Quarterly Investor Seminar Series

Marketing Strategy

October 2014

Gary Leibowitz

Director:

Internal And Investor Engagement

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.

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All references to “EBITA” in this presentation refer to earnings before interest, tax, amortization of intangible assets (excluding. software) and exceptional items. 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

Marketing seminar speakers

Alan Clark
Chief Executive Officer

Nick Fell
Group Marketing Director

Chris Ritchie
Managing Director – Panama

Andrew Highcock
Managing Director – Poland

SABMiller Video one

Alan Clark

Chief Executive

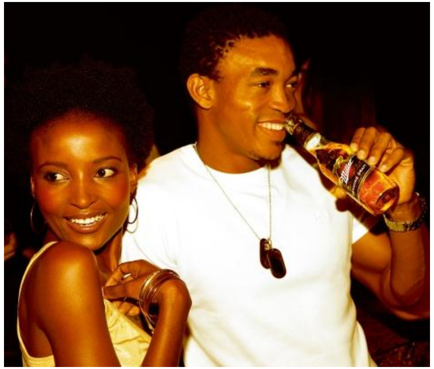
Who we are

- One of the world's largest brewers, with total beverage volumes of 318 mhl
- Group net producer revenue* of $27 billion
- EBITA* of $6.5 billion
- 72% of EBITA from developing economies
- 95% of lager volumes from No. 1 or 2 market share positions
- Strategic partnerships with Castel, CRE, Efes and The Coca-Cola Company

* Including attributable share of associates and joint ventures

A global brewer built on local insights




Nurturing large, powerful brands: national leaders

Regional and global brands

Full local portfolios in the context of market pricing

Well positioned on alcohol price ladders

International premium spirits	Price index: **300+**
Imported and superpremium beer	Price index: **150-300**
Local premium lager	Price index: **110-140**
Mainstream lager	Price index: **100**
Affordable lager and stout and commercial sorghum	Price index: **50-80**
Homemade brews & local spirits	Size: 3 to 4 times larger than the commercial alcohol market (Africa) Price index: **20-50**

