SABMiller plc
Investor Relations
Quarterly divisional seminar series

South Africa

March 2014

Forward looking statements

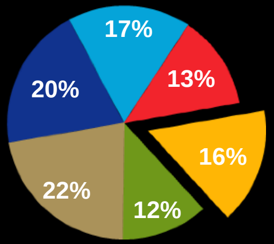
This presentation includes ‘forward-looking statements’. These statements contain the words “anticipate”, “believe”, “intend”, “estimate”, “expect” and words of similar meaning. All statements other than statements of historical facts included in this presentation, including, without limitation, those 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 “EBITA” in this presentation refer to earnings before interest, tax, amortisation 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.

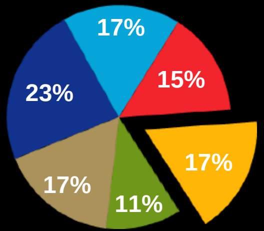
SABMiller – a leading growth player in international beverages

- World's 2nd largest brewer, superior revenue & profit growth, #1 or 2 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, aligned with diverse consumer tastes in both developed and emerging markets
- Strategic partnerships with The Coca Cola Company, Castel, CRE, Efes

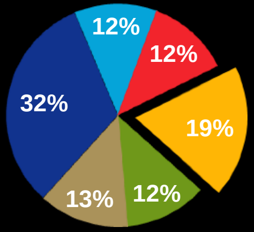
Total volumes
(306 m hl)*1



Group revenue
($34.5 bn) 1



EBITA
($6.4 bn) 1**



Strategic partnerships

The Coca-Cola Company

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

*1 As at 31 March 2013; * Excludes contract brewing, includes soft drinks and other alcoholic beverages; ** Before corporate costs and excluding exceptional items*

The Moment of Truth.

SAB

SABMiller South Africa Overview

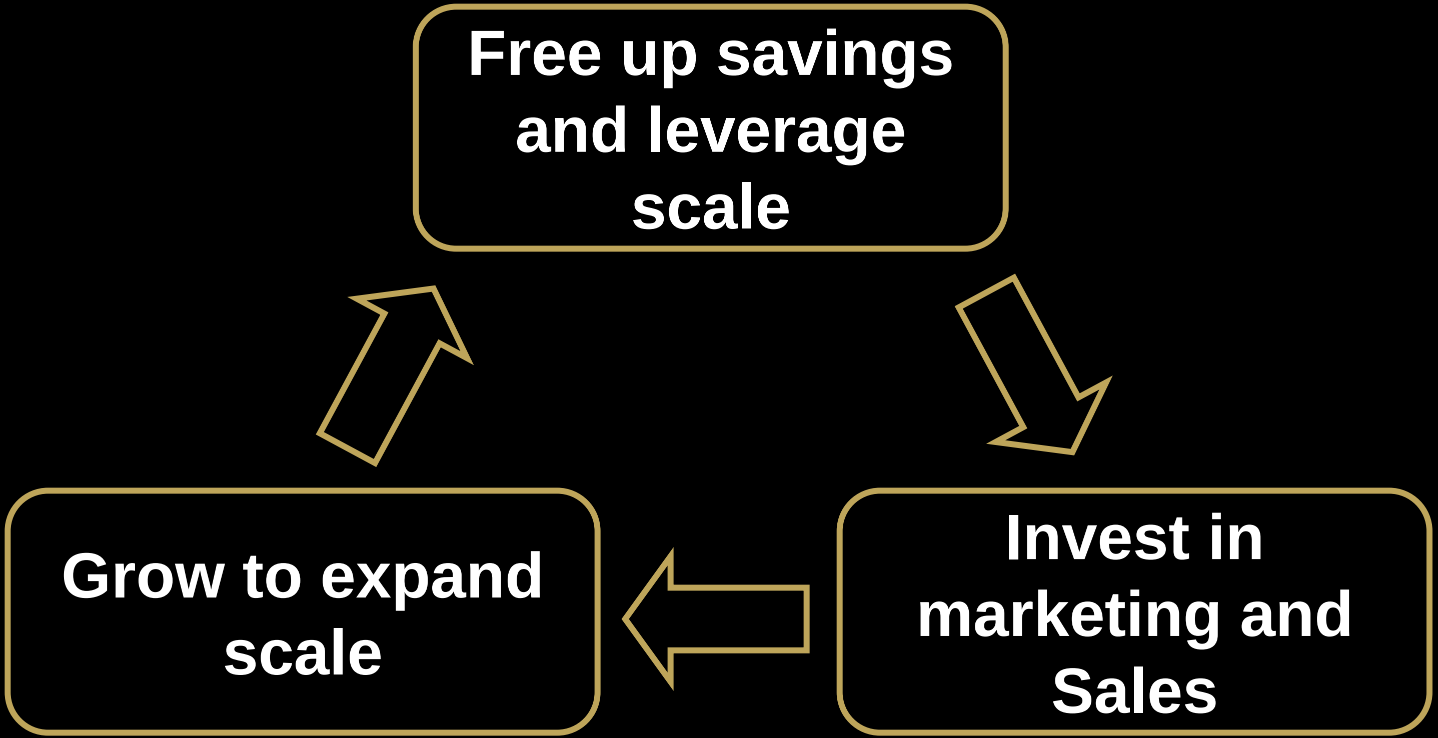
Norman Adami

SAB’s role is to provide strong, growing cash flow to SABMiller.

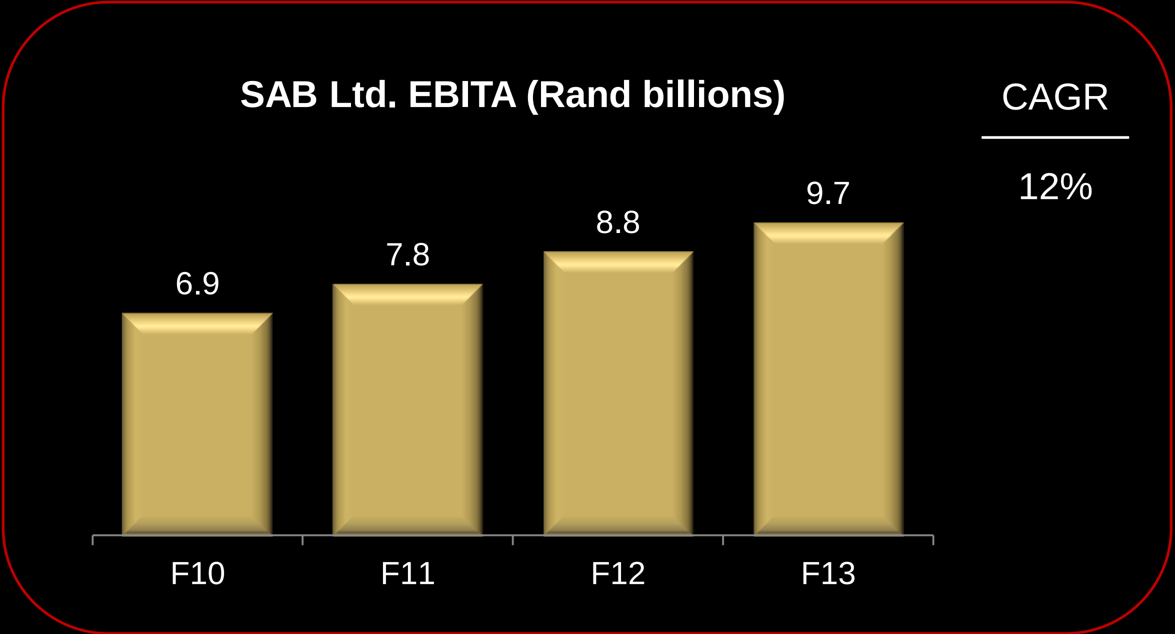
5-year horizon: Deliver increasing EBIT growth and margin expansion

- Grow total portfolio volumes and mix
- Improve working capital and management of the Balance Sheet

Virtuous cycle



Strategic accomplishments



Strategic accomplishments – Beer South Africa

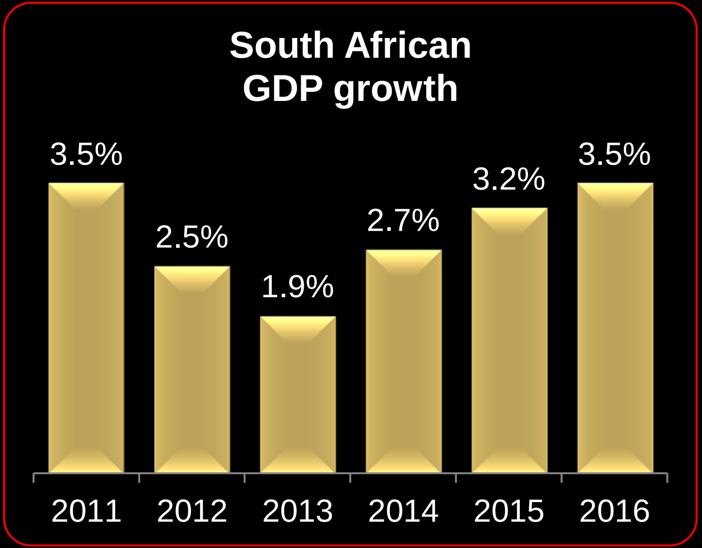
- Realised >90% share of beer and growing
- Managing societal headwinds
- Created strong foundation for future growth

Strategic accomplishments – Soft-Drinks (ABI)

- >91% value share and >88% volume share
- Grew portfolio volume
  - Sparkling growth 2.5% CAGR
  - Stills contribution 7% of total
- Created a strong foundation for long term growth and competitive advantage

Current challenges

- Modest economic growth
- Political and social uncertainty
- Disposable income under pressure
- Intensifying competition
- Rand weakening



