SAB MILLER

SABMiller plc
Investor Relations
Quarterly divisional seminar series

Europe

February 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, 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 – a leading growth player in international beverages

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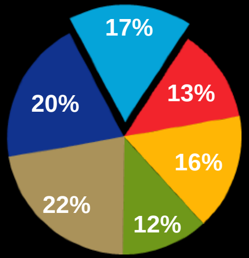
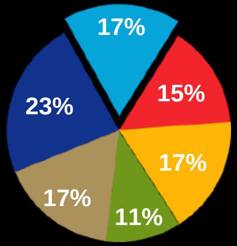
- World's 2nd largest brewer, superior revenue & profit growth, #1 or 2 in > 90% of markets
- Leading brand portfolios and in-market engagement, driven by deep local insights
- Building and broadening the beer category and its position within alcohol, aligned with diverse consumer tastes in both developed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

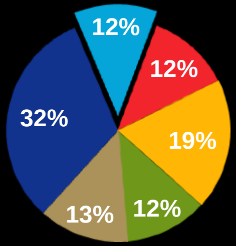
Total volumes
(306 m hl)*[1]



Group revenue
($34.5 bn) [1]



EBITA
($6.4 bn) [1]**



Strategic partnerships

CASTEL

EFES

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*

Our speakers today

Sue Clark (2003)

2012 Managing Director - SABMiller Europe

2003 Corporate Affairs Director – SABMiller plc

2000 Corporate Affairs Director - Railtrack Group

1996 Corporate Affairs Director – Scottish Power plc

Mauricio Restrepo (2002)

2011 Finance Director – SABMiller Europe

2007 Finance Director – SABMiller Latam

2002 CFO Latam – Bavaria SA

2000 COO – Random House Mondadori, Argentina

Tom Verhaegen (2009)

2012 Managing Director – SABMiller Netherlands

2009 Marketing Director – SABMiller Czech Rep.

2006 Marketing Director Belux – ABInBev Belgium

Hector Gorosabel (2004)