Improving livelihoods and building communities

Prosper

A Thriving World

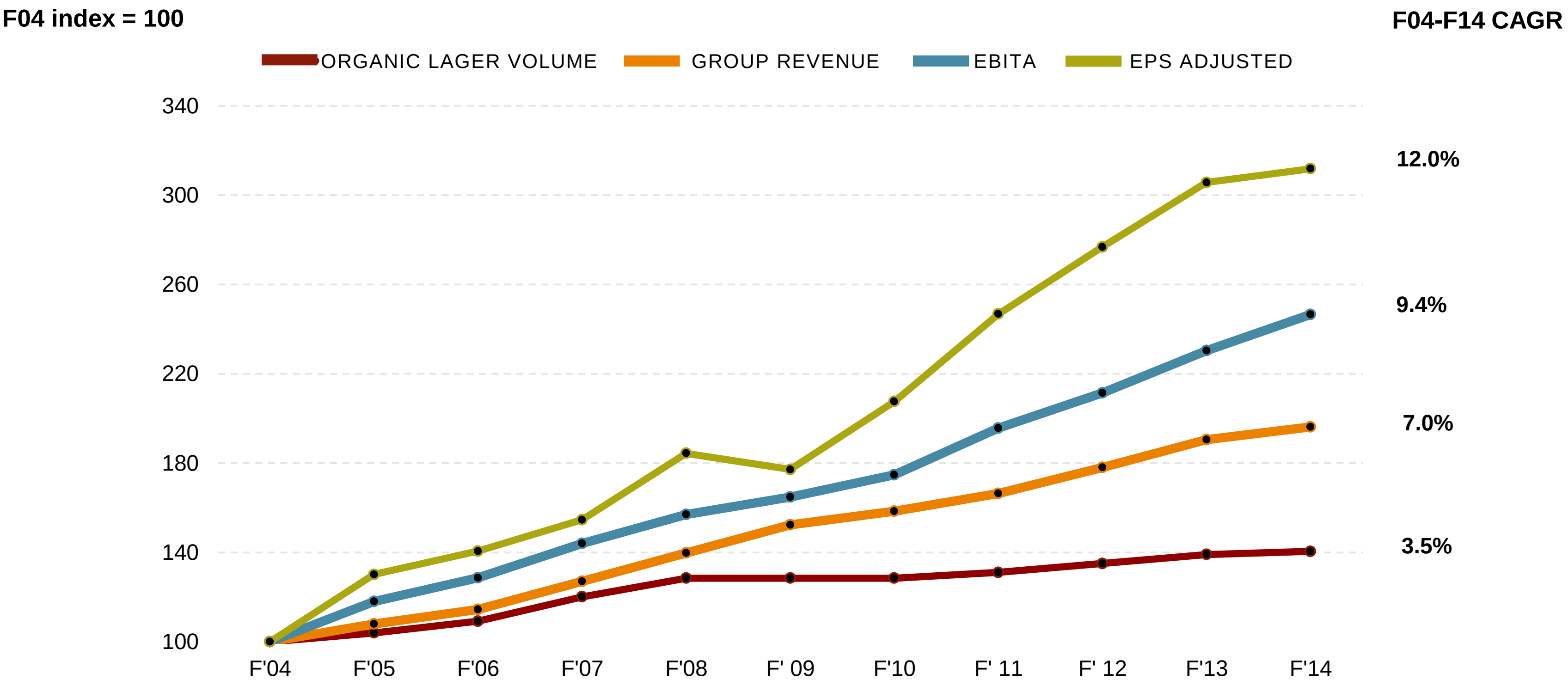
A Sociable World

A Resilient World

A Clean World

A Productive World

A decade of sustained growth



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

Our strategic choices

1. Drive superior topline growth
   - A growth strategy for the beer category
2. Liberate resources to win in market and reduce costs in a globally integrated organisation
3. Shape global footprint to contribute to superior growth

Strategic choice #1

Drive superior topline growth

A growth strategy for the beer category

Romancing core lager

Improving premium mix

Extending refreshment occasions

Ensuring affordability

Capturing wine and spirits occasions

Strategic choice #2

Liberate resources to win in market and reduce costs

- Building on existing capabilities to deliver continuous cost savings and efficiencies
- Next generation cost savings programme: to deliver incremental direct savings rising to approximately US$500m by 31 March 2018
- Key programme initiatives:
  - Global business service centers in Bogota, Krakow and Bangalore
  - Further performance enhancements across our global supply chain operations
  - Expand the scope of global SABMiller Procurement to reach in excess of 80% spend under management