Source: Stats SA; Reuters EconoMeter, February 2014

Looking ahead we are optimistic

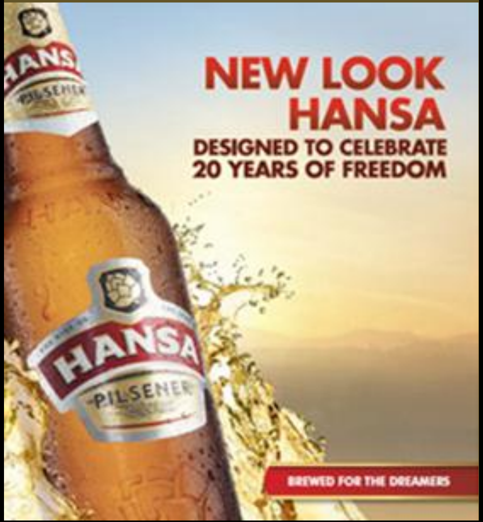
- Steady economic growth long-term
- Population growth and urbanization
- Expansion of middle-class
- Enhanced capability to compete and execute
- SABMiller has proven adapt at operating in these circumstances
- Part of a local and global system with new capabilities

A global system aligned for greater leverage

1. Focus on beer category growth
2. Leveraging scale
3. Stakeholder partnership

Focus on further beer category growth

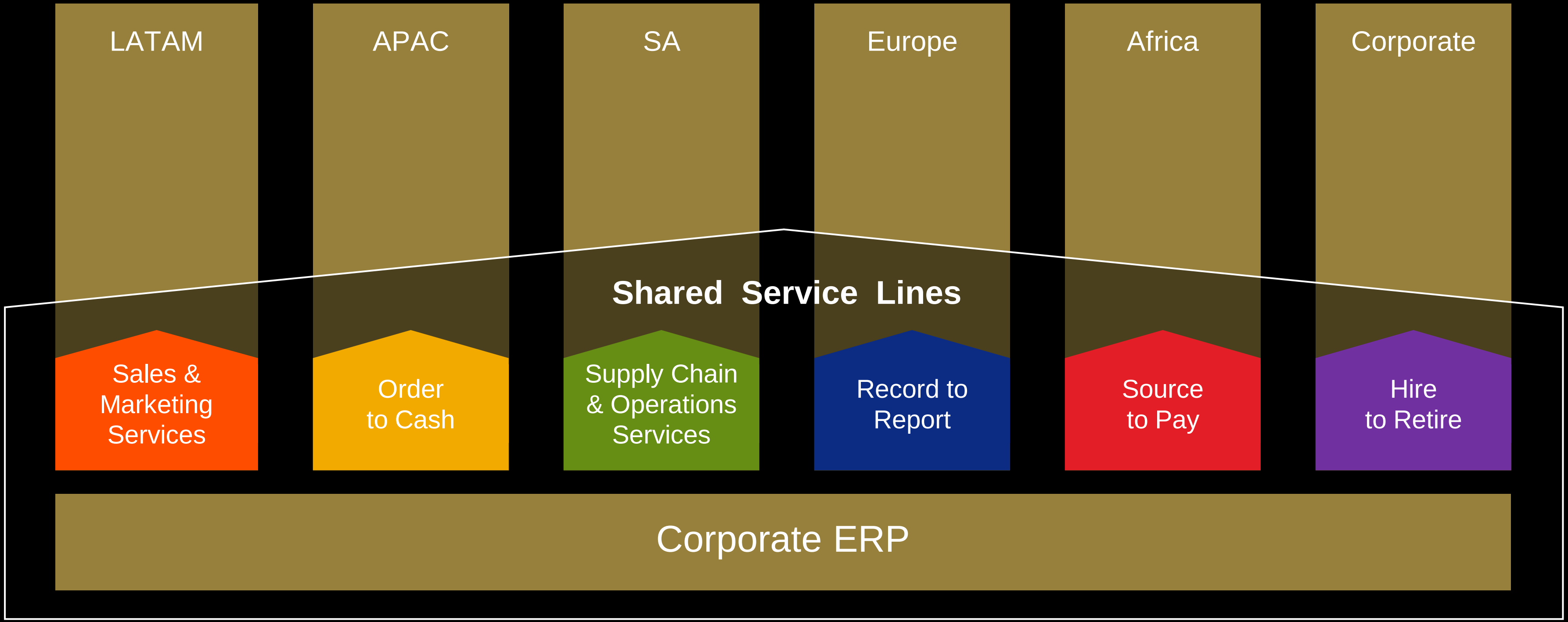
- Refresh core lager across markets
- Increase premium mix
- Accelerate global brands



- Lead the development of the beer category
- Innovate across vibrant spectrum of beer styles
- Access more consumer needs and occasions

- Expand and win in soft-drinks

Global business services to leverage scale



End-to-end supply chain optimisation

1 Sharpen focus on the Consumer & Customer

2 Drive functional excellence

3 Stimulate innovation through Technical insight

Demand and supply planning

Sales and operations planning

Innovation

Suppliers → Procurement → Manufacturing → Distribution → Customers

Organisation, roles and skills

Processes, tools & systems

Performance measurement

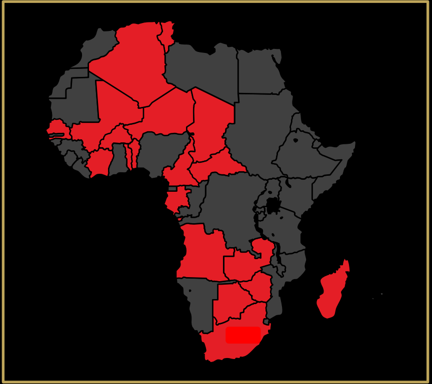
Procurement is a globally integrated function

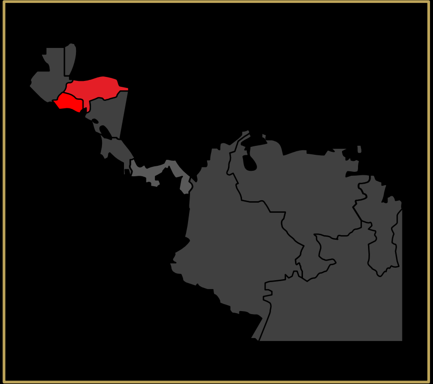
- Expanding category focus to in-directs
- Spend under centralised management to increase to >80%
- Specialist capabilities built at global and regional level

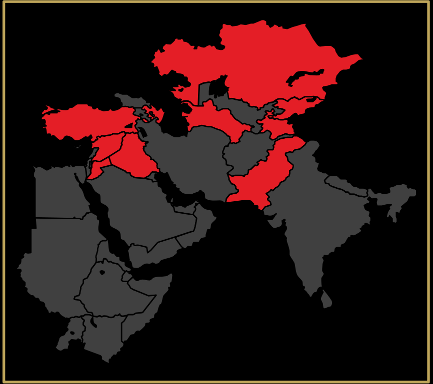
Creating value with non-alcoholic drinks

- Across Africa, Central America, Central Asia (CCI)
  - Coca Cola bottlers (subs & assoc.) in 32 markets

- Broader beverage scale advantages







Our speakers today

Mauricio Leyva

- **2013 Managing Director – SAB Ltd**
- 2012 President and CEO Backus & Johnson (SABMiller Peru)
- 2009 President SABMiller Honduras
- 2005 Joined Bavaria (SABMiller Colombia) as Commercial Vice President

John Ustas

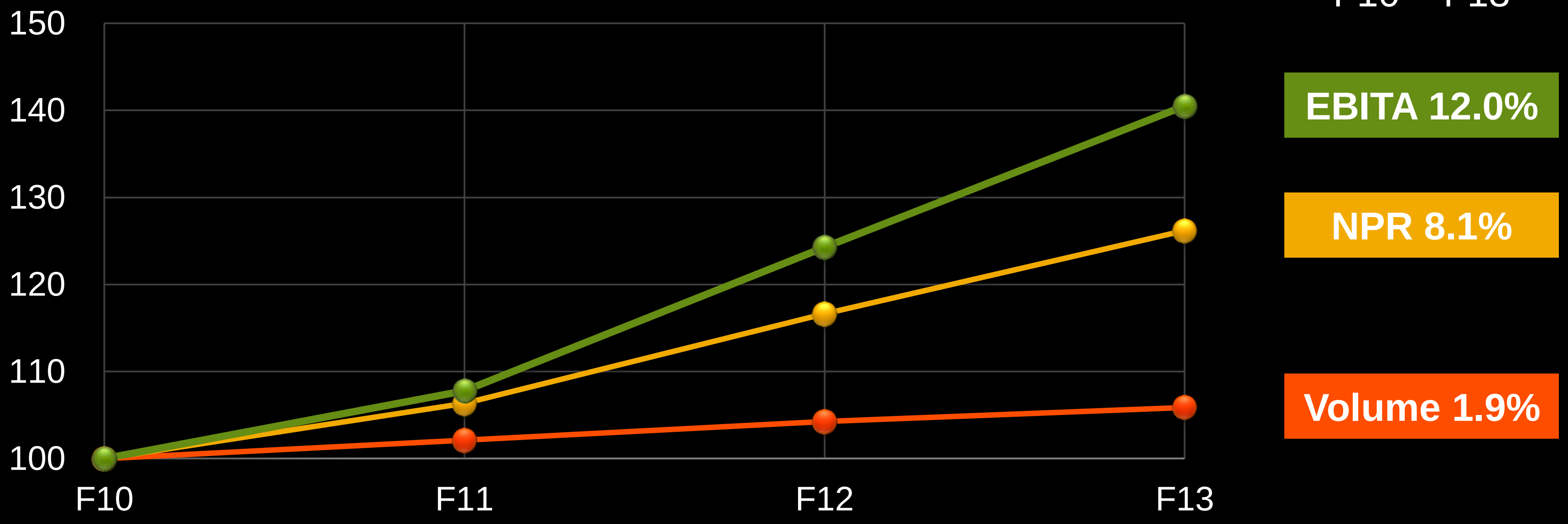
- **2009 Managing Director – ABI**
- 2008 VP Supply Chain Development, The Coca-Cola Company, USA
- 2005 CEO Hindustan Coca-Cola Beverages, India
- 2000 CEO Coca-Cola Drikker, Norway
- 1989 COO Great Plains Coca-Cola Bottling Company, USA

