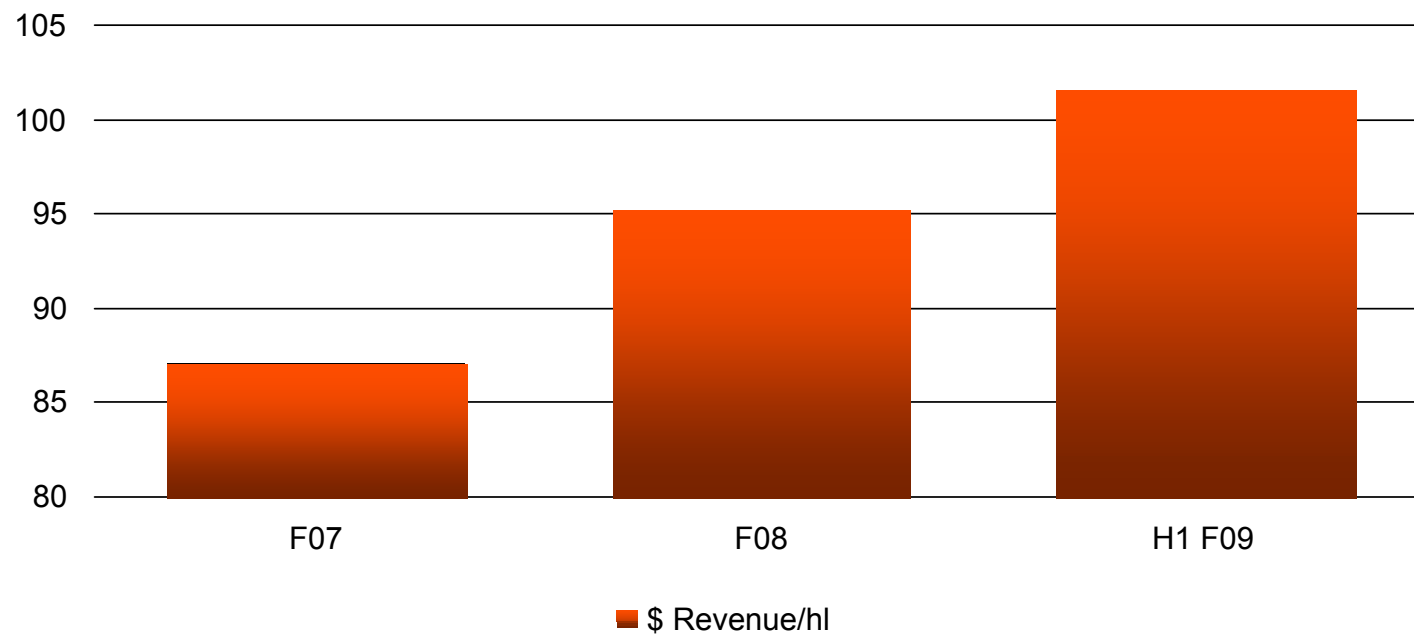
Source: Plato logic



## Pricing has been robust



### Increasing unit revenue growth







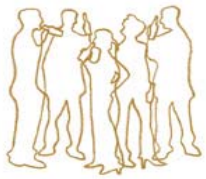
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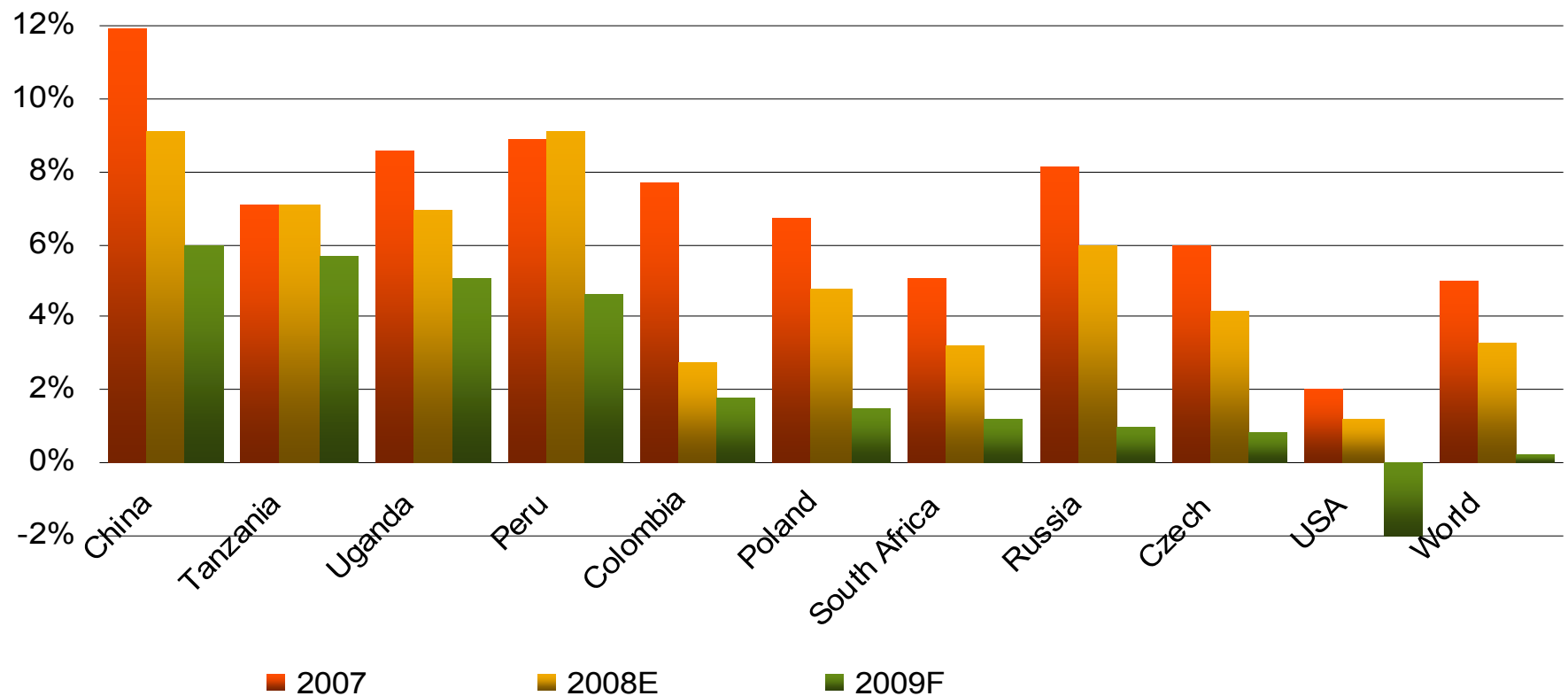