2008 Managing Director - Western & Central Europe

2004 Managing Director – SABMiller Hungary

2000 General Manager – North Latam
The Coca-Cola Company, Costa Rica

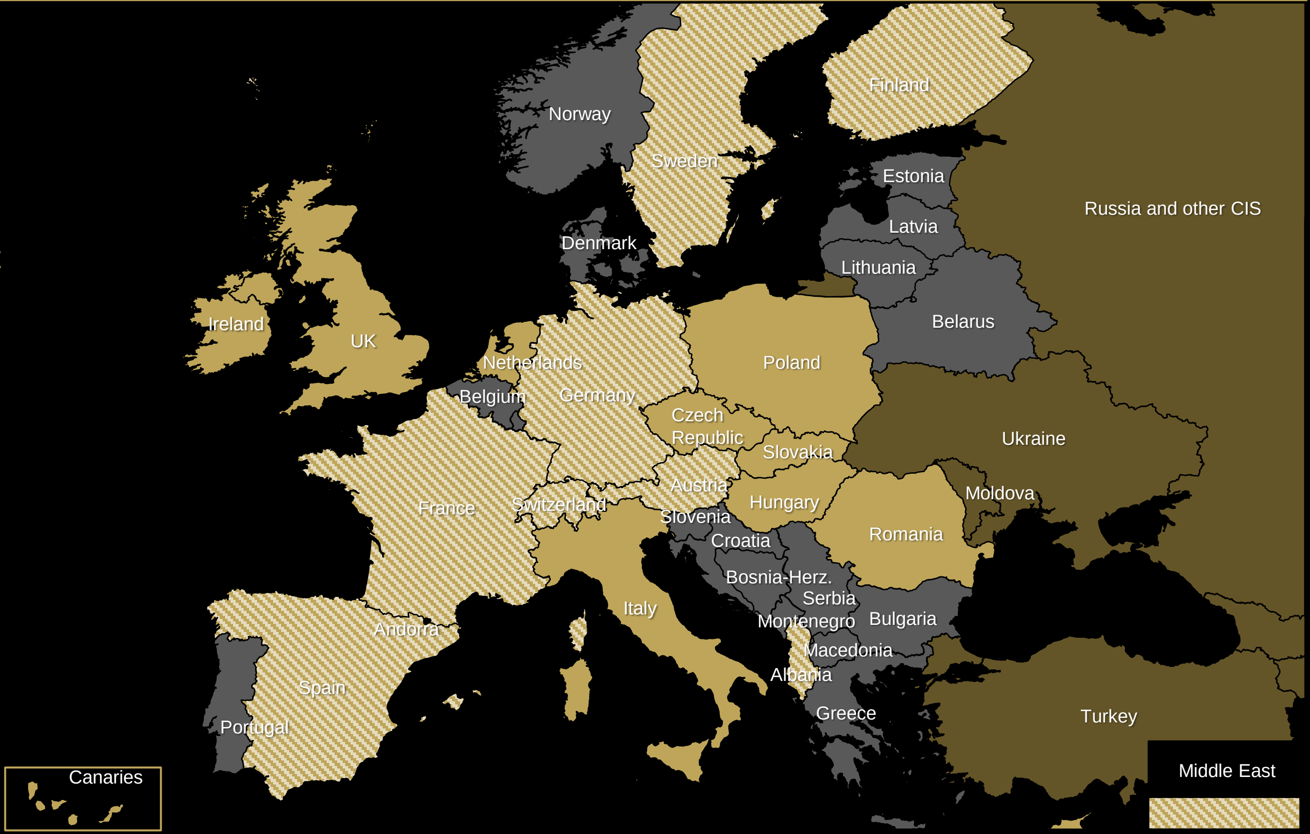
SABMiller Europe in context

We have a focused footprint in Europe

In market business unit

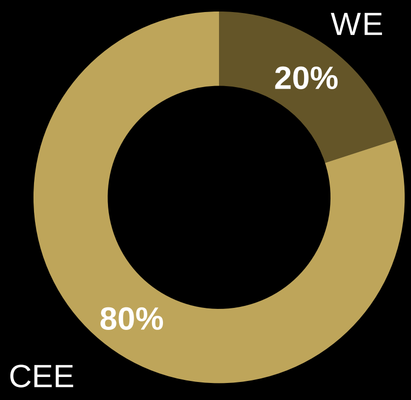
Exports presence

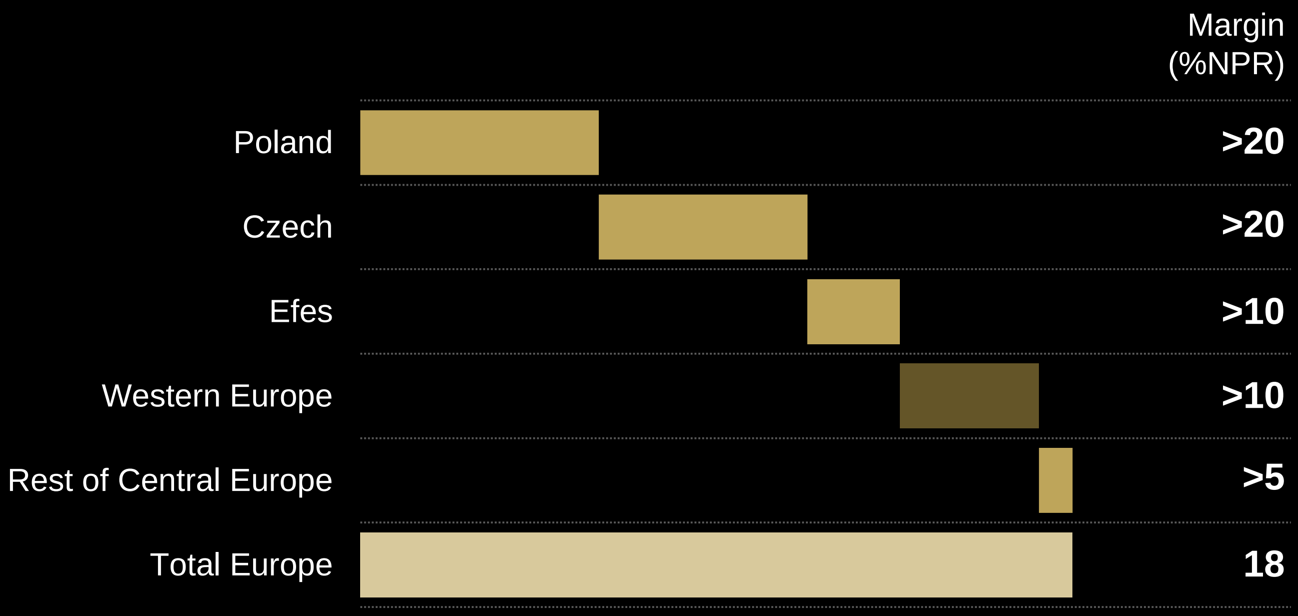
Efes alliance



Bias to Central and Eastern Europe

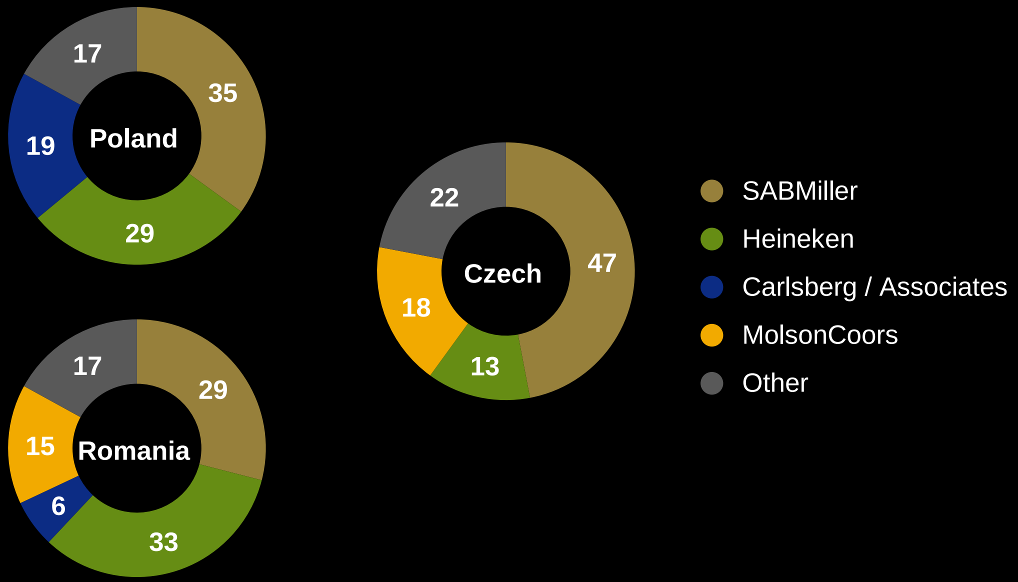
SABMiller EBITA contribution by Europe business – F13





Strong positions across a number of important markets

SABMiller volume market share %

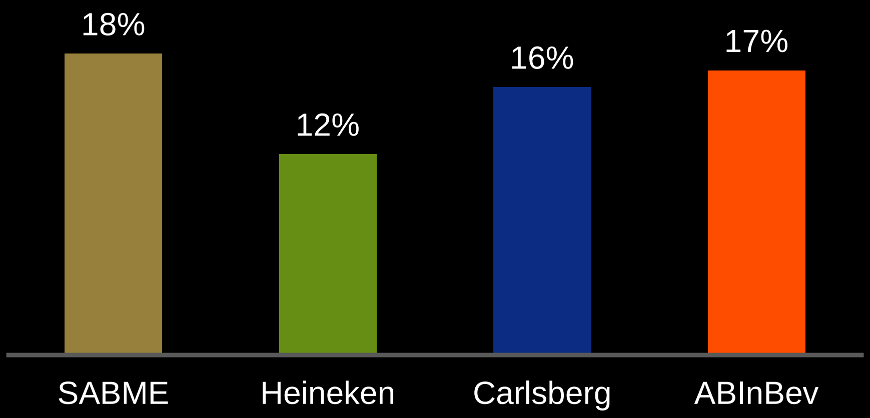


Country	Market Share	Position
Poland	35	1
Czech	47	1
Canaries	48	1
Hungary	34	1
Romania	29	2
Italy	20	2
Slovakia	38	2
Netherlands	13	3

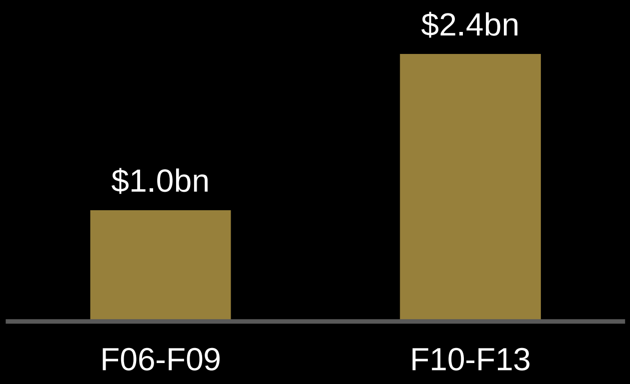
Source : Estimated – On & Off Premise based on various sources MAT Nov 2013