Beer South Africa

Mauricio Leyva

We have continued to deliver against our strategic priorities

Beer South Africa; indexed performance to F10, %



Source: SAB internal data

Our 5 thrust strategy continues to guide our actions

1 Fortify the foundation and strengthen productivity edge

2 Engage the *competition*

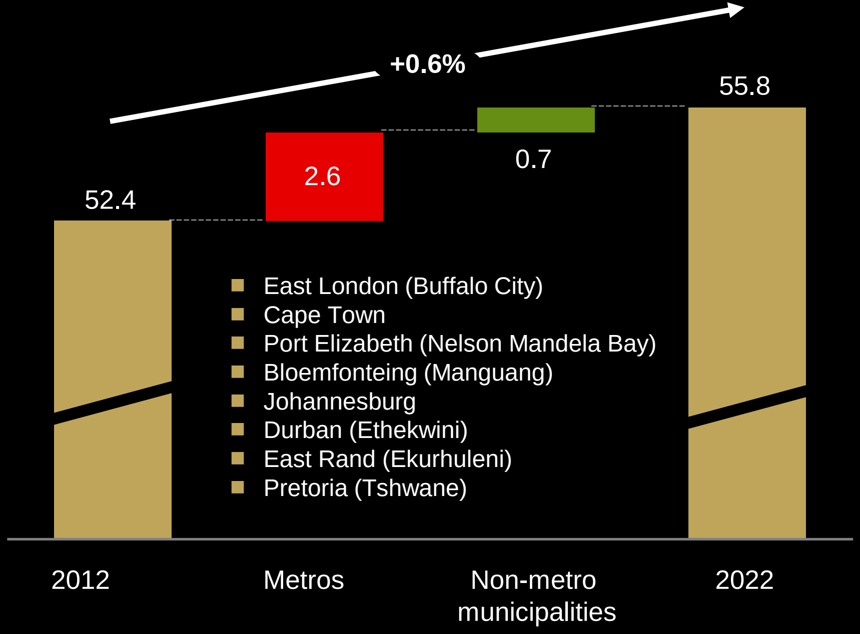
3 *Shaping the portfolio* and ensure key brands resonate

4 Shape superior routes to market

5 Ensure societal leadership

We have a growing legal-drinking-age population with biggest increases in urban areas

South Africa population & urbanisation evolution
M people, 2012 - 2022

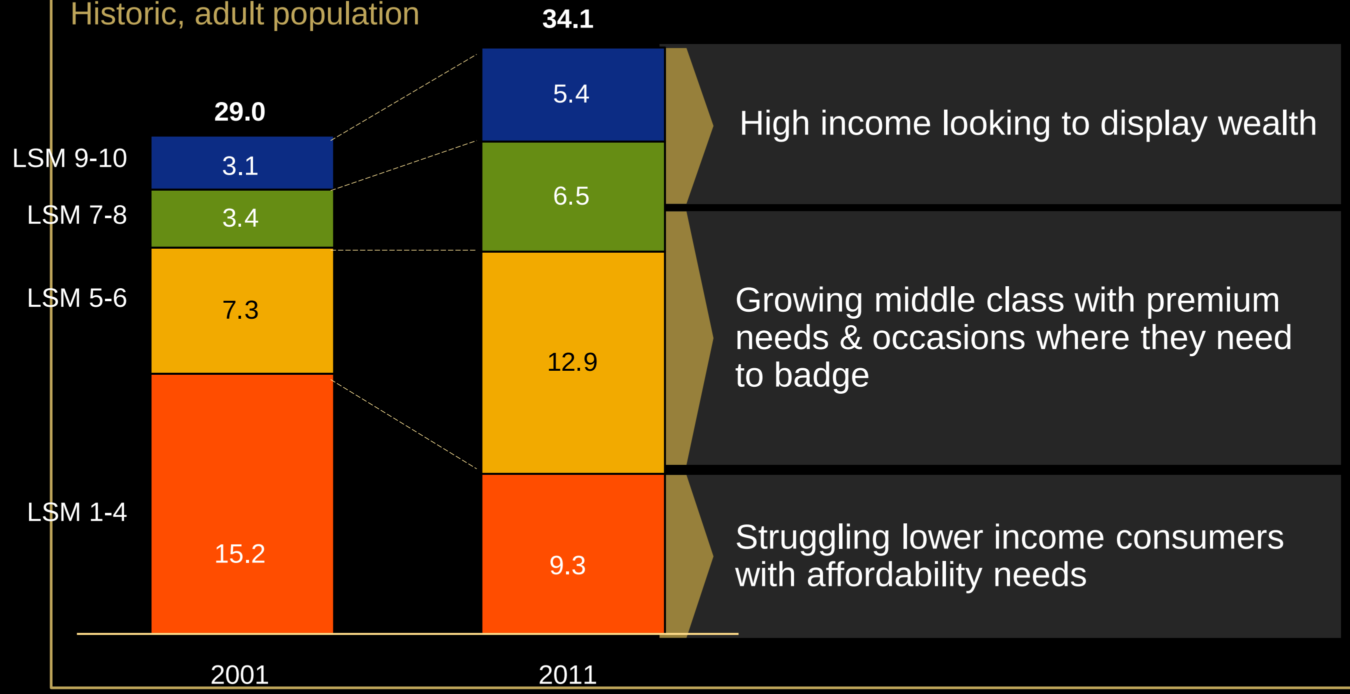


- Continued urbanisation
- Growth of black middle-class
- New needs and occasions

Source: SAB-South Africa; C-GIDD; Canback Dangel analysis

Real GDP growth translating to improved income over long term

Socio-economic level distribution
Historic, adult population

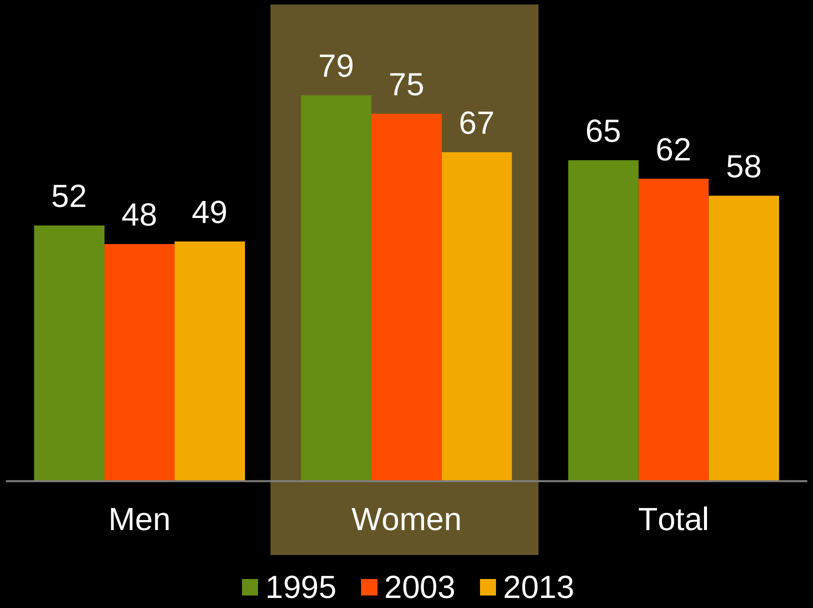


Sources: World Bank; C-GIDD; Canback Dangel analysis

And more women choosing to enjoy alcohol

South African alcohol abstinence

%



- New role for women in society
- New mixed gender occasions
- Opportunity for growth within beer
- More participation in alcohol occasions outside of home
- Opportunities outside traditional beer with sweeter profiles

Source: Library of Congress, Stats SA, WHO; Canback Dangel analysis

Broadening our competitive mindset to embrace total alcohol

"From winning in beer to winning with beer"

VALUE SHARE OF TOTAL ALCOHOL BY CATEGORY
(% value) – SA 2013

54%	11%	21%	14%

Beer	Cider / Spirit coolers	Spirits	Wine

Through beer… flavoured beer… beer styles beyond lager…

Our strategic intent is clear

Shaping the portfolio and ensure key brands resonate	*To reinforce and expand the category structure whilst increasing the demand and pricing power of our brands*
Engage the competition	*Compete intensely with all forms of TAB by playing to our strengths and our competitors weakness*
Shape superior routes to market	*Create the customer service capability to capitalise on evolving market structures with segmented execution of differentiated services by class of trade*
Fortify the foundation and strengthen productivity edge	*Leverage global skills and scale to improve margins through capturing efficiencies, eliminate waste and build world class capabilities*
Ensure societal leadership	*Take affirmative action with a positive impact on responsible drinking, responsible marketing and broad based economic empowerment*

Strategic intent:

< Our strategic intent is clear – video >

Shape portfolio and ensure key brands resonate –

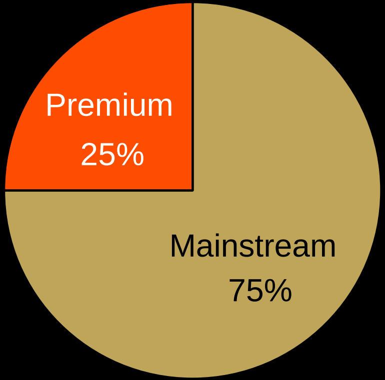
Our strategy is to reinforce and expand the category structure

- Further extend our clear market leadership in core lager
- Broader portfolio to appeal to new consumers on more occasions
- Manage beer's positioning among stakeholders and communities as a moderate drinking choice

Shape portfolio and ensure key brands resonate –
SAB's core brands drive category growth

- Our three brands account for 100% share of the segment
- Carling Black Label, Hansa Pilsener, and Castle Lager are South Africa's power brands
- Taking convenience pack share
- Keeping our core brands fresh and relevant