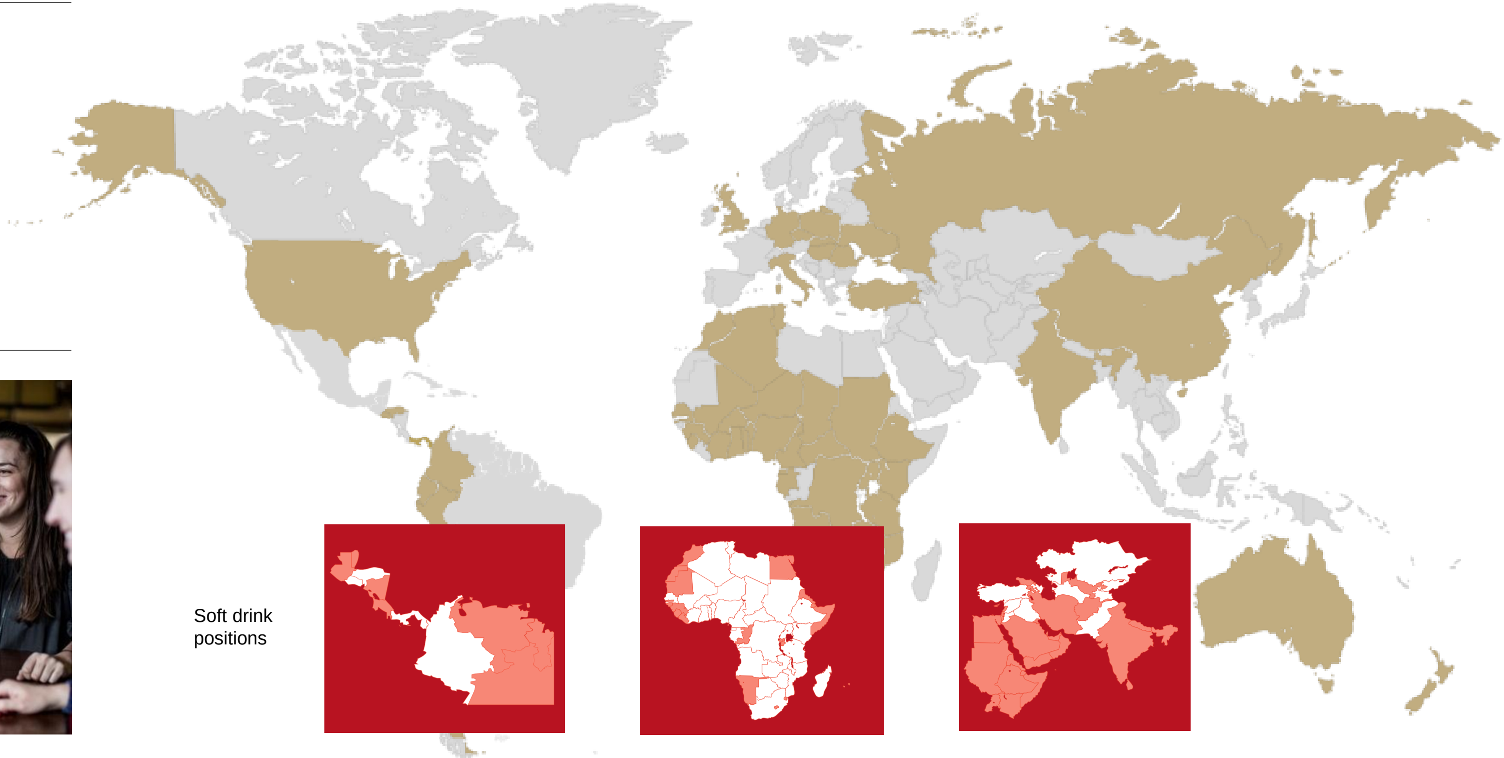
Strategic choice #2

Win with leading execution across channels

Liberate resources to win in market and reduce costs

Strategic choice #3

Shape global footprint to contribute to superior growth



Soft drink positions

The Coca-Cola Company

Conclusion

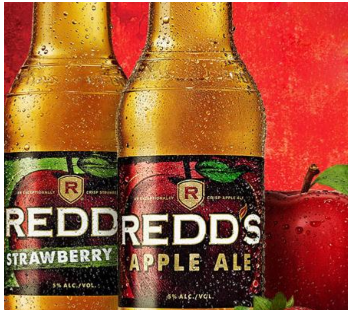
Superior topline growth, reducing costs, clear category vision

SABMiller Video two

Nick Fell

Group Marketing Director

Clear category vision



Make beer the most admired beverage in the world

Beer is the biggest value pool in global packaged alcoholic beverages

Beer’s heartland

Masculine, down to earth refreshment

The untapped potential of beer

More than
200
hop varieties exist

Currently as an industry we use less than
14%

Imagine a world where the full potential of beer has been unlocked,

where beer provides differentiated and distinctive experiences,

where beer is the beverage choice of discerning consumers.

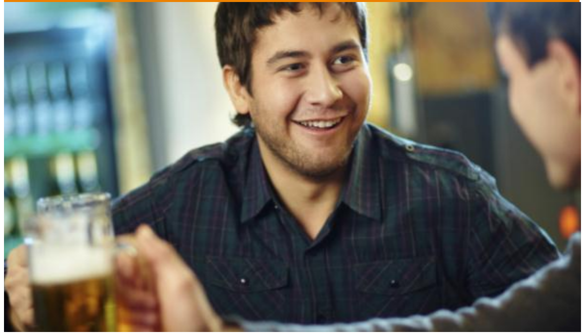
The strategy is always in the product.

Target occasions that offer the best opportunity for beer

Family relax

Mixed gender casual / party

Men together in bar



Mixed gender casual meals

Mixed gender evening meals

Colleagues / men conversation

Occasion target: family relax

Beverage benefit

- *Extend beer into afternoon occasions*
- *Provide a fermented low or no alcohol liquid that is less sweet / more natural than CSDs*
- *Goes well in a sociable setting and allows some experimentation*
- *Bolder, flavourful refreshment*
- *Radler success*

Occasion target: mixed gender casual / party






Beverage benefit

- *Provide an easier drinking option which is vibrant, sparkling, and less bitter*
- *Increase female participation*
- *Most accessible beer amongst full-alcohol beer styles*
- *Range of ABV's to target white wine and spirits*

Occasion target: men together in bar






Beverage benefit

- *Provide a refreshing liquid, focusing on beer's strength, of masculine down to earth refreshment*
- *Lively, male camaraderie*
- *Full taste lager*
- *Most well known beer style with opportunities for genuine functional differentiation*
- *Protect dominant share occasion*

Occasion target: mixed gender casual meals

Beverage benefit

- *Deliver a clean, crisp and pure beverage*
- *Beer is seen to deliver this need but can and must do more to win share*
- *Extend beer to white wine occasions*
- *Light, tangy and flavourful*
- *Mixed gender appeal*

Occasion target: mixed gender evening meals

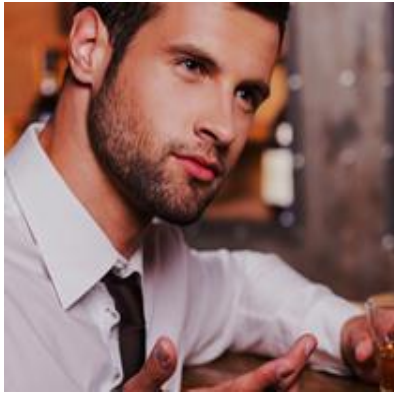




Beverage Benefit

- *Matches wine's flavourful edge and provide a bold beverage*
- *Occasion requires a good match with food*
- *Extend beer to red wine occasions*
- *Soft mellow social*
- *Best balance between depth of flavour and drinkability*

Occasion target: colleagues / men conversation



Beverage benefit

- *A flavourful, credible and alternative beverage option for the occasion*
- *Smooth, savour, respected*
- *Richest, most mature*
- *Challenge darker spirits– whisky, brandy*
- *Requires new liguids to expand category*