## Comparative resilience amidst slowing economic growth



### Our markets are predominantly in growth



Source: EIU January 2009

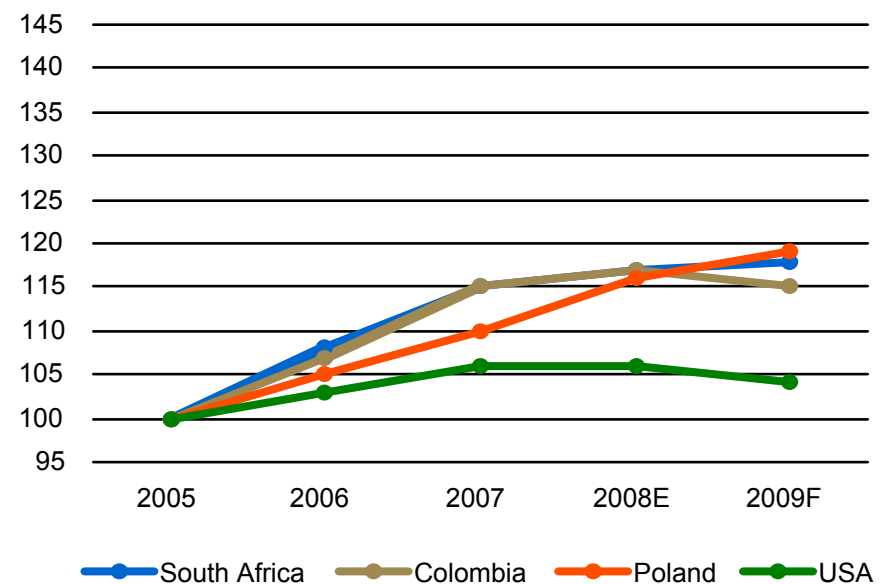
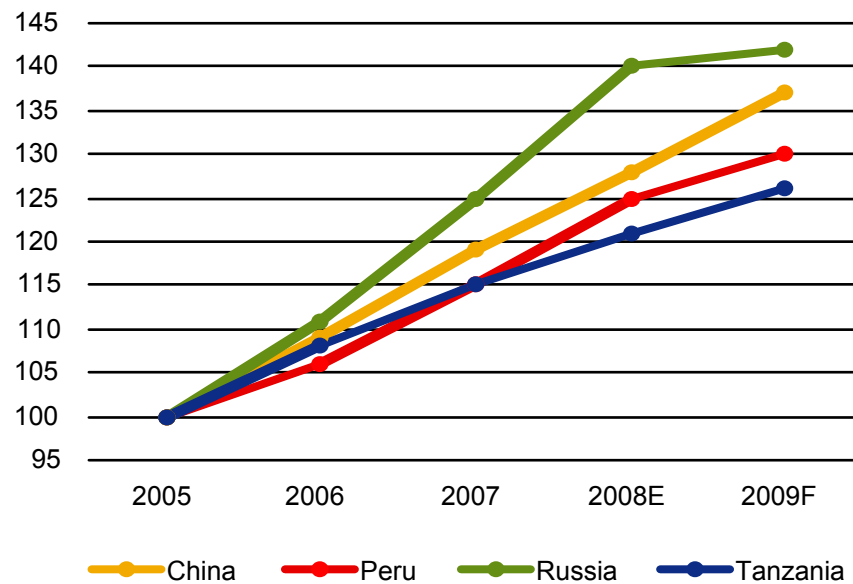


## Consumption growth is forecast in our markets



### Private consumption expenditure growth

Index, 2005 = 100



Source: EIU updated forecast Jan 09

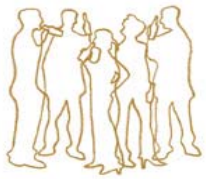


## Strategic priorities



- Creating an attractive global spread of businesses
- Developing strong, relevant brand portfolios in local markets
- Constantly raising the performance of local businesses
- Leveraging our global scale

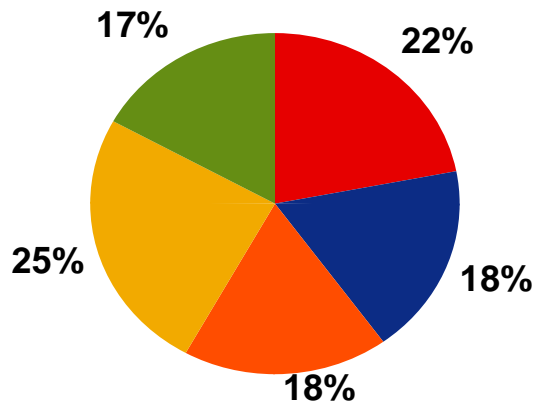




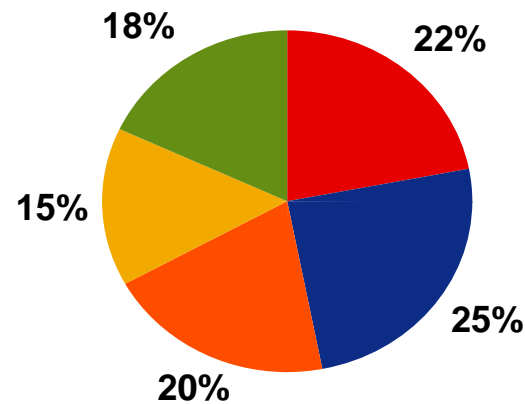
## 1. An attractive spread of global businesses