High margins with solid free cash flows

SABME country profit margin vs. peers (F13 / 2012)



SABME FCF

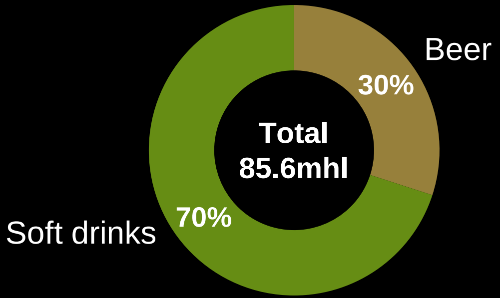


Source:
SABME: SABMiller Annual Report 2013 (F13) – EBITA/Net Revenue % (Excise excluded from Group Revenue)
HK: Heineken N.V. 2012 Full Year results – Operating Profit (beia) Margin % (WE+CEE)
CB: Carlsberg Group Annual report 2012 – Operating Margin % (WE+EE)
ABInBev Annual Report 2012 – Normalised EBIT/Revenue %) (WE+CEE)

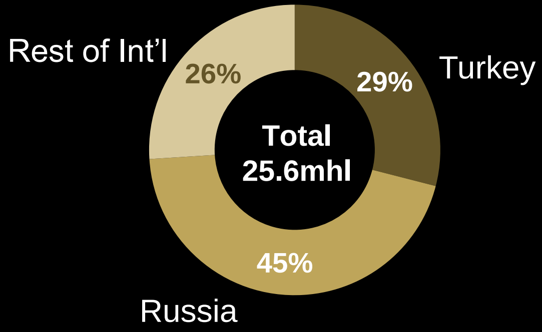
Anadolu Efes provides attractive exposure in beer and soft drinks

Sales volume FY2013

Total



Beer



- Strategic alliance completed March 2012
- SABMiller has 24% equity interest in Anadolu Efes

Source: Anadolu Efes General Release January 14, 2014

2013 a challenging year for Anadolu Efes

- Russia
  - Integration challenges
  - Business disruption in modern trade
  - Issues of price competitiveness
  - Regulatory changes
- Turkey
  - Impact of external and regulatory environment
  - Competition
- Coca-Cola Icecek
  - Strong growth led by Iraq and Pakistan
  - Fully consolidated into Anadolu Efes

2014 focus on power brands and sales execution in Russia

- Refocus on premium and upper mainstream brands
- Build modern trade / sustain traditional trade – improve sales execution
- Reduce cost base and improve efficiency
- Leverage partnership benefits

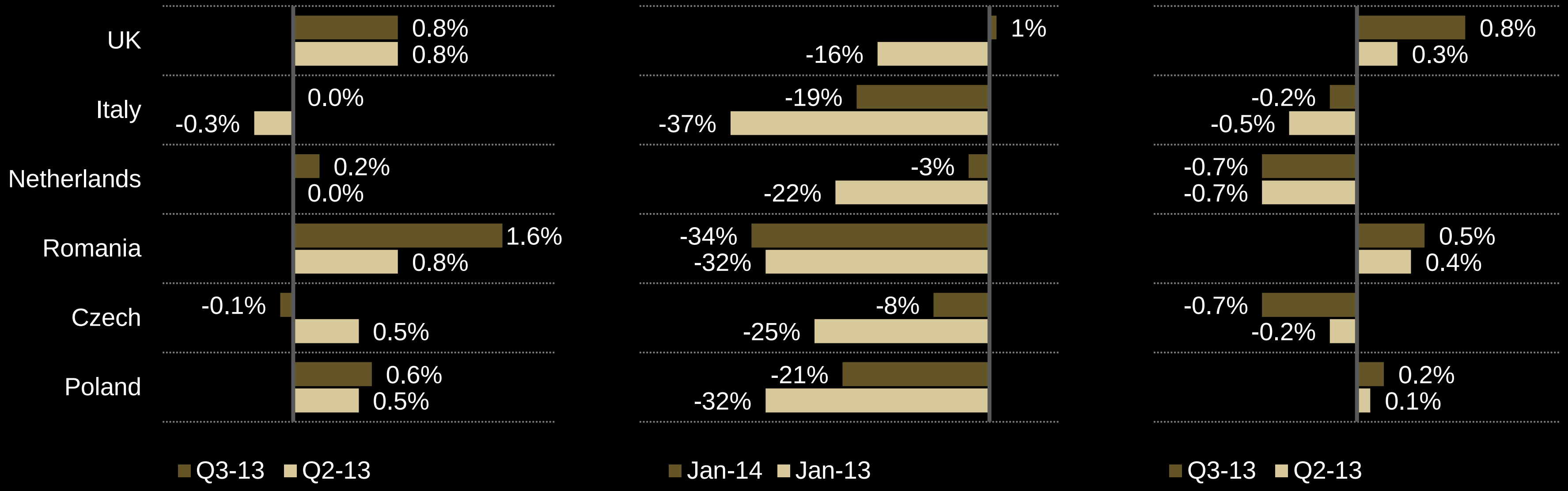
Europe macro economic context remains challenging…

GDP growth remains fragile

Consumer confidence subdued…

Balances (in % points)

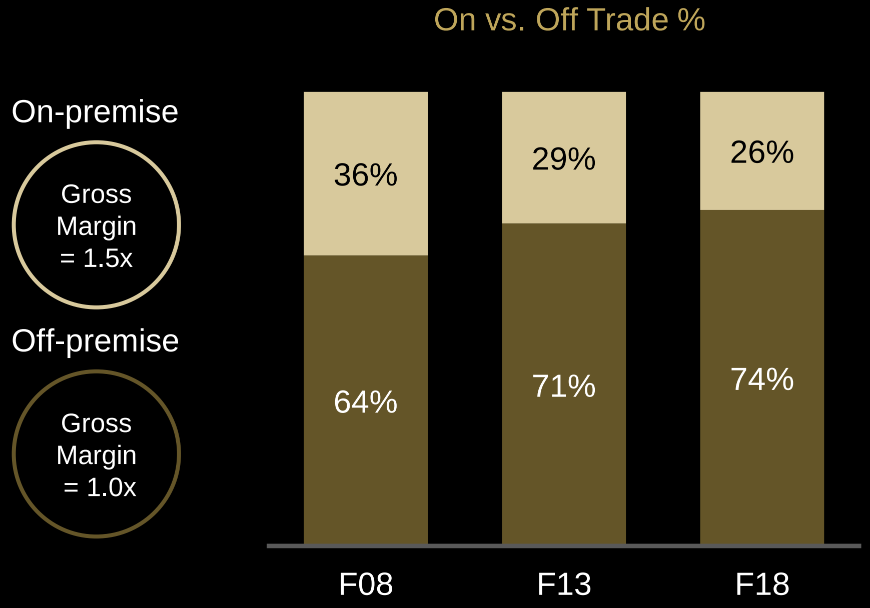
No firm recovery of household private consumption