Sub-category that best delivers the beverage benefit

Family relax

Beer mix

Bold refresh

Mixed gender casual / party

Easier drinking lager

Easy, vibrant, energizing

Men together in bar

Classic lager

Repeatable reward

Mixed gender casual meals

Wheat beer

Tangy and flavourful

Mixed gender evening meals

Malt ales

Soft and mellow

Colleagues men conversation

Stout/porter

Intense and smooth

Premiumising by delivering enhanced experiences

Affordable	Good value	Mass enhanced	Custom enhanced
50-70	**80-180**	**200-380**	**400+**

Packaging is essential in conveying a premium offer/different occasion

Source: crownlager.com.au

Source: Peroni Gran Riserva 50cl Range Launch Case Study

Global beer strategy on a page

						
Targeting Occasion	*Family relax*	*Mixed gender casual / party*	*Men together in bar*	*Mixed gender casual meals*	*Mixed gender evening meals*	*Colleagues / men conversation*
Beer: Benefits	*Bold refresh*	*Easy, vibrant, energizing*	*Repeatable reward*	*Tangy and flavourful*	*Soft and mellow*	*Intense and smooth*
	Beer mix	*Easier Drinking lager*	*Classic lager*	*Wheat beer*	*Malt ales*	*Stout/porter*
Premiumise Custom enhanced 400+ Affordable (50-70)						

Global beer strategy key step: # 1

Grow core lager by establishing two sub-categories and create excitement with romance innovation

From ⟷ **To**

Core lager

Masculine, down to earth refreshment

Custom enhanced 400+

Affordable 50-70

Easier drinking Classic lager

	Easier drinking	Classic lager
Target occasion	*Mixed gender casual / party*	*Men together in bar*
Beer benefits	*Easy, vibrant, energizing*	*Repeatable reward*

Global beer strategy key step # 2

Growth opportunities to expand beer into new occasions

Family relax

Mixed gender casual /party

Men together in bar

Mixed gender casual meals

Mixed gender evening meals

Colleagues men conversation

Creating global growth models that power winning in local markets

- Co-developed by category and local lead market teams
- Harnesses local knowledge to build a global learning system
- Global growth model translated into local growth models
- Translated into a local category growth story for customers
- Rigorous validation process
- Refreshed bi-annually

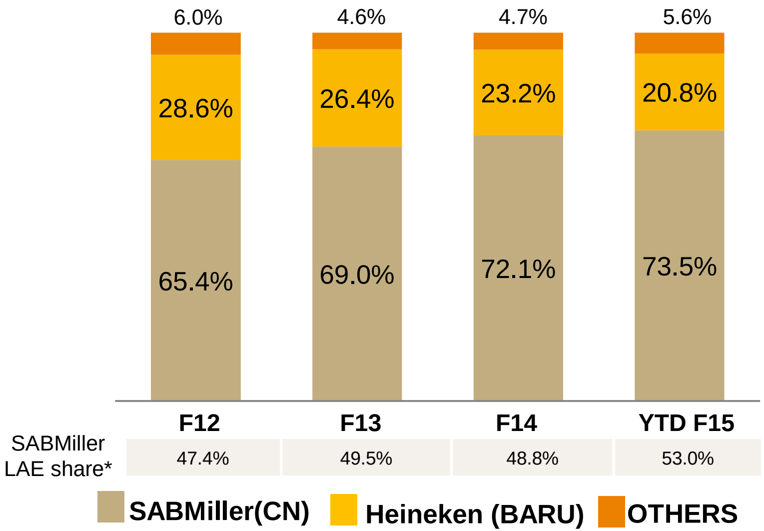
Chris Ritchie

Managing Director - Panama

Premiumisation of beer driven by Panama's strong development

- Wealthiest economy in Central America, strong investment levels
- Highest pcc in Latin America (on par with Venezuela)
- Strong beer culture, beer has c.70% share of LAE
- GDP has grown by 9% p.a. since 2008

Our market share: Cerveceria Nacional



Beer category volume CAGR F12-F15YTD: 2.8%

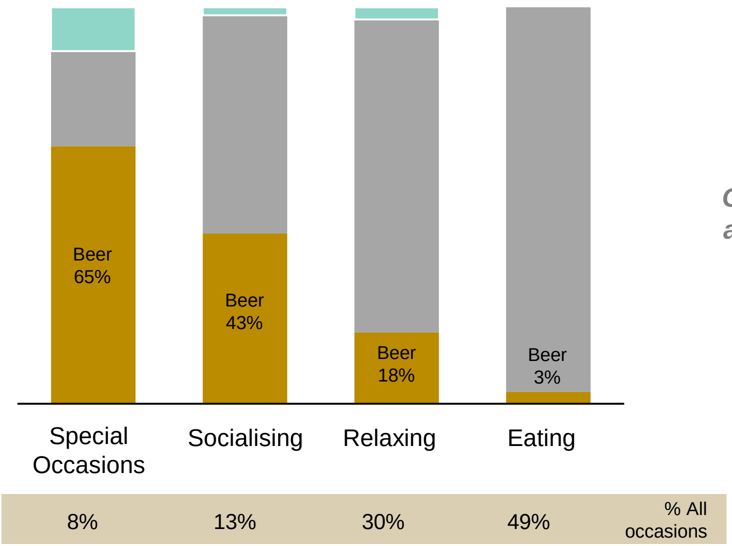
Beer category value CAGR F12-F15YTD: 17.6%