**Twelve months to 30 September 2008**

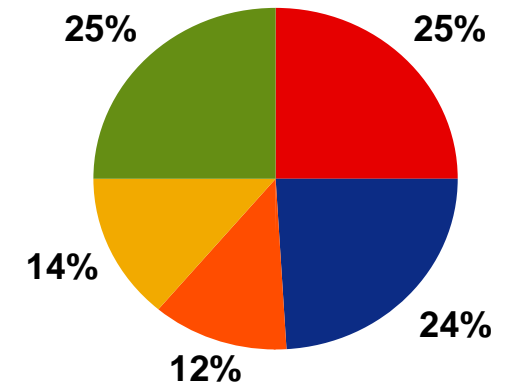
**Total volume**



**Revenue**



**EBIT**



Latin America

Europe

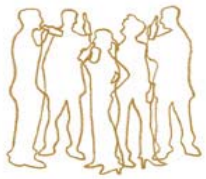
North America

Africa & Asia

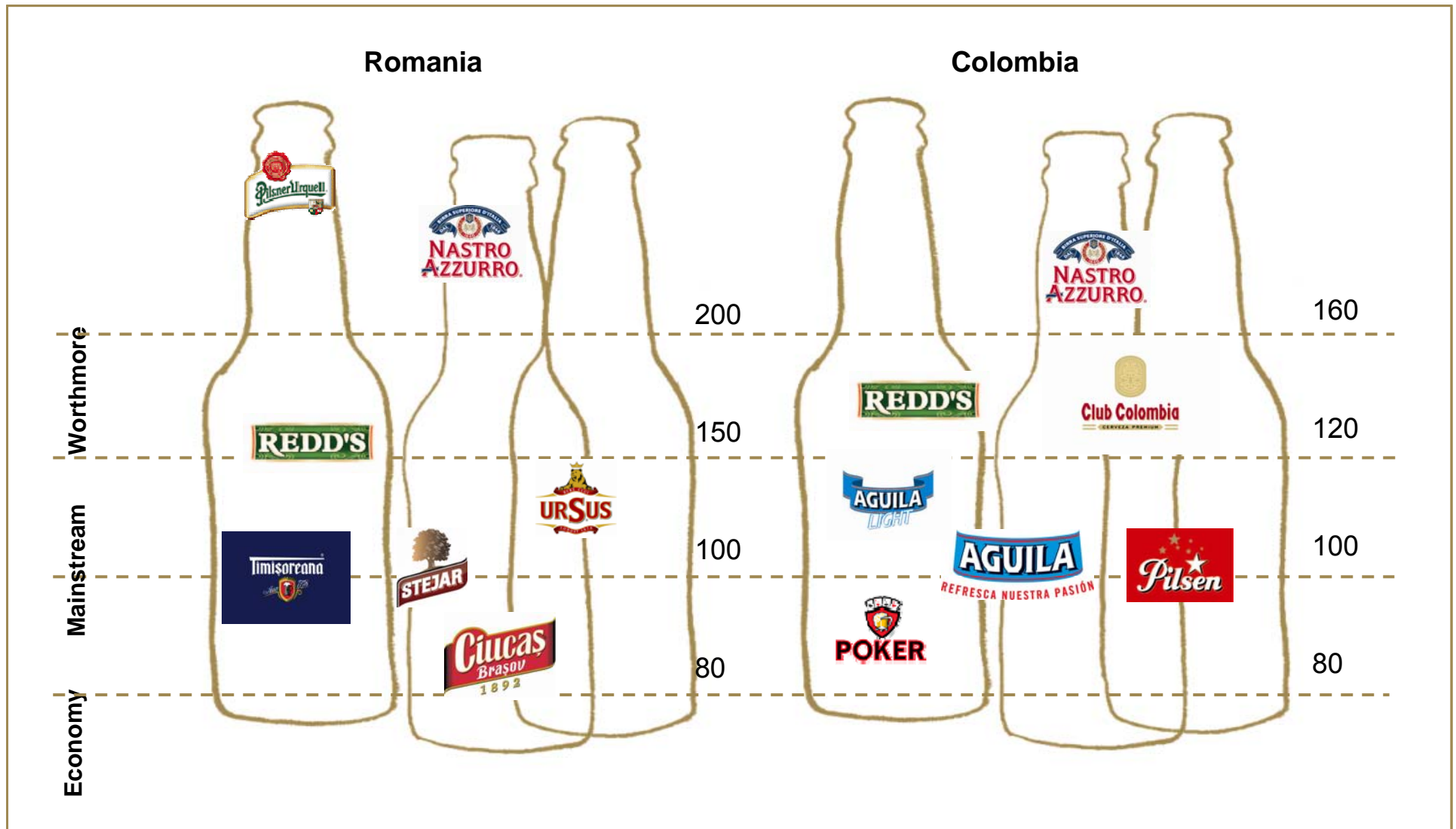
South Africa

Volume excludes contract brewing, includes soft drinks and other beverages  
EBIT is Pre-goodwill amortization, excluding central admin and exceptional items