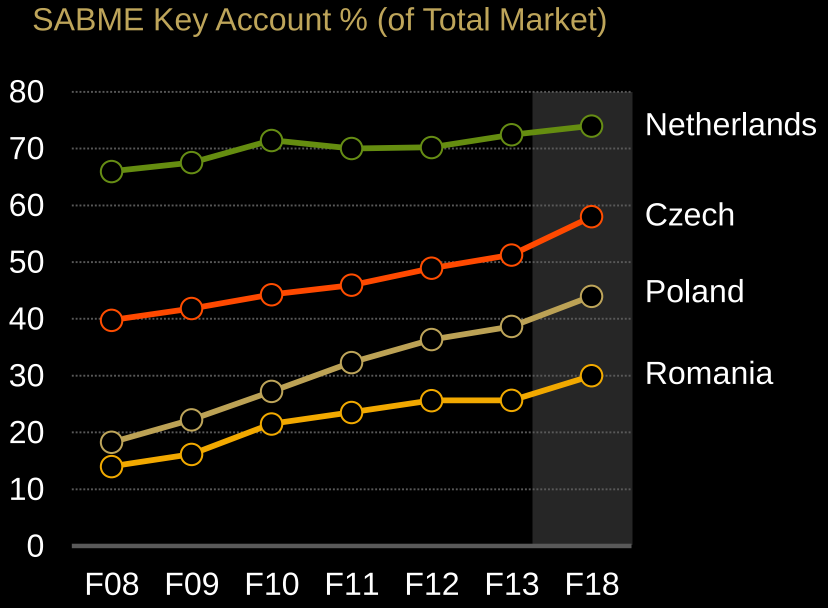


Source : Eurostat, growth rate % Q/Q-1 for GDP and HH Private Consumption, balances in % points for confidence

Channel shifts continue to be margin dilutive

Channel mix evolution F08-F18



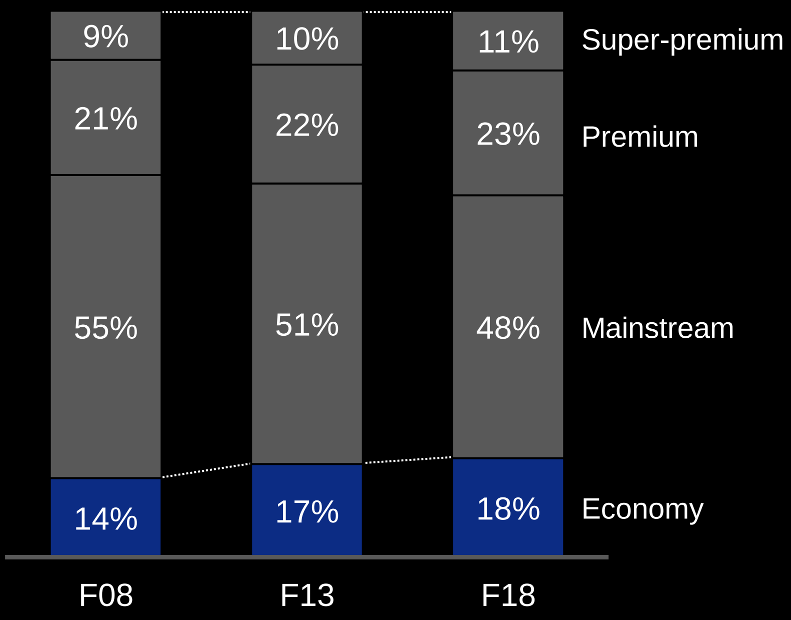


Note: SABME Footprint
Source: Canadean, Canback Dangel, Internal Estimates

Contributing to growth of lower mainstream and economy segment

Changing market dynamic

Price segment evolution - market



Source: Canadean; Canback Dangel analysis, SABME Footprint

Lager still represents the largest segment in packaged beverages

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Retail sales value in packaged beverages - Europe 2013

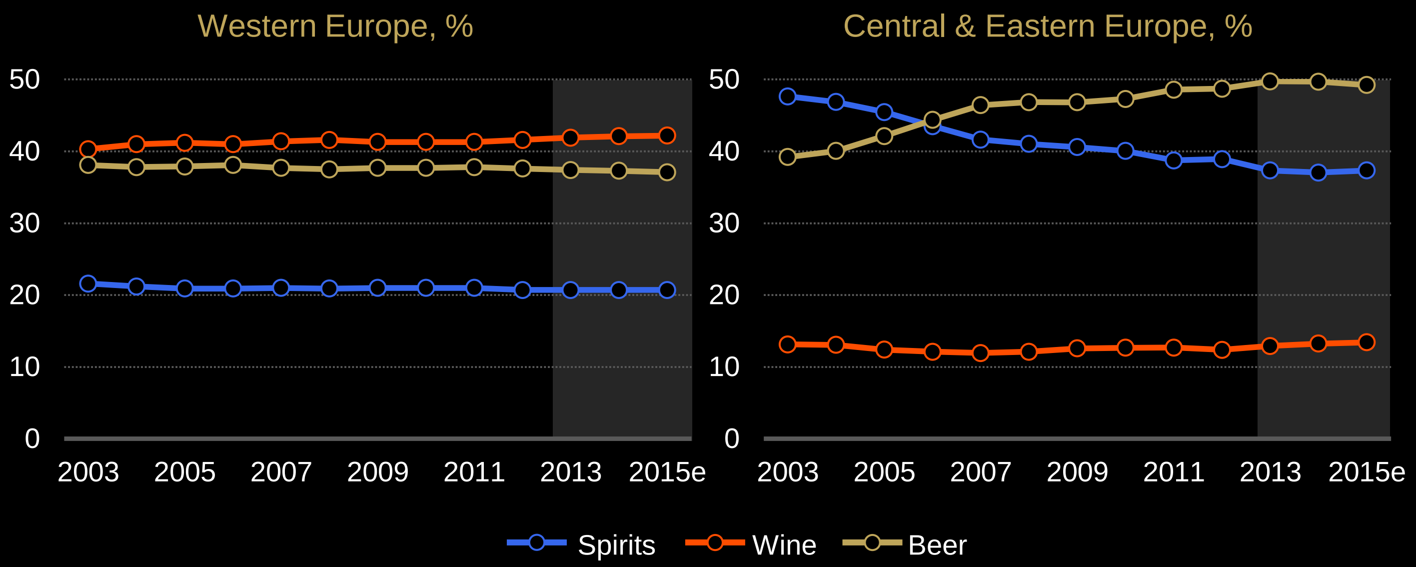
	Other Soft Drinks	CSDs	Lager	Other Beer	Cider / RTDs	Spirits	Wine
Europe	18%	11%	24%	5%	3%	19%	21%
WE	19%	12%	21%	6%	3%	17%	23%
EE	15%	8%	33%	1%	2%	25%	16%