** LAE Share F15 YTD July*

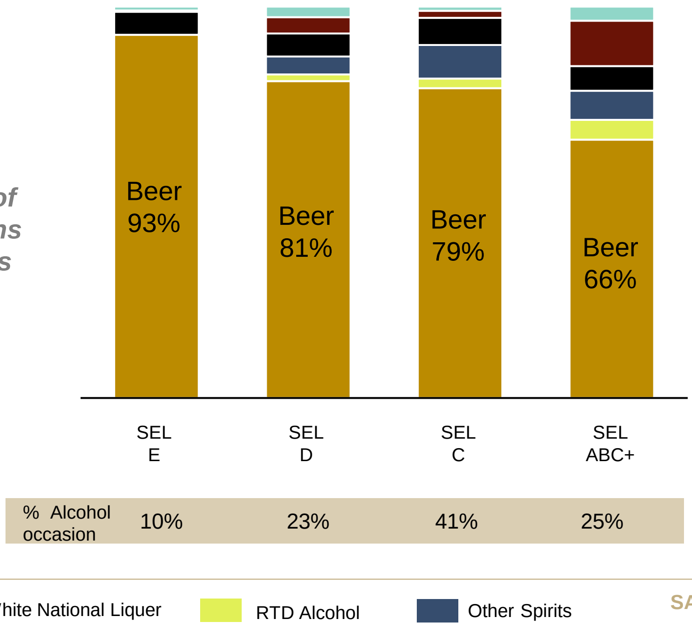
Source: Worldbank 2014; Strategic Dialogue document 30 Sept 2013

Distinct beer consumption by occasion, with a greater beverage repertoire as affluence increases

- Beer is highly concentrated towards socialising
- Affluent consumer behaviours indicate a need for differentiation



Category share of alcohol occasions Alcohol drinkers



Source: Action Segmentation 2014

Beer category growth levers in Panama

- Socio-economic development driving premiumisation opportunities

- Aspiration for global trends, combined with very strong national pride
  - Appeal of international and luxury goods
  - Panama as player on world stage (canal, exports, national iconography)

- Differentiated beer types relevant to all occasions and consumers (including the affluent):
  - Lighter beer profiles to meet easier drinking needs
  - Super premium fragmentation increasing pressure on spirits (imports and local crafts)
  - Females as a key area for category relevance

SABMiller Panama has had a head start on the development of core lager into sub-categories

From ⟷ **To**

Core lager

Masculine, down to earth refreshment

Custom enhanced 400+

Affordable 50-70

Easier drinking | *Classic lager*

	Easier drinking	*Classic lager*
Target occasion	 *Mixed gender casual / party*	 *Men together in bar*
Beer benefits	*Easy, vibrant, energizing*	*Repeatable reward*

Development of our easier drinking segment has been a key growth driver

Share growth:

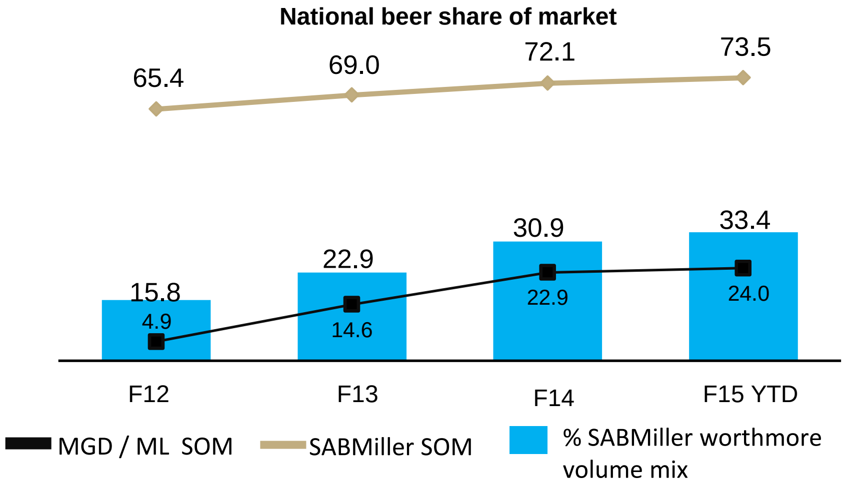
- Miller Lite and MGD has become 24% national share, +19pts since F12

Revenue growth:

- Introducing Miller Lite at a Premium to our mainstream core lager brands has been a key value driver, with SABMiller Panama NPR/hl +8% CAGR since F12.