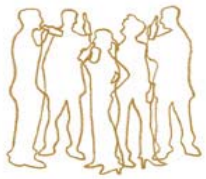




## 2. Strong, relevant brand portfolios



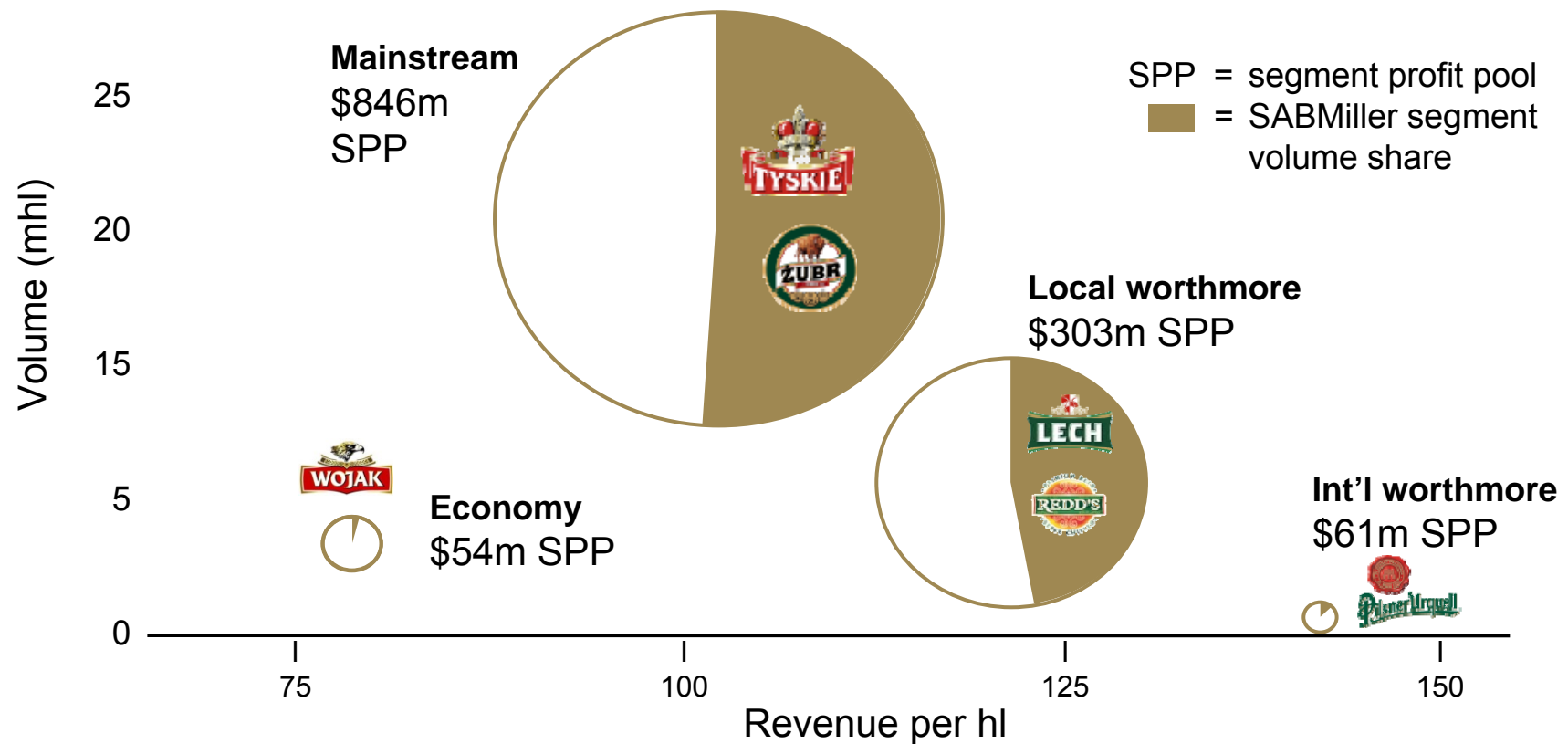




## Brands in the highest value segments



### Poland



F08. Source company internal estimates



## Strong marketing expertise



- Deep consumer insights, aligned to profitable growth opportunities
- Occasion based marketing
- 360° marketing
- Channel segmentation



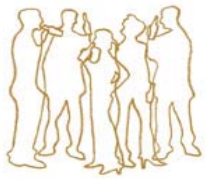


### 3. Constantly raising the performance of local businesses



- Focus on in-trade execution
- Operational efficiency
- Scrutinizing costs and CapEx
  - Continued investment in brands, packaging and innovation
  - Cost productivity remains a focus

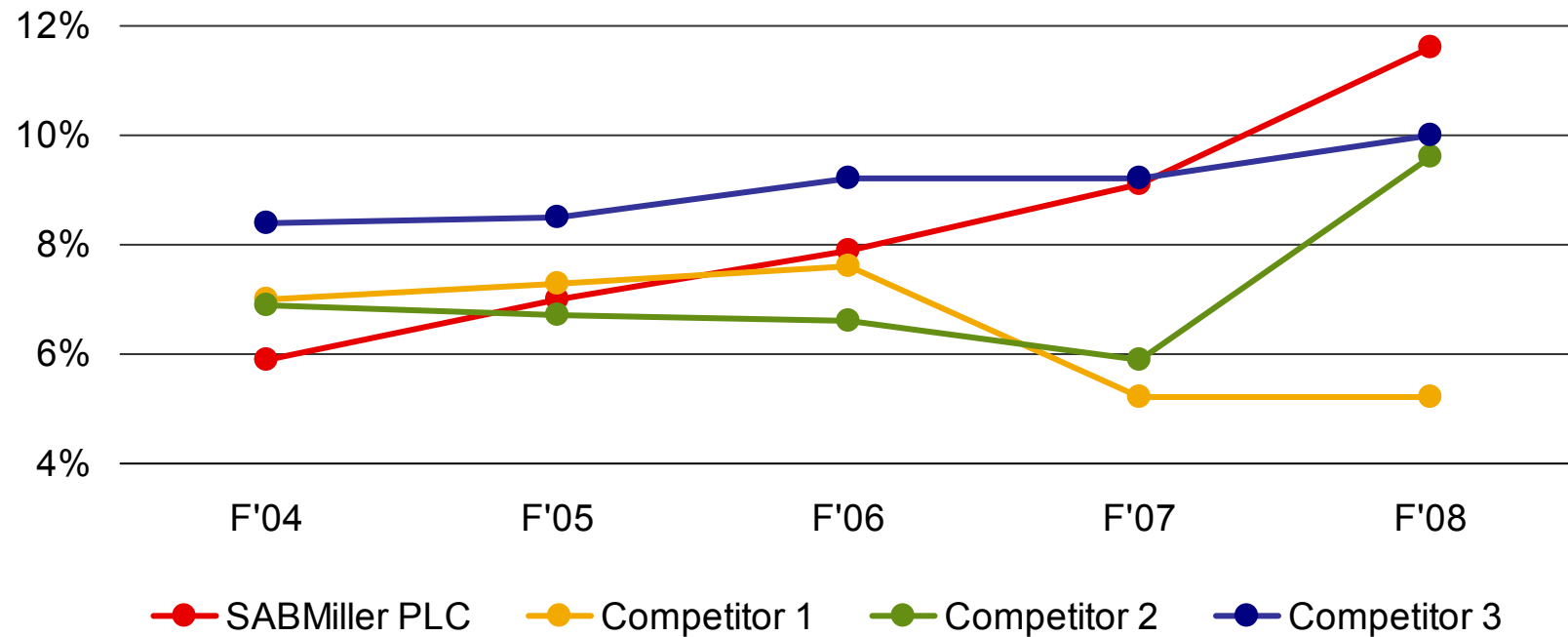




## CapEx expected to reduce relative to revenue



### Capital expenditure as a percent of net sales



\* Source: company published data, revenue excluding associates less excise taxes, net capital expenditure





## 4. Leveraging SABMiller's global scale



- SABMiller Ways
- Programs to enhance global business processes
- Centralized procurement to improve sourcing and supply chain efficiency
- More sophisticated systems supporting local sales and distribution
- Globally standardized information platforms to leverage commercial insights
- Standardized back office processes
  - reduce cost, enable outsourcing and shared service centers





# Regional business review





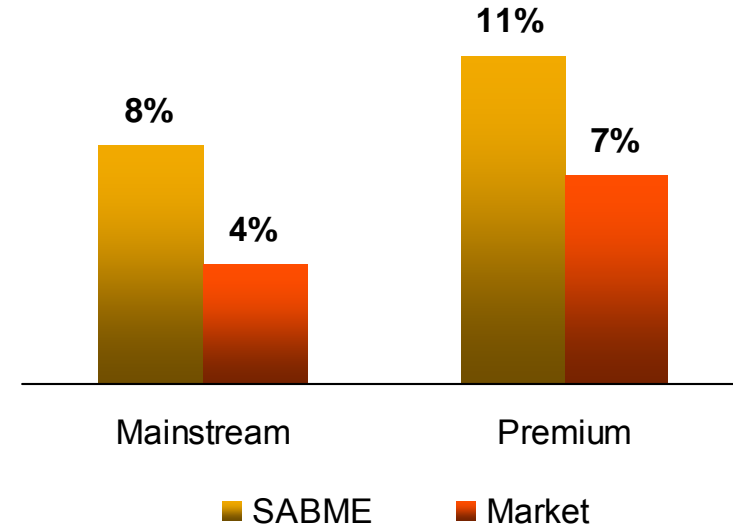


## Europe: a disproportionate share of profit pools



- Industry-leading value maximisation
- Strong brands in full portfolios supported by 360° marketing
- Commercial capability in on and off trade