Source: Euromonitor, 2013 RSP market value

…and beer has maintained its relevance within alcohol

Slight declines in Western Europe offset by growth in CEE

LAE Share of alcohol beverages



PCC (l)		
	2003	2013
Poland	73	100
Czech R.	162	145
Romania	57	84
Italy	30	27
NL	80	71
UK	109	85

Source : Canadean (Liters of Alcohol Equivalent)

Premiumisation trend will gather pace

Key drivers

Socio-economic growth

Thirst for new brand experiences

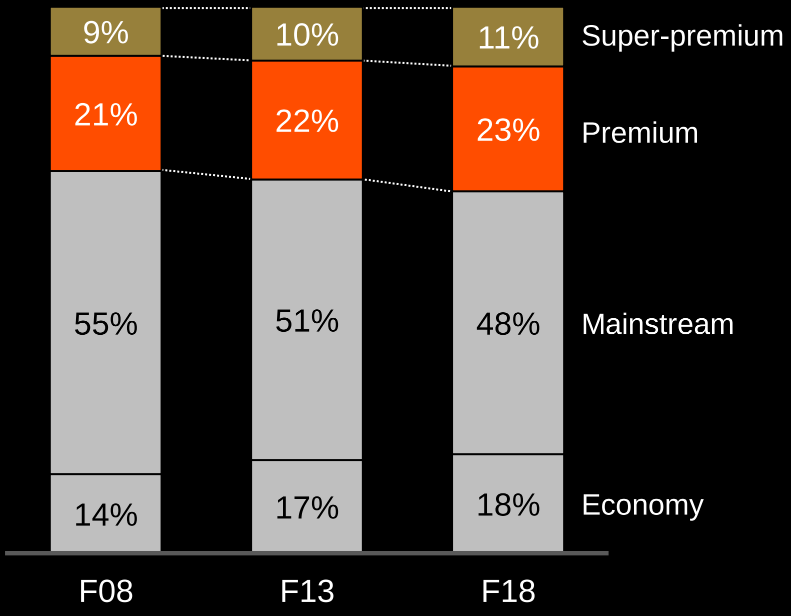
Millennials

Understand and shape the consumer view of 'better'

Trading up opportunity across full brand portfolio

Liquid, pack + experience

Price segment evolution - market



Source: Canadean; Canback Dangel analysis, SABME Footprint

Our brand portfolios are strong across all price segments

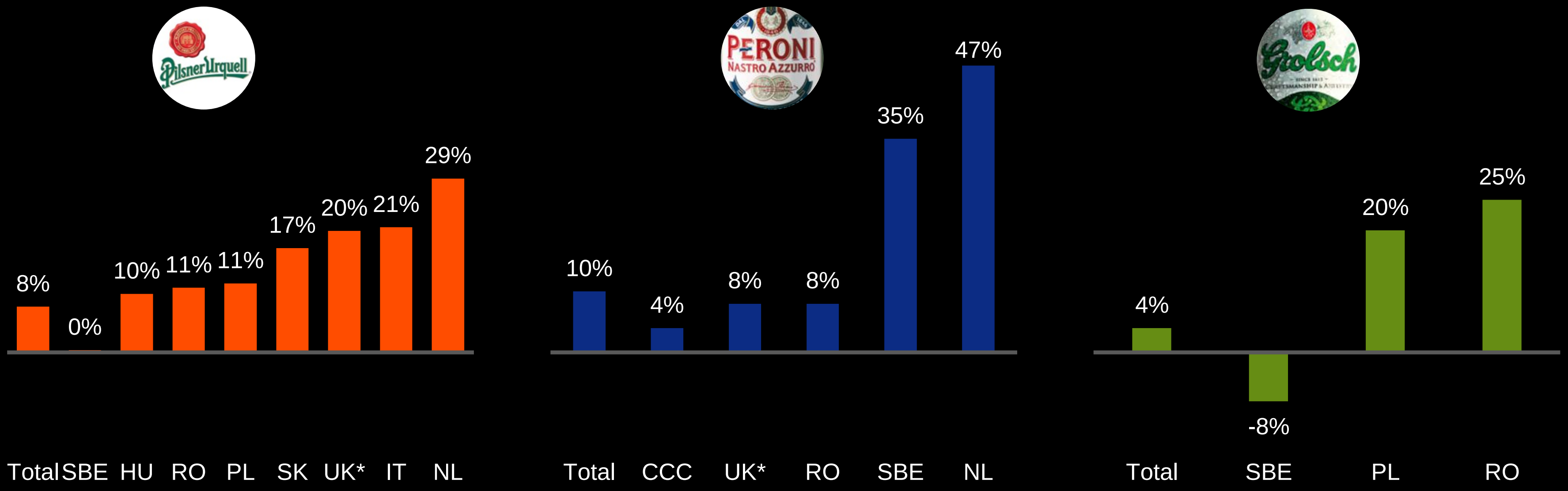
MAT December 2013 NPR by price segment

	Poland	Czech Republic	Italy	Romania
Super Premium	Grolsch	Pilsner Urquell	Pilsner Urquell	Grolsch, Peroni Nastro Azzurro
Premium	Lech	Gambrinus 11 Excelent, Kozel	Peroni Nastro Azzurro	Ursus
Mainstream	Żubr, Tyskie	Kozel, Gambrinus, Radegast	Peroni	Timişoreana
Economy	Wojak	Klasik, Primus	Wuhrer	Ciucaş, Azuga
$100m	#1,2,4 brands	#1,2,3 brands	#2,8 brands	#1,6,7 brands