Increasing breadth of consumer appeal:

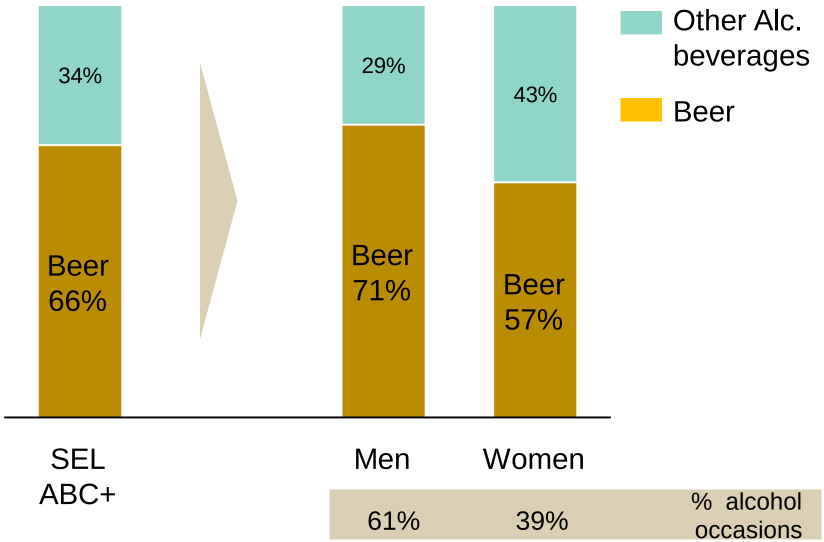
- Opportunities to expand in at home occasions– with meal, relaxing
- Increase appeal for females



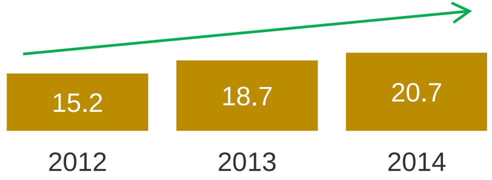
Category strategy provides opportunity to develop consumption among women

The landscape has begun to sub-categorise, and we can observe a strong mixed gender engagement

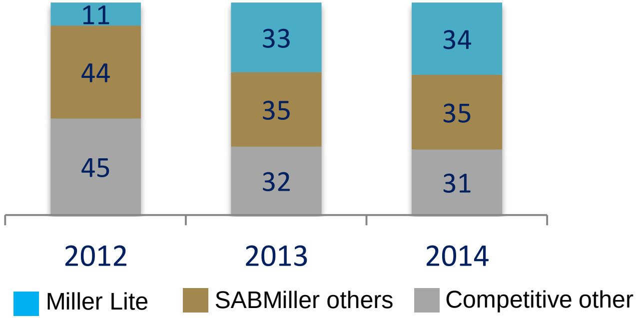
Category share of alcohol occasions alcohol drinkers