**5-year CAGR by segment 2004-08**



Current context: slowdown in consumer spending, beer industry consolidating recent rapid PCC growth



## South Africa: leveraging scale and broad brand portfolio



- Healthy long term economic growth
- Broad beer brand range with diverse consumer appeal
- Continuing growth in soft drinks, recent success of Coke Zero
- Strengthening our route to market
- Increasing presence and investment at points of sale
- Targeting efficiencies, improving competitiveness



Current context: high inflation and slowing GDP growth  
flattened consumer spending



## Africa: great potential



- Low but accelerating PCC levels
- Investment in capacity to support sales momentum
- Brands, affordability and reach supporting growth
- Growth across lager, traditional beer and soft drinks

Current context: sustained growth momentum across Africa

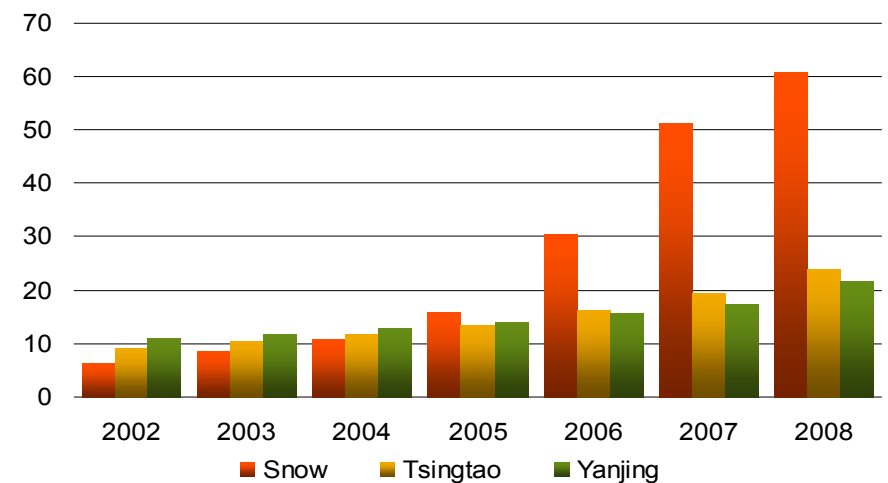


## Asia: a longer term story



- Leader in China with 18% share
- Leveraging Snow, the first major national brand, with 15% share
  - Equity affords pricing power
  - Expanding into new territories
- Robust pricing recently in China
- India growing off a low base
- Capturing growth with positions in Australia and Vietnam

Volume growth (m hls)



**Current context:** slower volume growth in China, but healthier pricing and profit. Regulatory environment constraining growth in India.

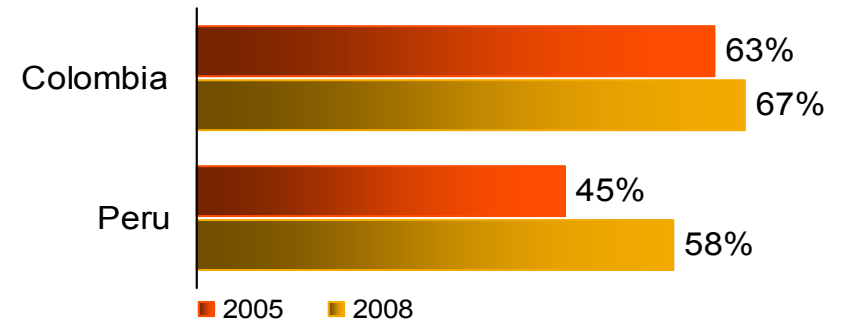


## Latin America: enhancing category appeal



- Consumers trading into beer from local spirits
- Economic growth driving PCC towards higher LatAm benchmarks
- Building premium segment
- Improving beer's range of occasions
- Retail price management
- Better productivity and efficiency

### Growth in beer share of total alcohol



Current context: consumer spending constrained in Colombia, growing in Peru and elsewhere

Source: Company internal sources



Brand development





## North America: stronger, more competitive, brand-led brewer



- MillerCoors JV is now a much stronger #2 player
  - Broadest US beer brand portfolio
  - Strengthened position at retail
  - Highly experienced management, hand picked workforce
- Strong focus on revenue management
- Strengthened local general managers
- Fostering an optimal, efficient, distribution network
- On track to deliver \$500m synergies



Current context: Beer performing well despite US economic slowdown





North America:  
stronger, more competitive, brand-led brewer



# Driving profitable growth in beer

**Tom Long**  
President and Chief Commercial Officer





## BECOMING AMERICA'S BEST BEER COMPANY

### PEOPLE

- Attract, engage and retain people and teams who demonstrate:
  - Passion for beer
  - Connection with people
  - Commitment to customers
  - Pride and integrity
  - Bias for action
  - Thirst for learning
- Invest in people development
- Create a customer-focused and learning organization
- Grow and leverage diversity
- Create a safe, flexible and productive work environment

### BRANDS

- Win in premium lights, taking share and growing the segment
- Win in above premium, growing share and profit
- Bring our portfolio to life at the local level
- Accelerate growth with multicultural consumers
- Deliver innovation and quality that excites consumers

### PARTNERS

- Develop the best sales force in the industry
- Drive national and regional chain growth
- Build and motivate the most effective distributor network
- Grow share and profit at the market level

### SCALE

- Deliver our synergy commitment
- Maximize cash flow and capital investment returns
- Reduce fixed costs to lower our break-even

### RESPONSIBILITY

- Promote responsible enjoyment of beer
- Imbed environmental sustainability
- Invest in our communities
- Model ethical practices and transparency in reporting





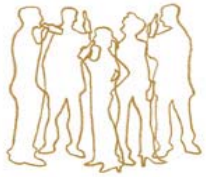
## BECOMING **AMERICA'S BEST BEER COMPANY**



### **BRANDS**

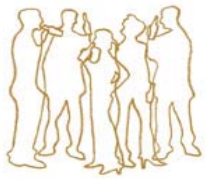
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## Winning in premium light