SAB NPR of mainstream brands
F13 % of total NPR

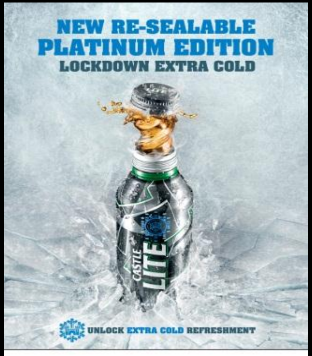


3 year CAGR NPR growth 8.1%

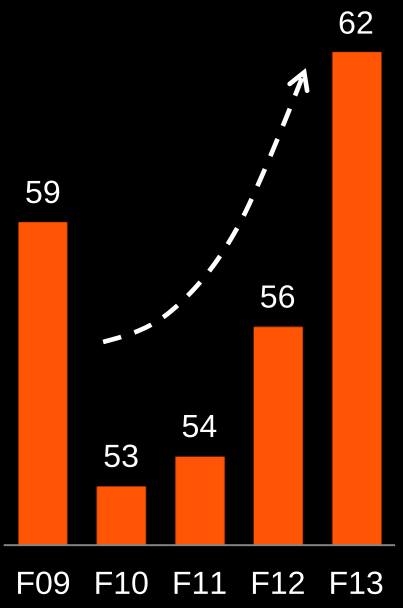
Source: SAB internal data

Shape portfolio and ensure key brands resonate –
SAB is the leader in premium brands with growing value share

- SAB has a 62% volume share of premium and growing
- Castle Lite and CMS are the #1 and #2 premium brands
- SAB's brands are increasing price premium while competition discounts
- Regaining convenience pack share led by innovation
- Continued seeding global brands with pricing discipline



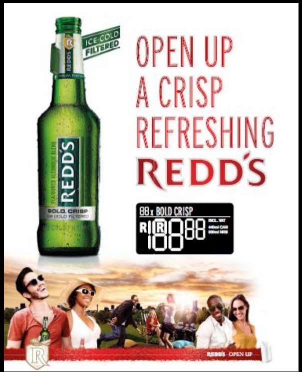
SAB share of premium beers
Volume share %



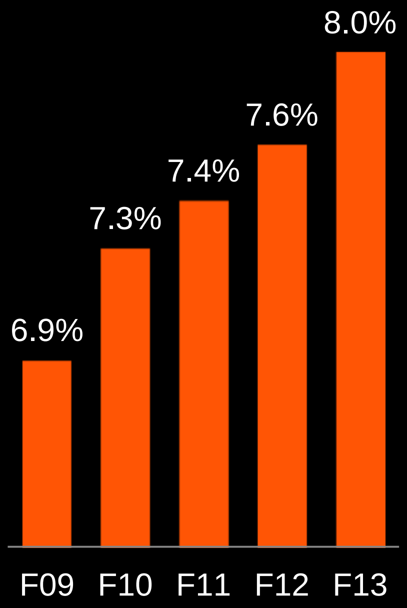
Source: Nielsen; SAB internal data

Shape portfolio and ensure key brands resonate – Increased focus on FABs and expanding adjacencies

- Dedicated team for 4 years with investment and innovation support
- Introduced new sub category of flavoured beer in South Africa
- Launched Redds bold crisp, introduced slim and 440ml cans
- Expanding Brutal Fruit into new consumer segments
- Category returning to growth with price index of 145-160 to beer



FABs category share of total alcohol %
Total RSA



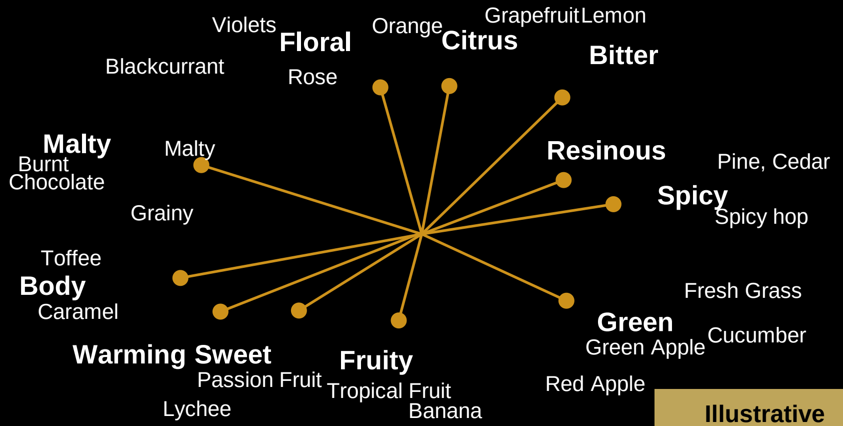
Shape portfolio and ensure key brands resonate –
Capturing wine and spirits occasions through innovation

- Expand to other beer styles to address new drinking occasions
- Product landscaping highlights “white spaces”
- Greater distinction of intrinsic and functional benefits to target premium occasions
- Building on serving and drinking rituals to appeal to new consumers

Beer has many variables to drive differentiation

- Ingredients
- Colour
- Carbonation
- Smell
- Style
- Flavourings
- Filtration / Pasteurisation
- Fermentation
- Bitterness / Sweetness
- Alcohol level

Landscape and sensory maps

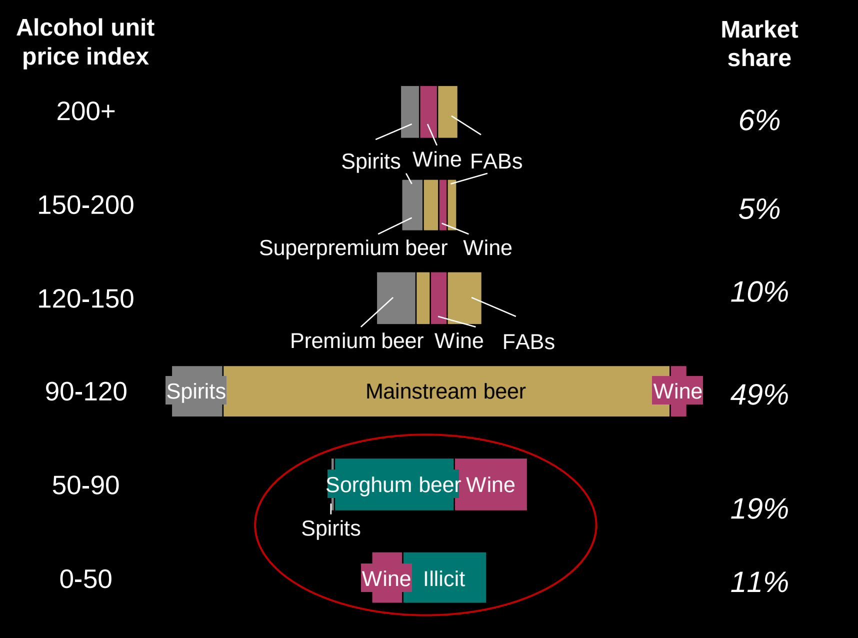


Illustrative

Shape portfolio and ensure key brands resonate –
Innovative affordability options will expand the beer value pool

- Whilst there has been important trade up to mainstream beer in recent past, there is an opportunity for SAB to address affordability through innovation of liquid and packs
- Almost two thirds of all wine sold in SA plays under this segment of affordable/cheap alcohol offerings
- Illicit and home brew consumption account for 11m hl of which 3m hl are of packaged traditional African beers

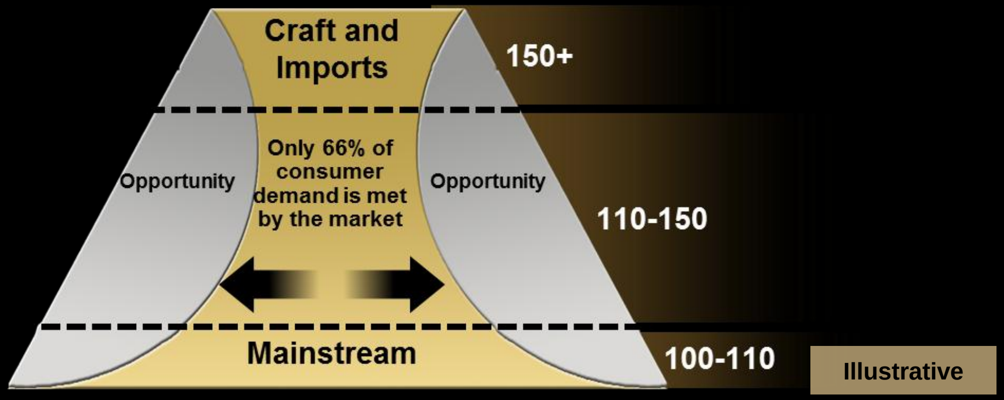
Belly of the alcohol market
Pure alcohol units - F13 – South Africa



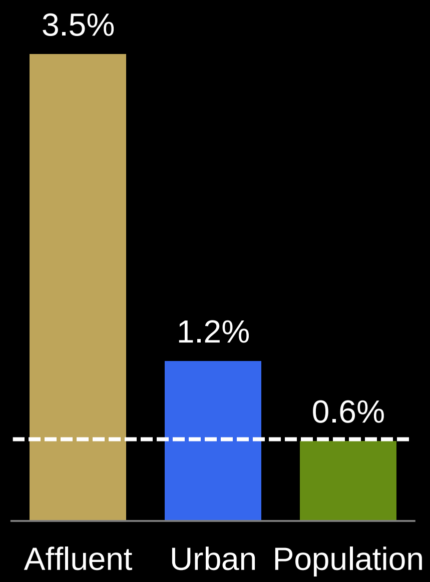
Source: Canback Dangel analysis

Engage the competition –
Focus to gain share of LAE with horizontal and vertical approach

- SAB has above 90% market share of total beer
- Gaining share of volume and value according to Nielsen off premise measures
- Increasing share of premium, now 27% of total SAB portfolio mix
- Focus on gaining share of LAE with premiumisation and exploring adjacencies



Population growth of consumer type
Annual growth, F13-F23



Source: World Bank; C-GIDD; SAB MMS; Canback Dangel Analysis

Engage the competition –
Expanded brand-packs and strengthening revenue management

Strategic

- Broad Brand portfolio
- Innovation
- Linked data driven analytical tools
- Manage base profit pools and incremental margin

Actions:

- Expanded ladder and equity of premium
  - 8-10% improvement in price to mainstream
- Coordinated by an integrated planning process

Tactical

- Pack price dispersion and ladders
- Discounting and promotional protocols
- Rules of engagement
- Precision pricing

Actions:

- Introduced 440ml cans and 12 packs
  - 16% growth in higher margin convenience packs
- Combo deals for trade-up
- Gap management and stewardship

Shape superior routes-to-market –
SAB’s route-to-market stimulates growth by going wide and deep

- Taking advantage of our *unmatched footprint* and frequency of distribution
- Our *bimodal RTM strategy* focuses on increasing DSD of licensed outlets while addressing the informal market via IRDs
- Factoring *effectiveness* through world class execution of trade service and turn around times
- Execute disciplined *through-the-line activation* of our brands to increase the power and consistency of our brand messaging
- Driving profitable growth through differentiated and *tailored service packages* for each Class of Trade
- Increasing *feet on the street* whilst building organisational capacity and capability

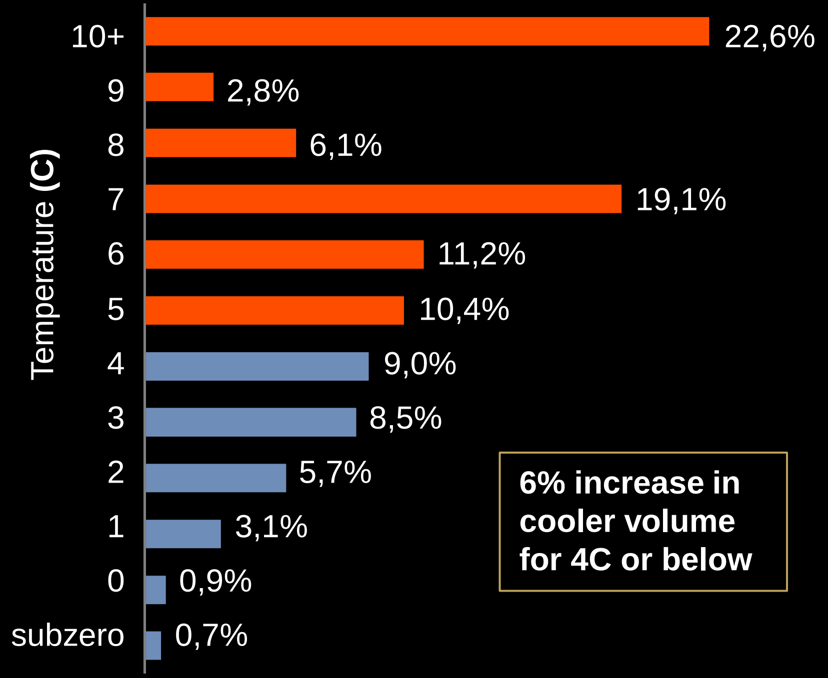
 Source: SAB internal data

Shape superior routes-to-market –

SAB's route-to-market points of focus for future growth

- Boldly developing *Cold Beer Culture* by investing granularly and distinctively in each class of trade
- *Enhancing the drinking occasions* in Taverns and Counters, in order to drive frequency and intensity of consumption

SAB share of coolers by temperature

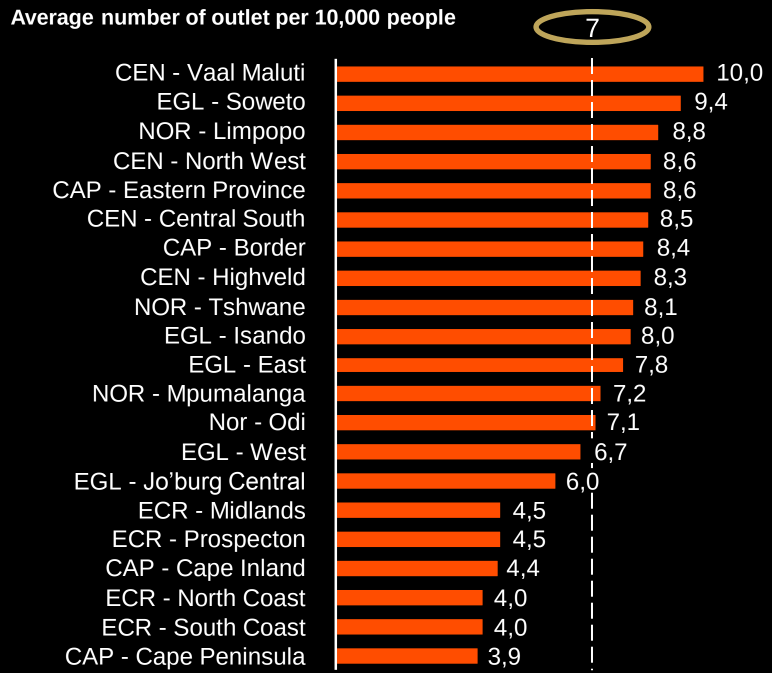


 Source: SAB internal data

Shape superior routes-to-market –
SAB's route-to-market points of focus for future growth

- Ambitious Dinaledi and Inkanyezi *trade loyalty programs* to influence purchase patterns
- Focus on nurturing *licensing of outlets* via compliance, recovery and expansion

Outlet per capita
Per 10,000

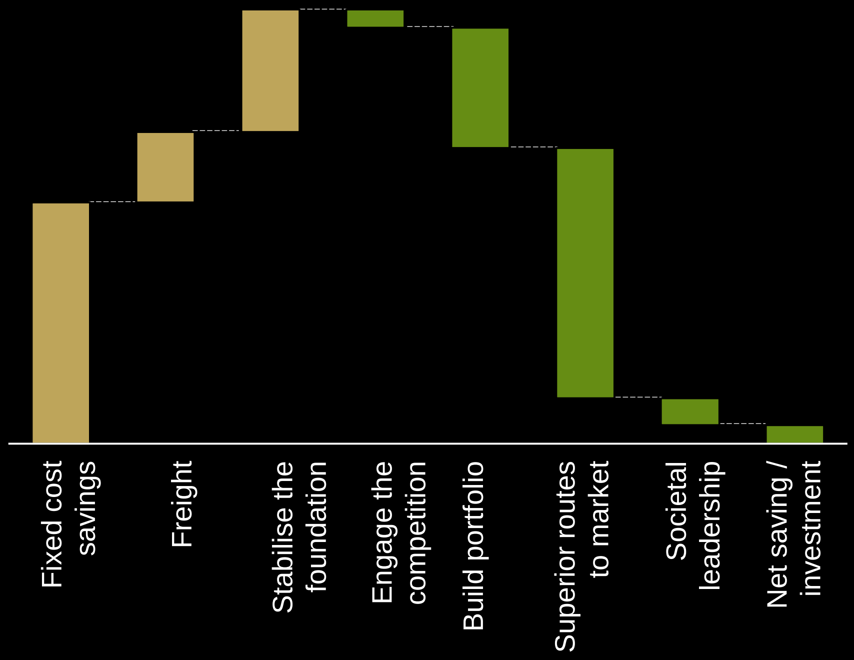


 Source: SAB internal data

Fortify the foundation and strengthen productivity edge – Eliminating upstream waste fuels market investment

- R2.6 billion in savings the past 5 years – virtuous cycle reinvestment in the market
- Big 6 savings initiatives forecast to generate R2.3b NPV over future contract life (F13-F23)
- Continuous fixed cost productivity
- New malting capability being established and operational in July 2015 with an investment of R850m
- Namibian Brewery to open in October 2014 with an investment of R425m

Virtuous cycle
5 yrs to F14



Big 6 are: maltings, hops, aluminium can convertion, glass , adjuncts, crowns

Fortify the foundation and strengthen productivity edge – New opportunities as we leverage SABM's global system

- Manufacturing efficiency, reliability and flexibility
- Increasing use of global procurement capability
- Optimisation of *end to end* Supply Chain

Next steps

- Functionalised supply organisation to include in-bound logistics through to customer delivery
- Demand planning process capability built within Supply team

How it delivers value

- Enables fully integrated supply organisation that can optimise along the entire supply chain
  - Fewer warehouses and trucks required
  - Continued distribution efficiencies

Shared Service Lines

Sales & Marketing Services | Order to Cash | Supply Chain Ops Services | Record to Report | Source to Pay | Hire to Retire

Corporate ERP

Fortify the foundation and strengthen productivity edge –
We are driving significant advances in skills and capabilities

Marketing	■ Enhanced market research to identify consumer insights, trends and decision making ■ Innovation capability to capitalise on emerging needs and drive premiumisation ■ Ability to shape brand positionings and strategy while managing continuous marketing activity for a broad portfolio of brands
Revenue management	■ Ability to expand brand and pack ladders while continuing growth ■ Managing brand-pack curves for profit/transaction and volume growth ■ Ability to manage promotions and incentives to profitably increase consumption
Professional account management	■ Joint planning and selling with chain accounts ■ Customised solutions as part of tailored service package ■ Upgraded competence and enhanced acumen for supporting large redistributors
Enhanced customer interface	■ Segmented resource to specific customers and geographies ■ Aligned, synchronised and integrated approach to customer selling and support ■ Systems enhanced for improved transparency and flexibility

Ensure societal leadership –
SAB continues to provide leadership in South Africa

- Continue advancing broad based black economic empowerment:
  - Customer/employee share participation (Zenzele)
  - Purchasing has directed R1.2b to emerging black suppliers annually
  - BBBEE equity scorecard is at level 3
- In partnership with law enforcement we trained around 20,000 Taverners in our responsible trading programs
- Tightened SAB's internal codes and enhanced our outreach to NGOs and government

Ensure societal leadership –
Moving forward as a positive contributor and industry leader

- Continue investing in promoting responsible sale and consumption of our products
- Gain societal acceptance of beer consumption as a moderate alcohol drink
- Take proactive steps to improve new BBBEE code score via employment equity and preferential procurement
- Engage proactively with government to provide industry perspective on legislation and policy

In the coming years we have clear points of focus within the five thrusts

1. Manufacturing, procurement & leveraging scale
2. Winning in returnables, FABs and total alcohol
3. Romancing core lager, innovation & pricing
4. Enhancing the occasions and bimodal RTM
5. LTT, BBBEE and stakeholder relations

Our guiding principles

Growth

- Untapped potential in alcohol
- Enhancing the drinking occasions
- Virtuous cycle for market facing investment
- Leveraging our global scale