Source : SABMiller Europe, million USD at constant December 2013 F/X, Nielsen for brand ranking based on MAT Nov. 2013 off-premise value share

…with momentum in global premium brands

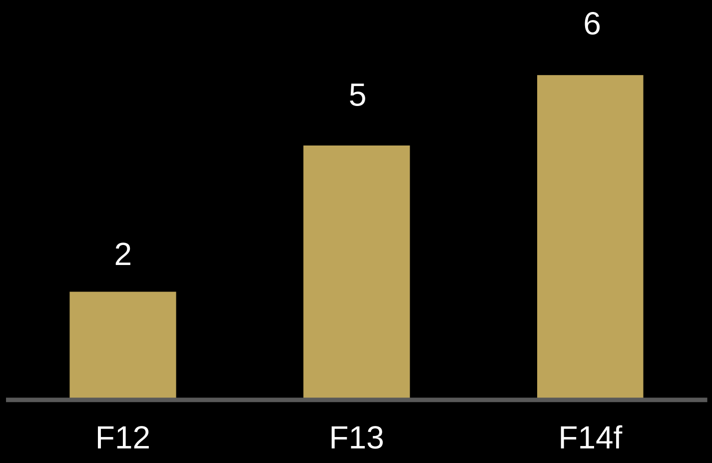
MAT December 2013 year-on-year volume growth



Source : SABMiller Europe, home markets excluded
**incl. Ireland, SBE= SABMiller Brands Europe (Exports)*

…and innovation

% Net revenue from innovation[1]



1. Net Revenue from innovation net of cannibalisation. 3 year rolling period. Includes brand, liquid and pack
Source : SABMiller Europe

Our business priorities are clear

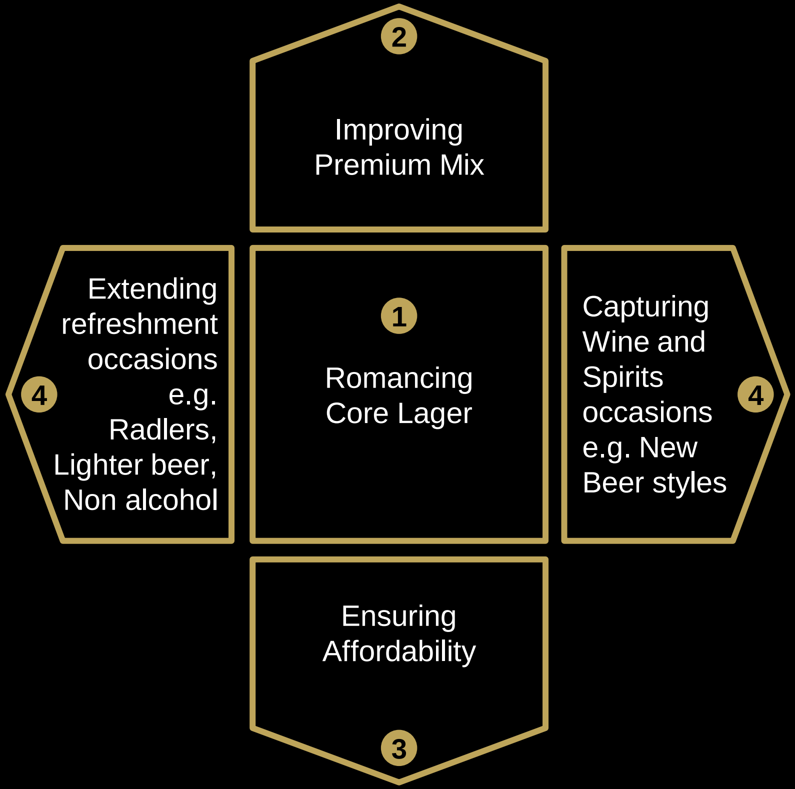
	Priorities	Rationale
	Grow Brand Preference and Category Appeal	■ Need to defend and grow core lager ■ Shape the development of the beer category ■ Access more consumer needs and occasions
	Win at the front-line	■ Bring consumers back to the on-trade ■ Engage customers, drive execution in Key accounts ■ Win with shoppers and consumers
	Simpler, better, faster – at scale	■ Leverage our regional and global scale ■ Reduce costs in order to invest behind our brands, capabilities and people

New appointments with experience to lead the growth

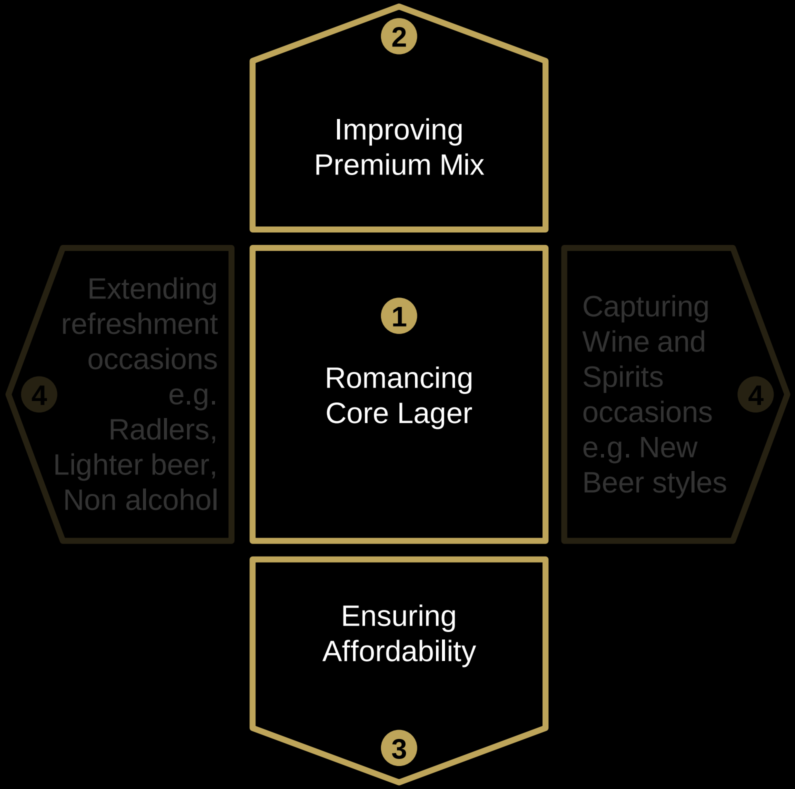
	Andrew Highcock MD Poland	Paolo Lanzarotti MD Czech Rep. and Slovakia	Igor Tikhonov MD Romania	Ingmar Boesenberg Supply Director	Doug Brodman Commercial Director	Lara Hirschowitz HR Director
						