Beer volume share of consumption by females



Female most often brand



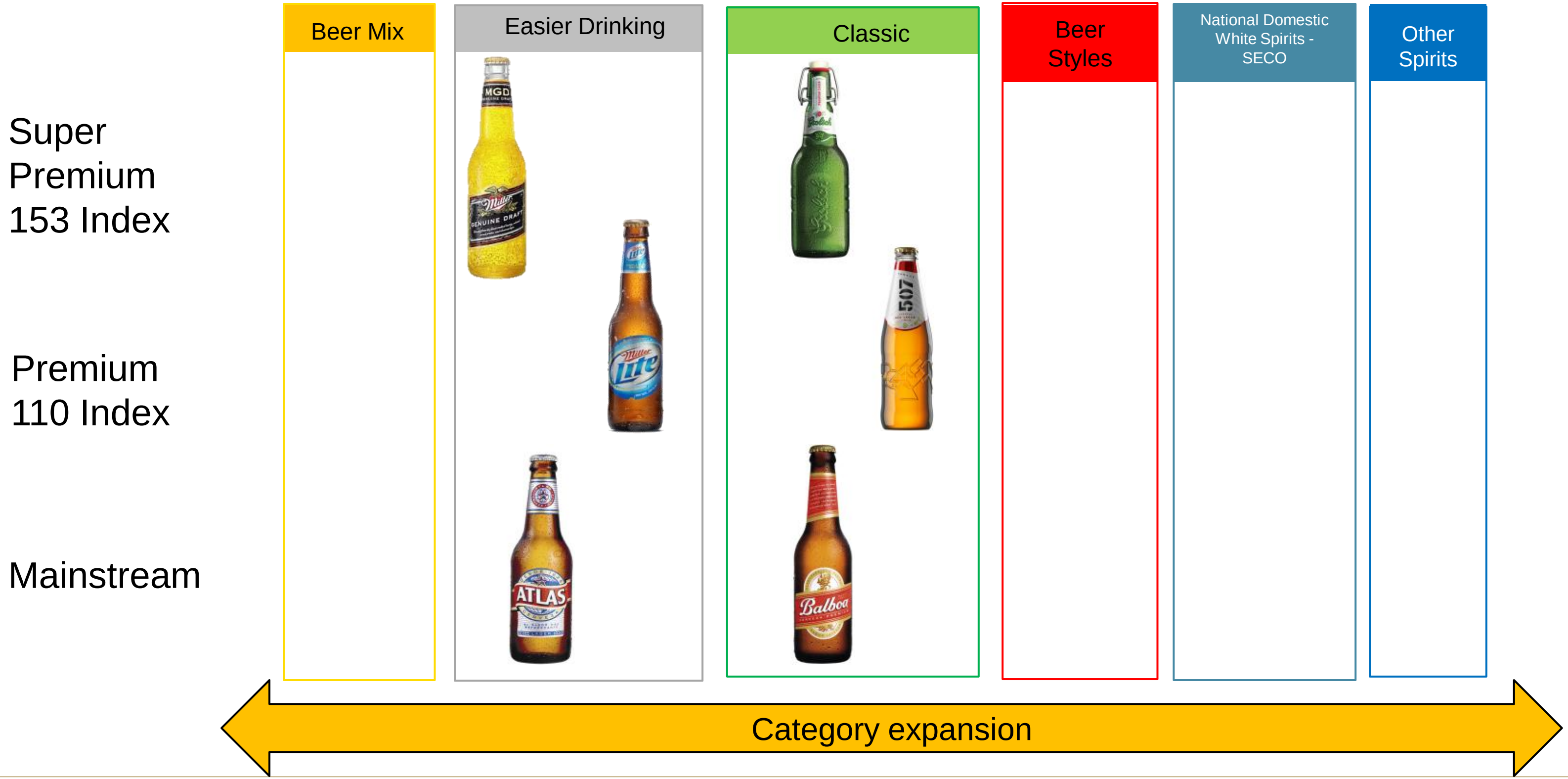
Source: Action Segmentation 2014

Historic market structure and SABMiller portfolio (F11)

Super Premium	Miller Genuine Draft	Corona Extra		
Mainstream	Atlas Premium	Balboa		
Product type:	**Beer**		**National/Domestic White Spirits (Seco)**	**Other Spirits**
% Volume:	***100%***		***56%***	***44%***

100% (National/Domestic White Spirits + Other Spirits)

Future market structure and SABMiller portfolio

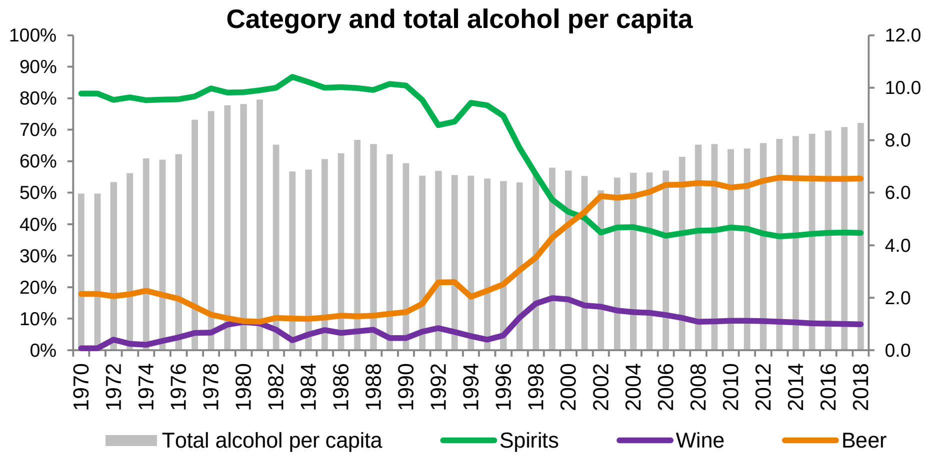


Andrew Highcock

Managing Director- Poland

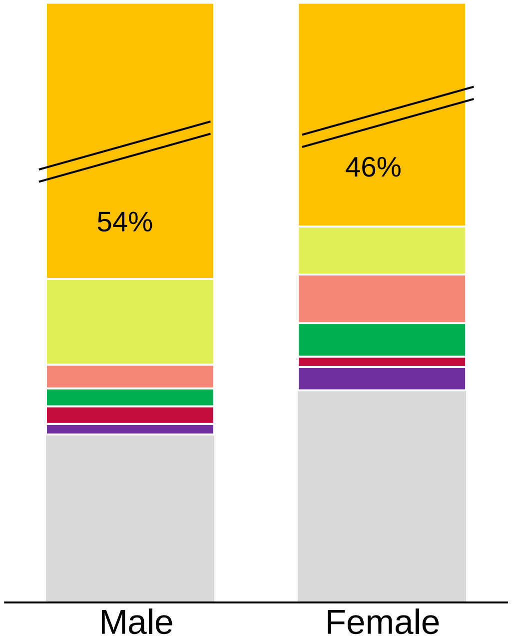
Poland has a strong beer culture and beer has taken share from spirits over time

- Top 10 country by population in Europe
- Has the 4th highest beer per capita consumption in the region
- Is the 3rd largest beer market in Western/Central Europe
- The alcohol market has a healthy structure



Beer is the leading category with women, but we see opportunity compared to men

Share of beverage occasions by category (amongst alc. drinkers)