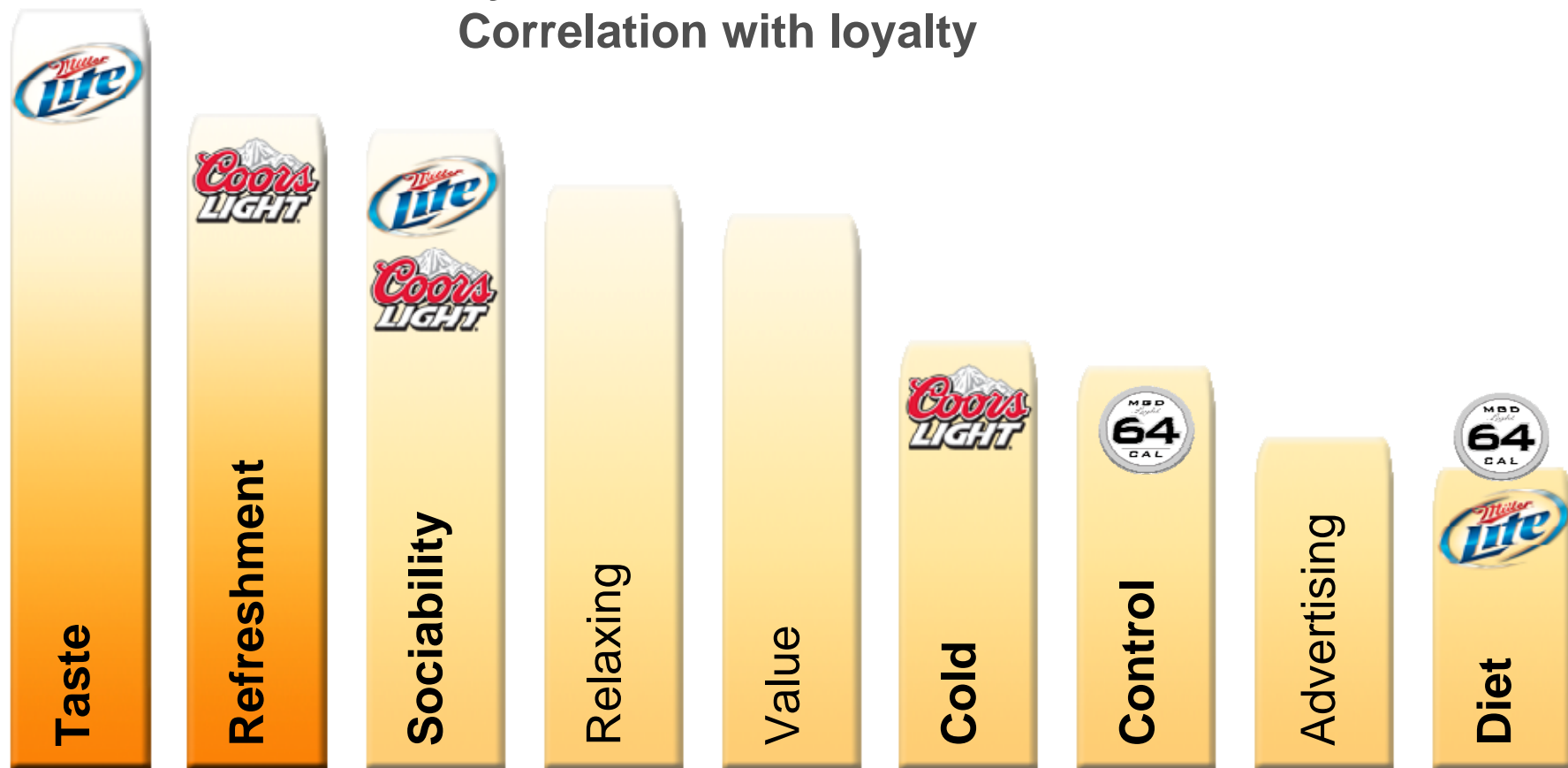




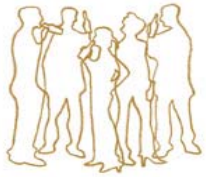
## Taste and refreshment



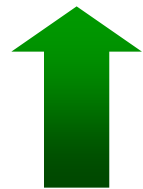
### Key brand dimensions Correlation with loyalty



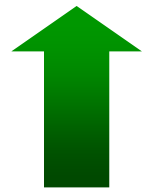




## Winning in premium light



0.2 points volume share



0.2 points dollar share



Source: ACNielsen – since July 1, 2008  
© SABMiller plc 2005

CAGNY February 2009



## Winning in premium light





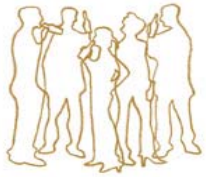
## Winning in premium light



Coors Light ad...