Trust

- Underlies all of our relationships
- Attention to detail, transparency and performance
- Collaboration and being globally integrated
- Accountability and delivery of commitments

Passion

- Broaden our competitive mindset
- Characteristics and leadership behaviours
- We must be open and learn every day
- **How** we do things is as important as **what** we do

Conclusion

- SAB's strategy has delivered in the short term and is built for the long term
- We see revenue and margin growth opportunities ahead
- 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
- We are increasingly leveraging our global skills and scale
- We are strong, we are resilient, we are confident

Soft-Drinks South Africa

John Ustas

South Africa is a wonderful Soft Drinks market

Largest
economy in Africa

Middle class
Expansion

Urbanisation

Large & Vibrant
teen population

SABMiller's Soft-Drinks Division* is the largest Bottler in Africa

Coca-Cola brand **love**

91% value share

5 of Top 5 brands

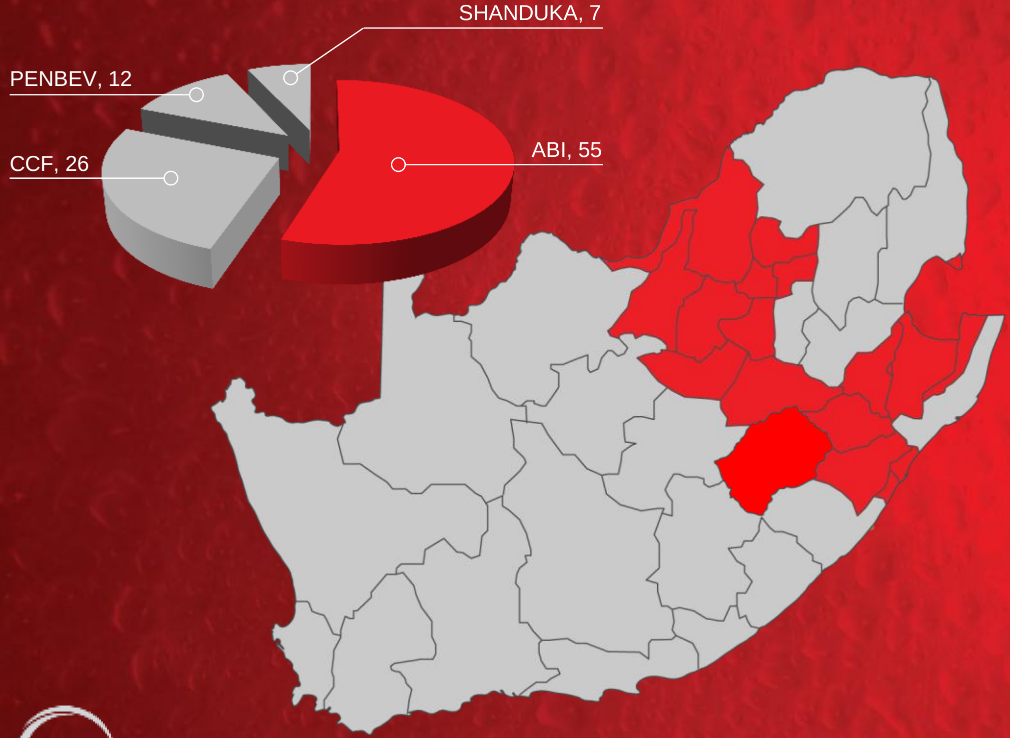
#1 Water Energy

#2 Sports

* *Amalgamated Beverage Industries*

ABI* has an advantaged infrastructure

Volume Contribution 2013 (%)



475 million
Unit case capacity

126,000
Coolers

90,000
Outlets serviced

3,700
Employees

600
Vehicles

21
Packaging Lines

5
Production facilities

325 million
unit case

274
per capita

91%
market share

High-teens
operating margins

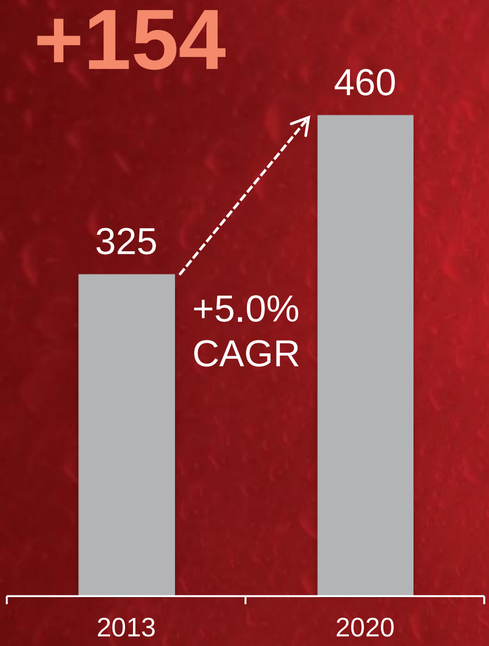
** Amalgamated Beverage Industries*

South African Soft-Drinks market
has significant potential for development and growth

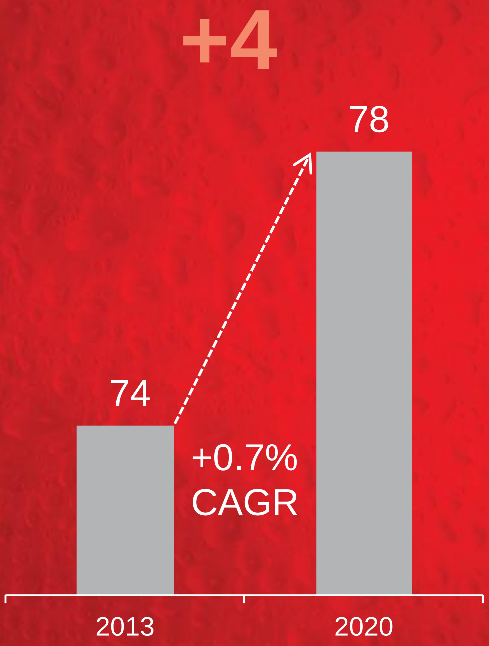
LSM	South Africa pop. Living standards	South Africa sparkling per Cap	Mexico sparkling per Cap
High LSM 7 – 10	(24%)	451 √ √	625
Medium LSM 4 – 6	(33%)	290 √ √ √	629
Low LSM 1 – 3	(43%)	189 √	643

ABI's 2020 outlook – the market presents amazing growth potential

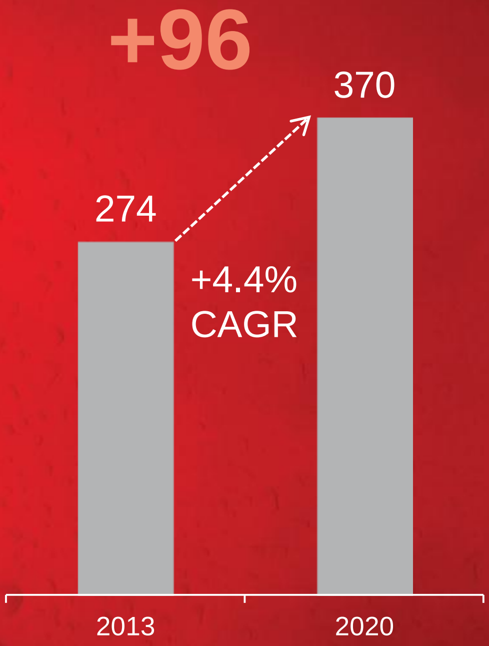
Volume (mUC)



Share (NARTD volume)



Per Capita (Sparkling Volume)



Includes stills

ABI strategy to achieve 3-5% growth through market development and execution

Premier Market Development Company in South Africa… Growing via Execution and Investment

- Market development & growing outlet base
- Win at the point of sale to drive growth
- Execute price package architecture by brand
- Build Market-facing Organisation & Capabilities
- Achieve Operational Excellence & Productivity

SAB

Market Development and growing outlet base – Modern Trade

Improving customer service to grow

Expanding Modern Trade

Packaging and merchandising innovation for trade-up

Till-point fridges to increase transactions

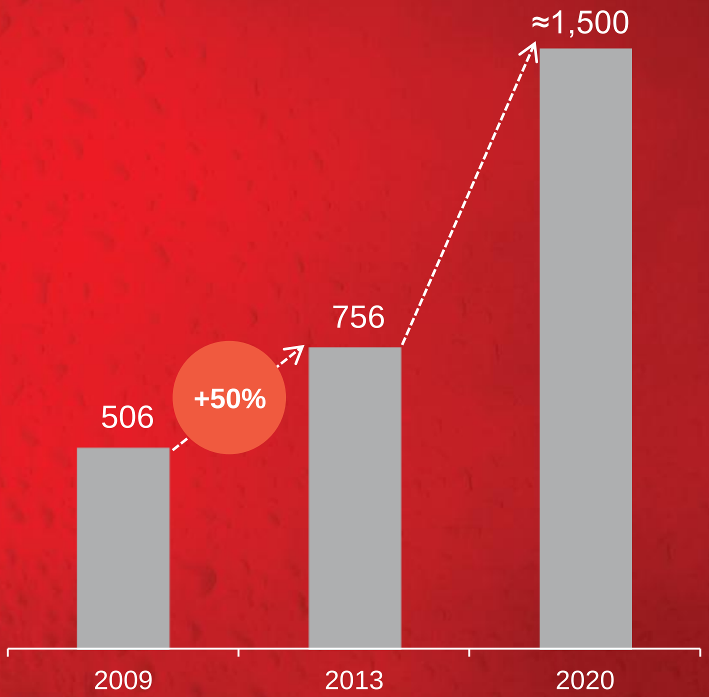
Displays to increase retailer stock and purchase frequency

Market development and growing outlet base –

Improving execution and growing the outlet base

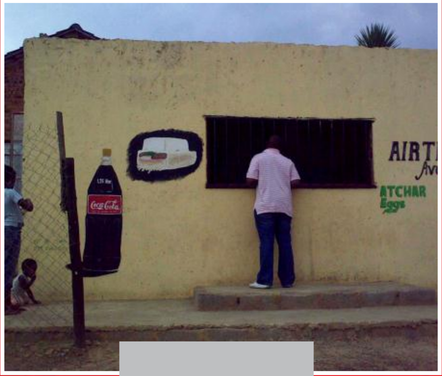
Sales feet on the street, ABI

(Total no of sales people)