Years at SABMiller	**4**	**8**	**13**	**22**	**15**	**18**
Years in FMCG	**24**	**8**	**21**	**22**	**33**	**18**

Grow Brand Preference and Category Appeal

We are focusing on four opportunity areas



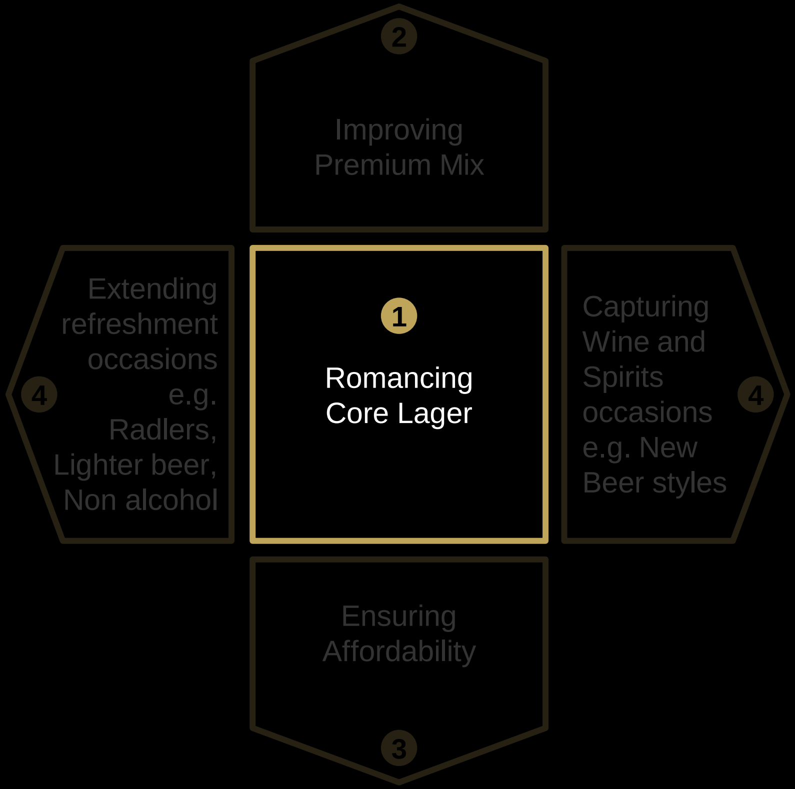
Keeping our lager heartland relevant and attractive



Changing consumer dynamics impact how we think of lager development

- Desire for brands with authenticity
- Need for relaxation and desire to go back to basics
- Need for transparency
- Underpinned by demographic changes

Romancing Core Lager



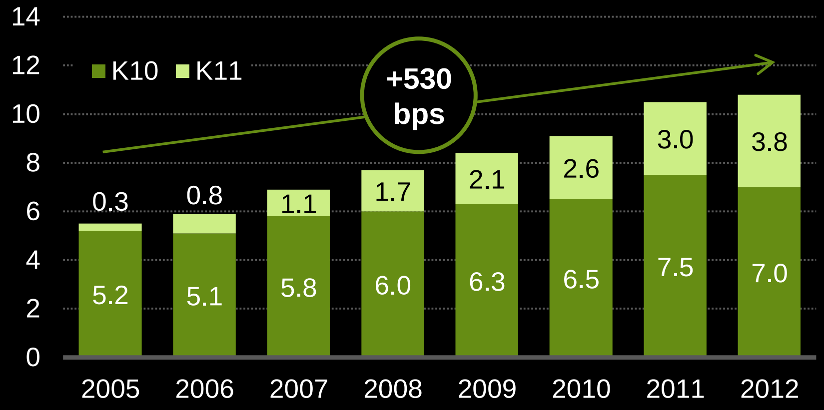
Connecting core brands to changing consumer dynamics

Kozel Czech Republic

Kozel's success is driven by

- A positioning that resonates with a large and growing consumer group
- Executed consistently based on powerful iconography & a compelling price point
- Accelerated via the launch of a premium variant with a clear intrinsic and emotional benefit coming together: *"You deserve the polished taste of Kozel 11°"*

Kozel volume share of market, %



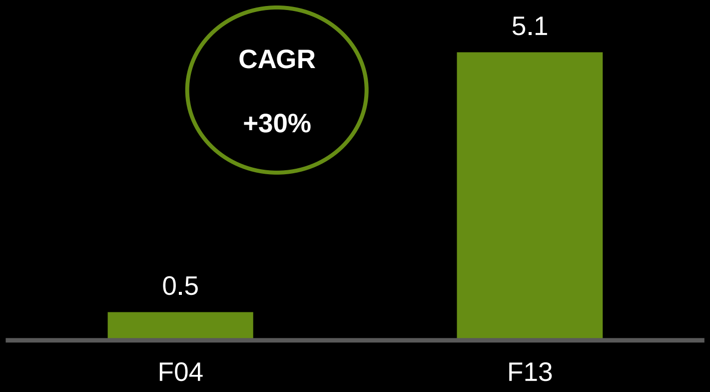
Connecting core brands to changing consumer dynamics

Żubr Poland

A unique positioning kept relevant across time

- Targeting lower socioeconomic classes, the consumer group with highest volume potential
- Consistently delivering against a key consumer need for wind down and relax

Zubr volume, mhl



Source: SABMiller

Connecting core brands to changing consumer dynamics

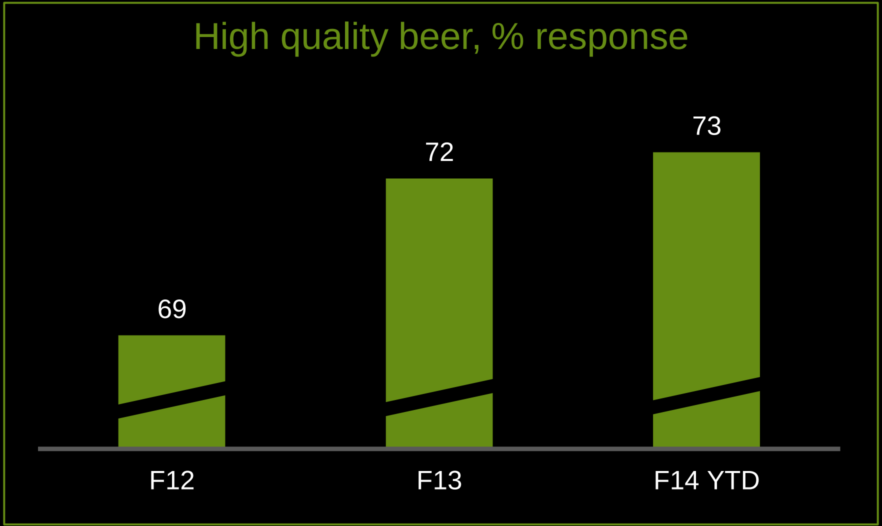
Żubr Poland - Ad

Strengthening brand positioning by linking emotional to intrinsic benefit

Peroni Italy

Peroni's positioning strengthened to *"celebrate the joy of living every day with passion"*