## Winning in premium light

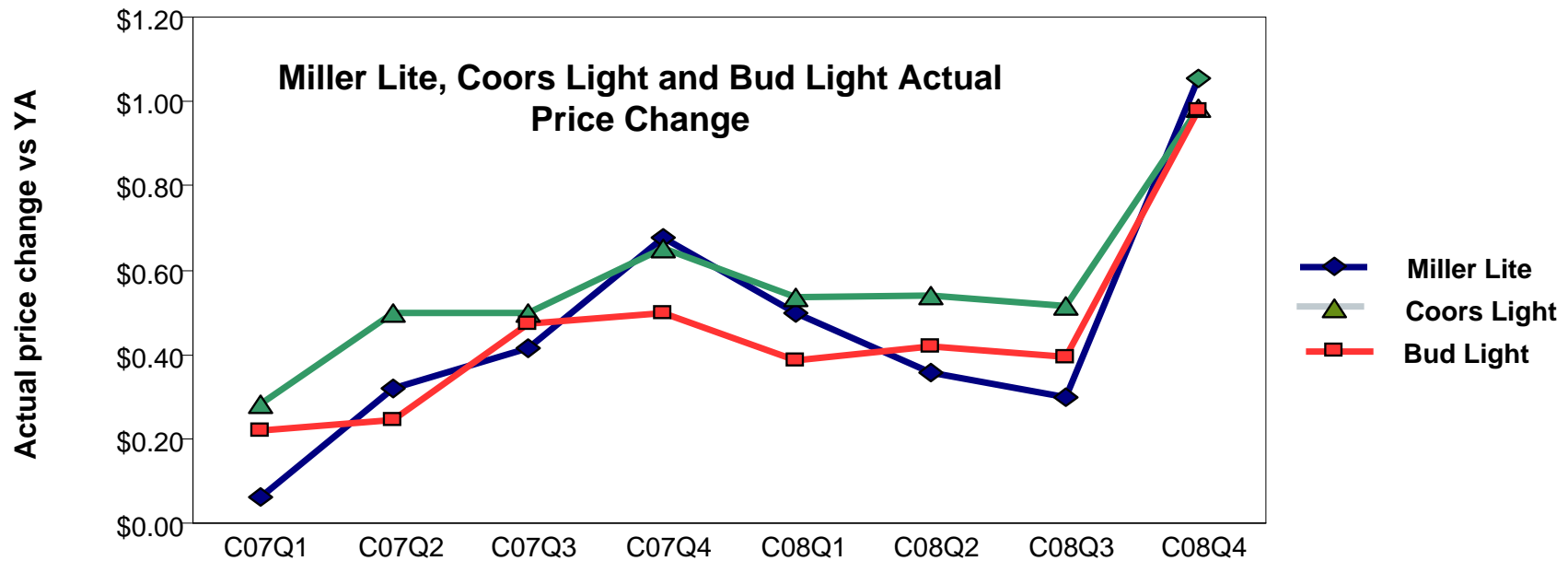




## Winning in premium light



- We took price up on Miller Lite in F09 Q3... more than Bud Light... which has contributed to volume softness



Source: ACNielsen



## Winning in premium light





## Winning in premium light







## Winning in premium light



MGD64 ad...





## Winning in above premium



### ■ Crafts

- 29% of segment
- 45% of growth within segment

### ■ Imports

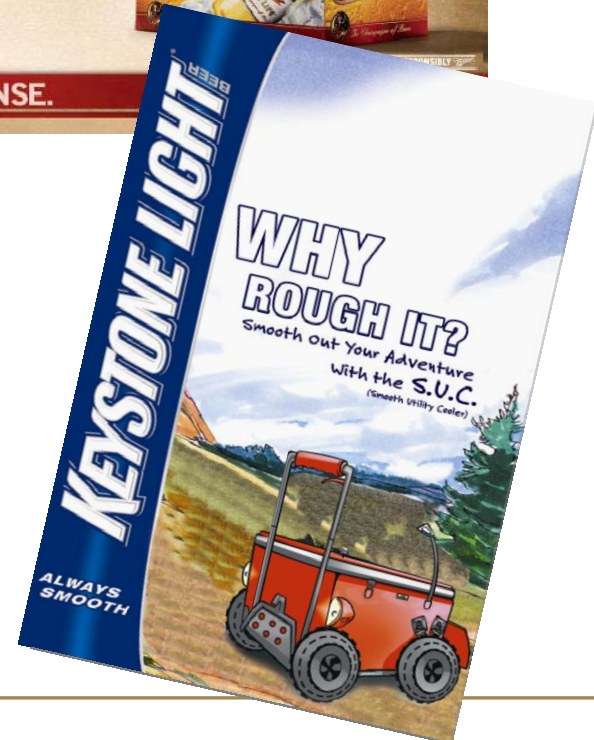
- Peroni up double digits







## Winning in below premium





## Winning in below premium



### Miller High Life ads...





## Net revenue management



- Building premium brands
- Prudent price increases to cover COGS
- Promotional efficiency
- Increasing presence in above premium
- Driving profitable package mix
- Driving geographic mix





BECOMING  
**AMERICA'S BEST BEER COMPANY**



## PARTNERS

- Develop the best sales force in the industry
- Drive national and regional chain growth
- Build and motivate the most effective distributor network
- Grow share and profit at the market level





## Winning in BEER



### B★E★E★R is about building a winning retail culture

- **BEER** begins with a commitment to winning at retail
- **BEER** is designed to improve our presence at store-level
- **BEER** requires mutually-held goals with distributors



Building  
Execution  
Excellence at  
Retail



BECOMING  
**AMERICA'S BEST BEER COMPANY**

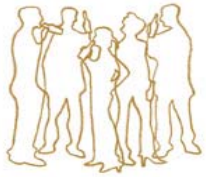


## **SCALE**

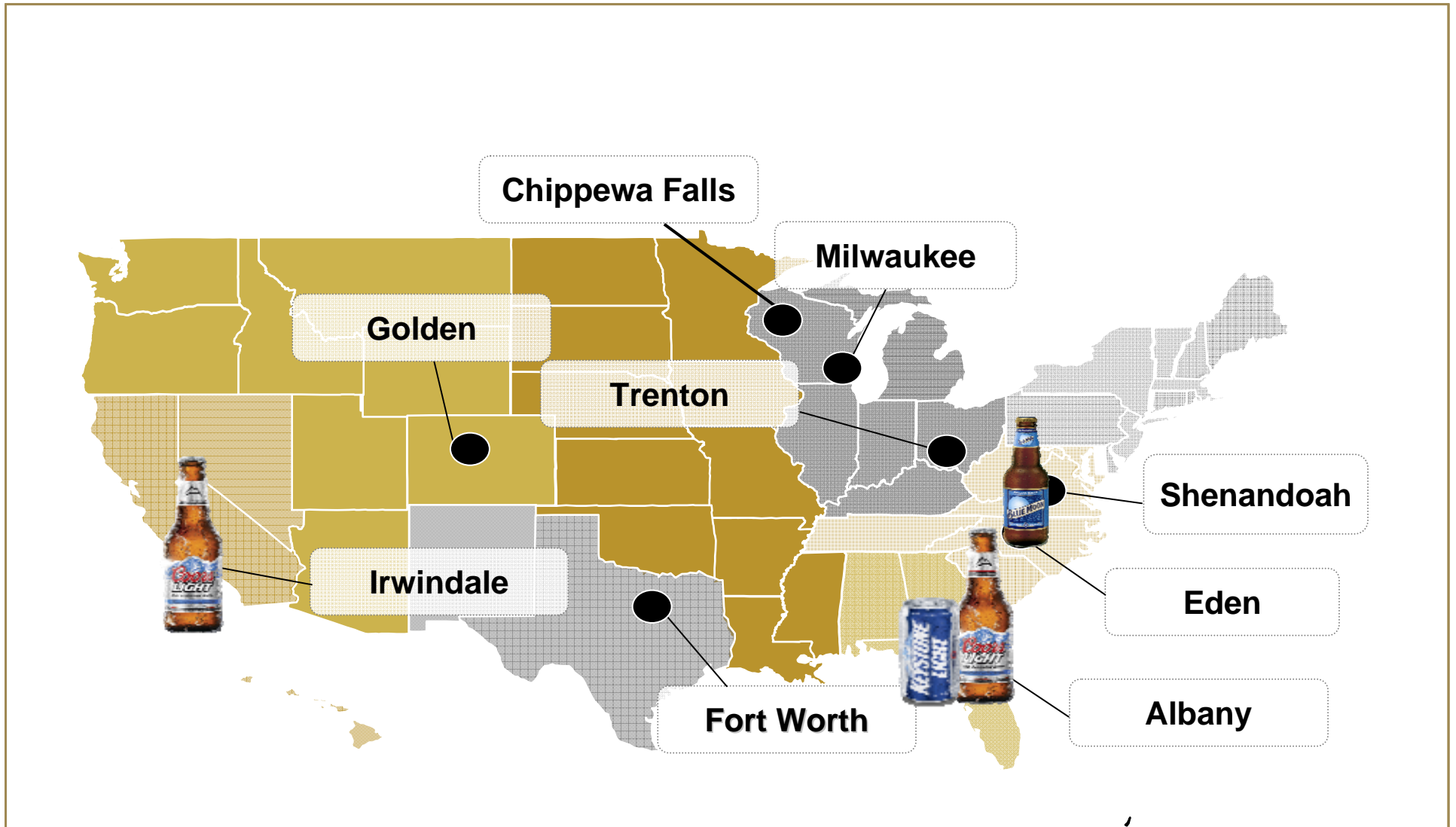
- Deliver our synergy commitment
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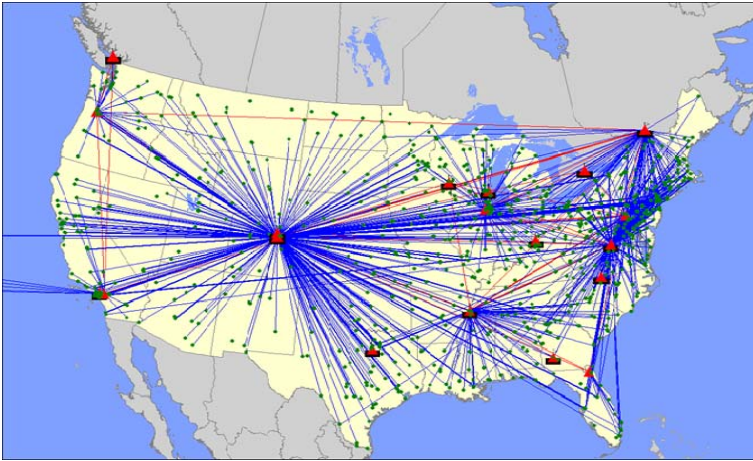