Market Development and growing outlet base – Main Markets

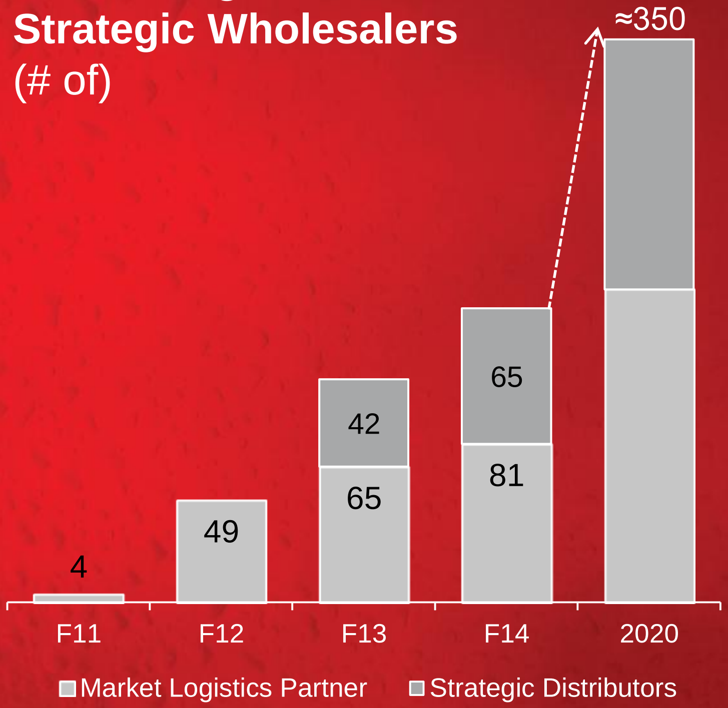
Improving execution and growing the outlet base



Market Development and growing outlet base –

Flexible distribution system puts us closer to the customer

Market Logistics Partners
Strategic Wholesalers
(# of)



ABI strategy to achieve 3-5% growth through market development and execution

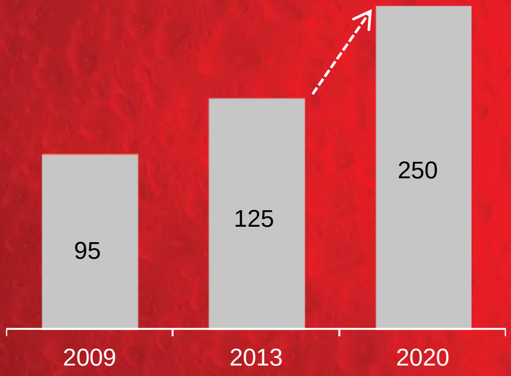
Premier Market Development Company in South Africa… Growing via Execution and Investment

- Market development & growing outlet base
- Win at the point of sale to drive growth
- Execute price package architecture by brand
- Build Market-facing Organisation & Capabilities
- Achieve Operational Excellence & Productivity

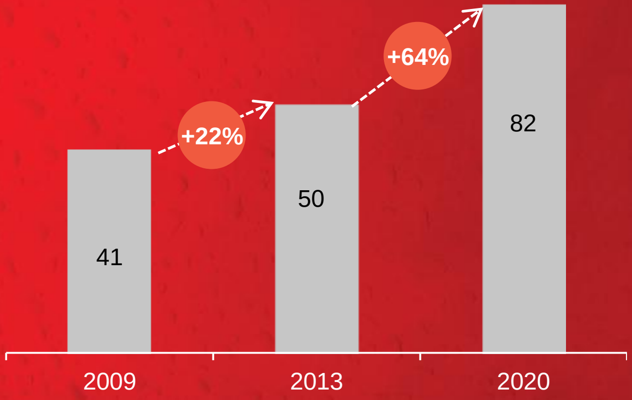
Winning at the point of sale to drive growth –

Cold drink placements are fuelling growth

Cooling Equipment in Trade (thousands)



Coolers per 10k Population



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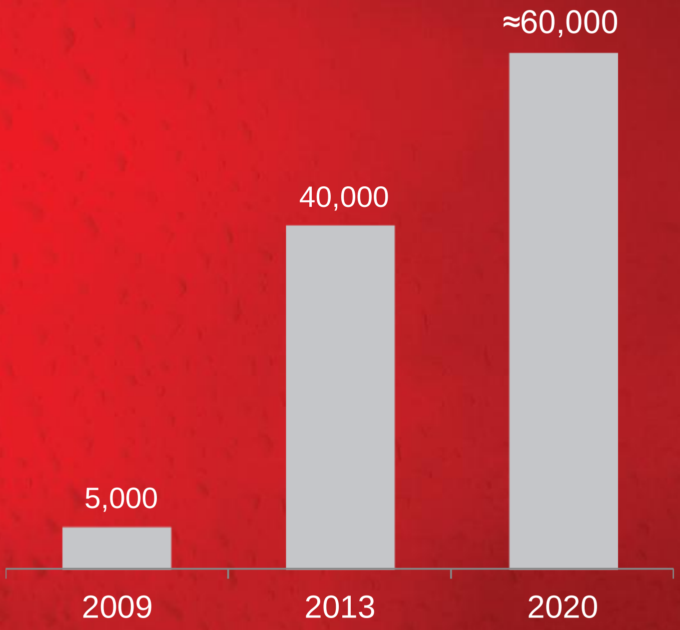
Winning at the point of sale to drive growth –

Execution is key to growth

Audited Outlets



ABI strategy to achieve 3-5% growth through market development and execution

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- **Execute price package architecture by brand**
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Executing our price package architecture by brand –

We are expanding our pack portfolio for growth and competitiveness

Expanding 2 litre to meet consumer needs in the townships

Compete more effectively

2 litre

Increasing affordability

1.25 litre returnable

Package Innovation

Driving transactions

440ml cans; 330ml PET; 300ml RGB

Building home inventory

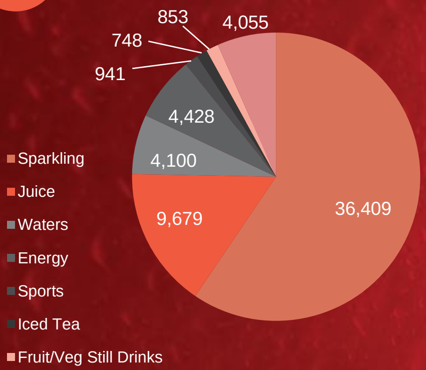
12 pack cans

Expanding multi-serve

2.5 litre; 2.25 litre; 1.5 litre

Executing our price package architecture by brand –
We are increasing focus on still beverage growth opportunities

1 Restage Juice for Growth



Biggest Revenue Producer

Juice = R89.53/UC

Sparkling = R58.74/UC

- System alignment
- Differentiated sensory experience
- Cordials
- Tailored route-to-market

2 Protect Share & Drive Growth

Water + Enhanced

Sports

Energy

3 Drive Expansion of RTD Tea

RTD Tea

4 Premiumisation with Appletiser

5 Innovation

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ABI strategy to achieve 3-5% growth through market development and execution

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- Market development & growing outlet base
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- **Build Market-facing Organisation & Capabilities**
- Achieve Operational Excellence & Productivity

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Building market-facing organisation and capabilities –

Capability building has been comprehensive

Comprehensive capability and training programs for all sales levels

Small store owner development programs

Sales force automation & productivity tools

Flexible IT solutions for exclusive distributors (MLPs)

Distribution routing & dispatching tools

Cold drink services

ABI strategy to achieve 3-5% growth through market development and execution

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Achieving operational excellence and productivity –

Significant waste elimination

Rear-loading trucks reduce off-loading time

Increased capacity and new package capability

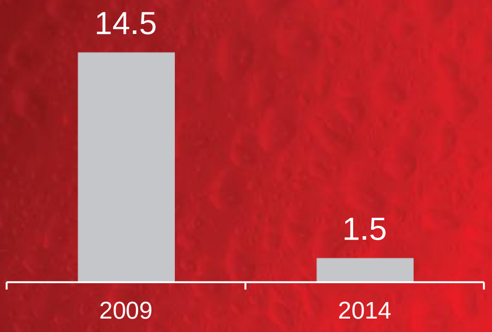
Flexible manufacturing reduces inventories

Layer pickers improve speed and accuracy

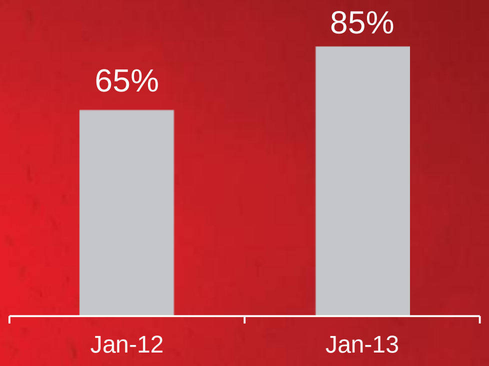
Achieving operational excellence and productivity –

Significant waste elimination (cont'd)

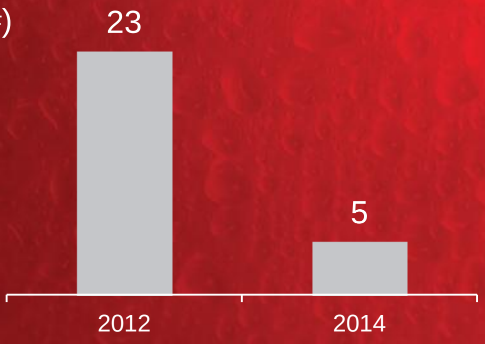
Out of stocks (%)