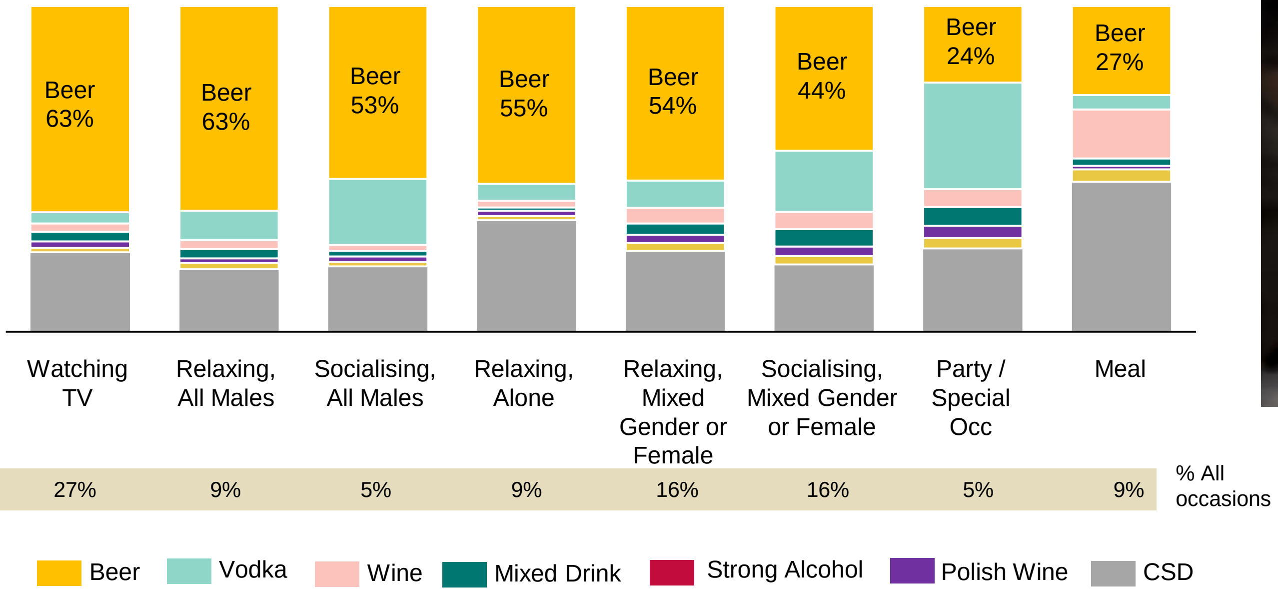
Beer share of occasions
Vodka share of occasions
Wine share of occasions
Mixed drink share of occasions
Strong alcohol share of occasions
Polish wine share of occasions
CSD share of occasions

Source: Needs Supplemental Research 2014, KP Tracker Data, TGI penetration data for Wine

Beer is currently concentrated on relaxing occasions for men but has opportunity in more social mixed gender occasions

More mixed gender social

Share of beverage occasions by category (amongst alc. drinkers)



Source: Needs Supplemental Research 2014, KP Tracker Data

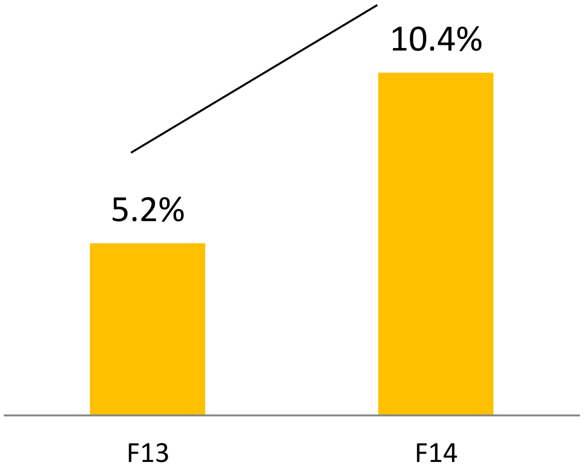
Beer category growth levers in Poland

- Preserve beer’s status as the most appropriate reward and relaxation for men who have earned it
- Make beer ideal for the growing older demographic who have different social occasions, needs and intrinsic requirements
- Make beer an exciting and appealing category for young adult drinkers
- Evolve beer to meet changing gender dynamics with more mixed-gender and female-friendly offers
- Build the culture of having beer with meals to unlock a new wealth of occasions for beer

Our first step is to establish the new core lager sub-category called easier drinking

Classic lager		*Easier drinking*
	Targeting occasion	
Men together in bar		*Mixed gender casual / party*
Repeatable reward	Beer benefits	*Easy, vibrant, energizing*

Share of Klasyczne in Tyskie brand



Our second step will be to leverage the category growth drivers and penetrate other occasions where beer has a lower share of requirements

Growth opportunities to expand beer into new occasions

Mixed gender casual meals

Mixed gender casual /party

Colleagues men conversation

Our ambition: To develop all aspects of the category with a strong bias to premiumisation

Premiumise offerings

Custom Enhanced
400+

Nick Fell

Group Marketing Director

Imagining a future…

Q & A