## A national brewery footprint

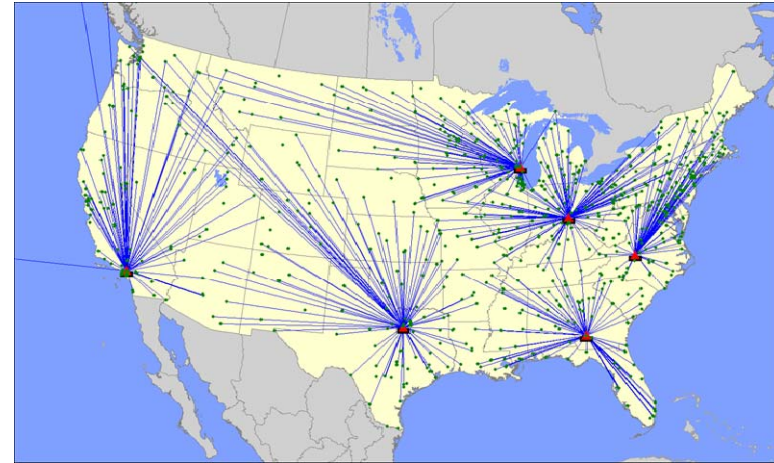




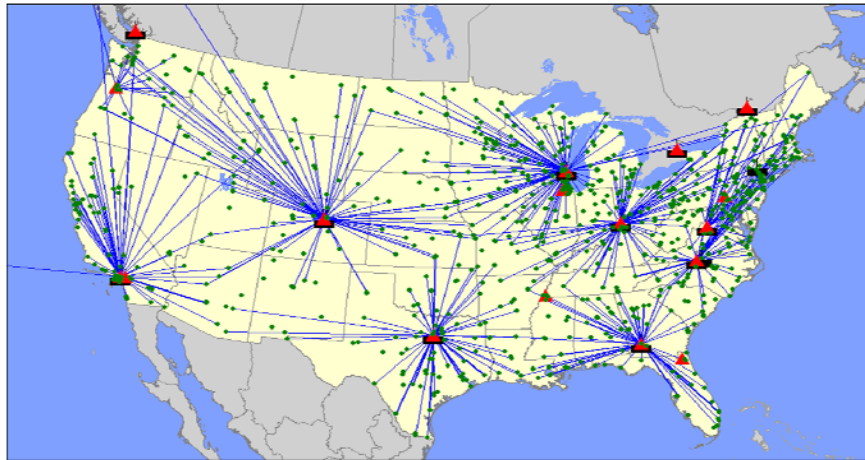
## Network transformation: where we're headed...



**Coors**



**Miller**



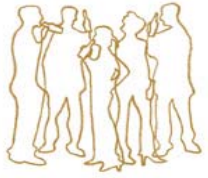
**MillerCoors**



## Capture synergies







- Talent selection completed
  - Significant organizational synergies
- Brewery optimization
- \$500 million in cost synergies
  - Ahead of schedule
  - Expect to realize c.\$68m by March 2009 (F09), c.\$300m by March 2010 (F10)



## MillerCoors six month financials (F09 Q2-Q3)



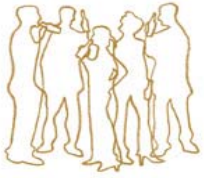
■ Total net sales		2.6%
■ Underlying EBIT		16.8%
■ Sales to retailers		0.7%
■ Net revenue per barrel		5.3%



Where we expect to be ...



- Driving value and volume in premium light
- Driving value and volume for High Life and Keystone Light
- Driving value and volume in above premium
- Strong net revenue management
- Superior growth in chain sales
- Ahead of synergy targets







## SABMiller conclusion



- Economic volatility causing near term uncertainty
- Strong revenue initiatives, control of costs and CapEx
- Near term FX pressure; input costs to ease after calendar 2009
- Our businesses are resilient – strong brand portfolios with geographic diversification
- Our strategic priorities are well-suited to current times
- SABMiller remains a growth business – continued confidence in our medium-term growth prospects





SABMiller plc

Q&A

CAGNY

Boca Raton, Florida

February 19<sup>th</sup>, 2009