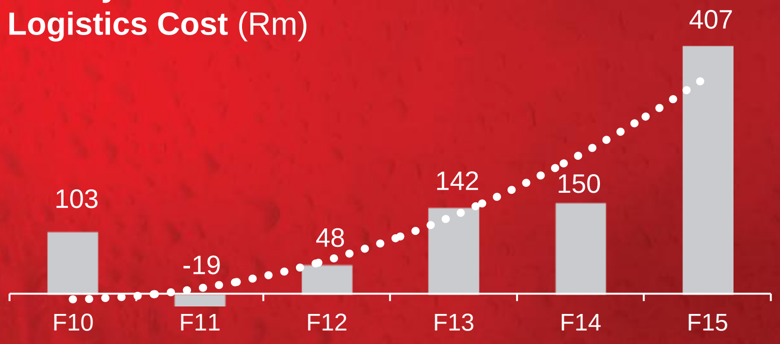
Direct shipments (%)



Depots and Distribution Centres (#)

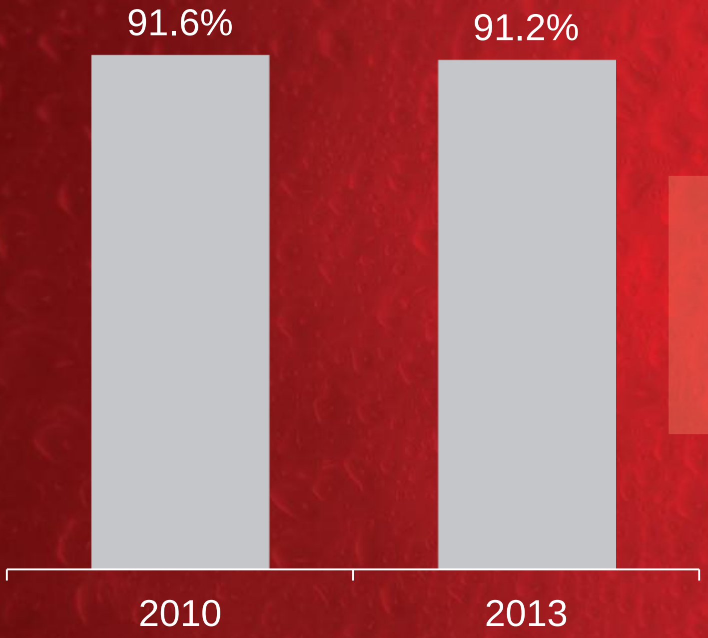


Productivity vs. CPI: Logistics Cost (Rm)



This strategy is proving successful against competition with sustained high market share

Share changes % (value share)



Multiple actions to protect share

1 Pack-price architecture

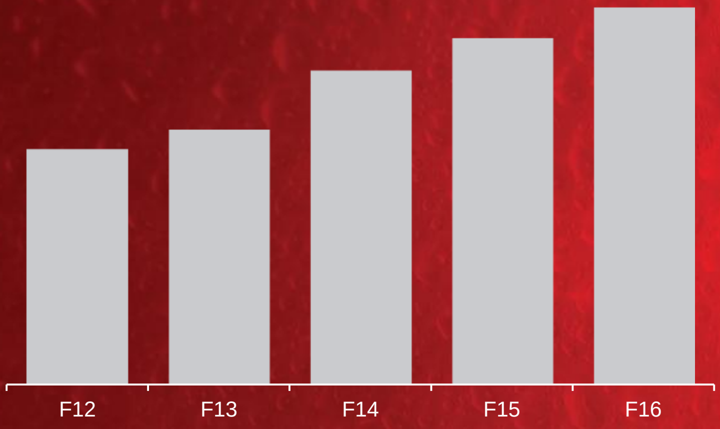
2 Improvements in service

3 Better execution

4 Revenue growth management

Near-term challenges are becoming evident

Commodity Cost Inflation

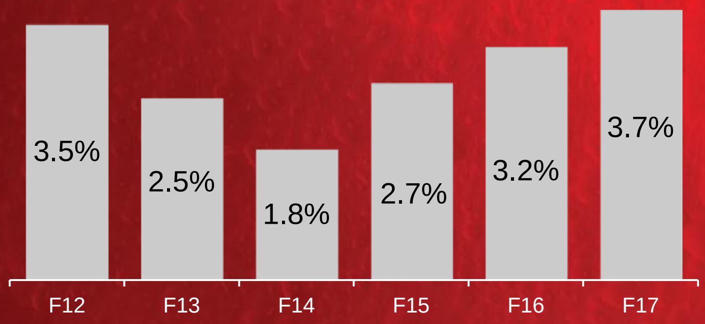


- Inflation hurting lower-end consumers
- Slow-down in PCE growth
- Increasing B-brand competition
- Social unrest approaching elections
- Increases in commodity costs:
  - Resin
  - Sugar
  - Fuel

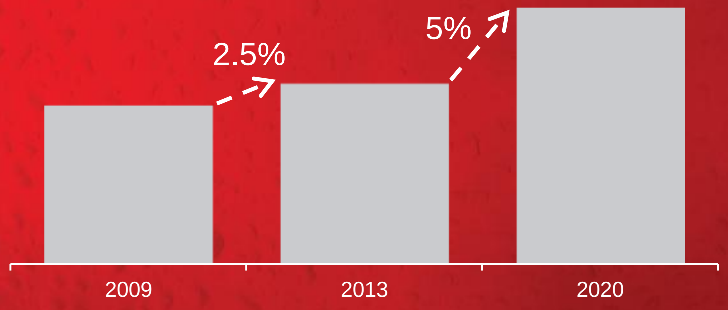
ABI is growing, and we expect our efforts to produce higher growth rates going forward

- Improved economic and social forecasts
- Route-to-market and strategy achieves scale
- Expansion in brand and package offering

South African GDP Growth

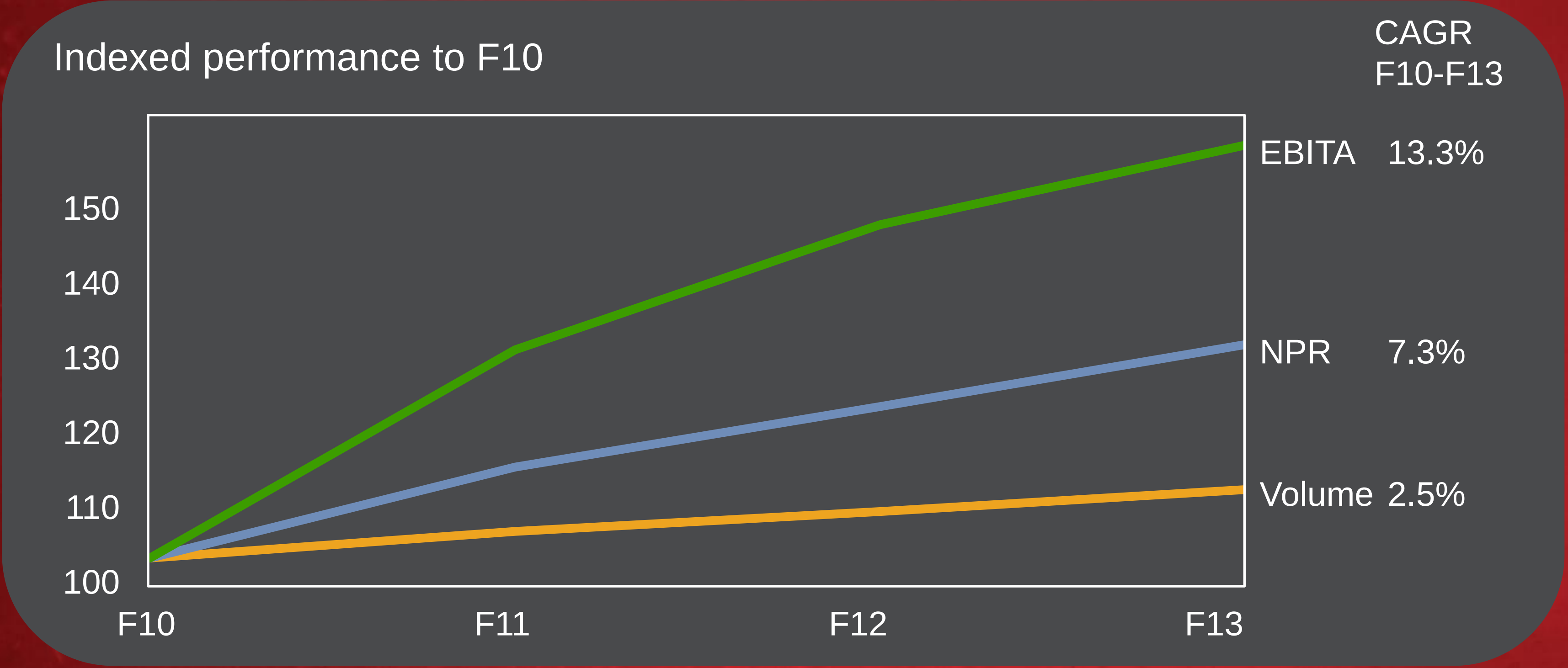


ABI growth acceleration



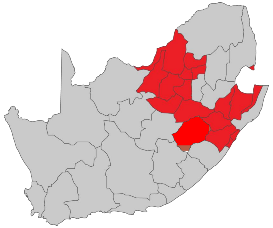
Source: Reuters EconoMeter, February 2014

We have continued to deliver against our strategic priorities



We believe in the Coca-Cola business in South Africa

Highest market share and margins



+91%

Value share

Strong brands and growing market

Top 5 brands

Competitive advantage and efficient

Proven strategy and management

- Market development
- Pack-price strategy
- Win at point-of-sale
- Efficient operations
- Market facing

Consistent Performance

SAB

SABMiller South Africa
Conclusion
Norman Adami

Summary

- Understand the challenges and opportunities
- Executing strategic priorities with intensity
- Leveraging global scale and skill

Sustainable profitable growth

SABMiller South Africa Guidance

Gary Leibowitz

Forward guidance

- Volume growth
  - Beer — *1-4%*
  - Soft-drinks — *3-5%*
- NPR per hl (cc)
  - Beer — *At CPI*
  - Soft-Drinks — *Low single digits*
- EBITA Margin — *20-50bps per year*

Q&A