- Exploiting Giovanni Peroni's passion to create a beer perfectly suited the Italian taste and brewed with natural ingredients
- Meeting Italians growing interest for authenticity, naturalness and localness
- Leveraging the power of the whole Peroni range



Source: Ipsos

Improving Premium Mix

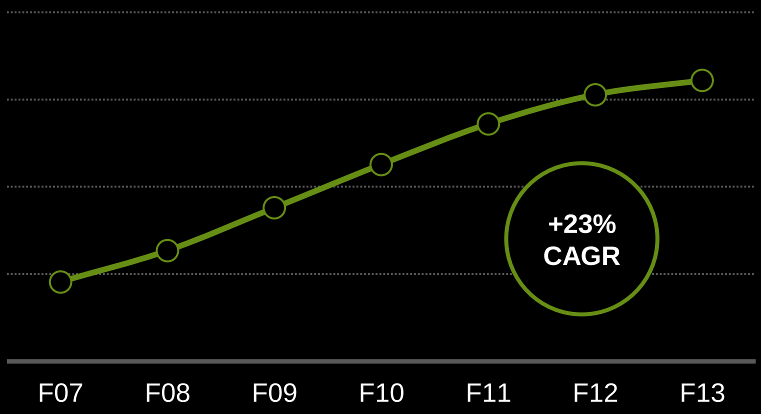
Developing our Global Brands

Peroni Nastro Azzurro UK

Peroni Nastro Azzurro is Italian style applied to beer

- Appealing to consumers through breaking beer category norms
- Has sustained growth and retained its super premium price point
- With the “House of Peroni” the brand evolves from partner collaboration to creating its own style

Peroni Nastro Azzurro volume sales, mHl



Source: SABMiller

Developing our Global Brands

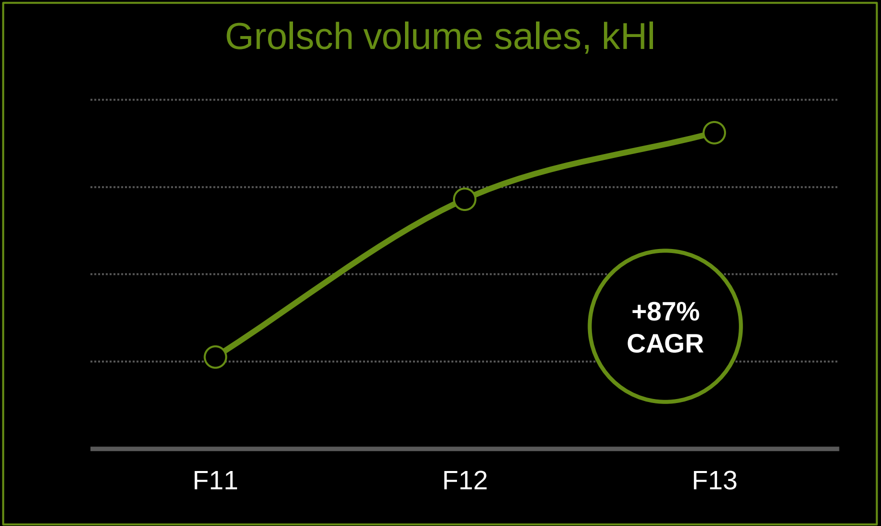
Peroni Nastro Azzurro UK – Video

Developing our Global Brands

Grolsch Romania

Grolsch quickly established itself as an International Premium brand

- Very strong consumer adoption amongst our open minded and experientialist 25-35 years old target
- Digital used as main communication and engagement channel
- Co-creation of bespoke equity-building campaigns



Source: SABMiller

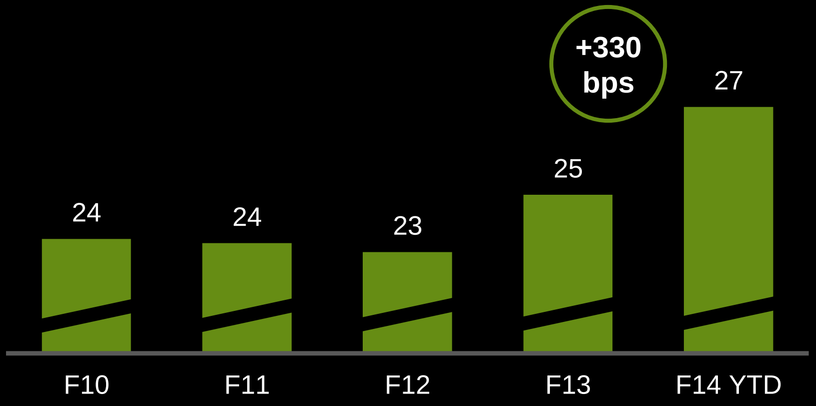
Winning in Local Premium

Dreher Hungary

In a challenging economic environment, Dreher is growing in a declining premium segment

- Quality perception re-established thanks to dramatising a unique ingredient story
- Further leveraged with the launch of a summer limited edition brewed with ‘citrus hop’

Dreher volume share of premium segment, %



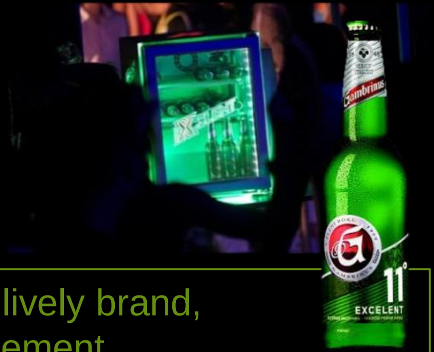
Source: Nielsen / SABMiller

Winning in Local Premium

Excelent by Gambrinus Czech Republic

Excelent by Gambrinus relaunched in 2013 to be the local premium offer for millennials

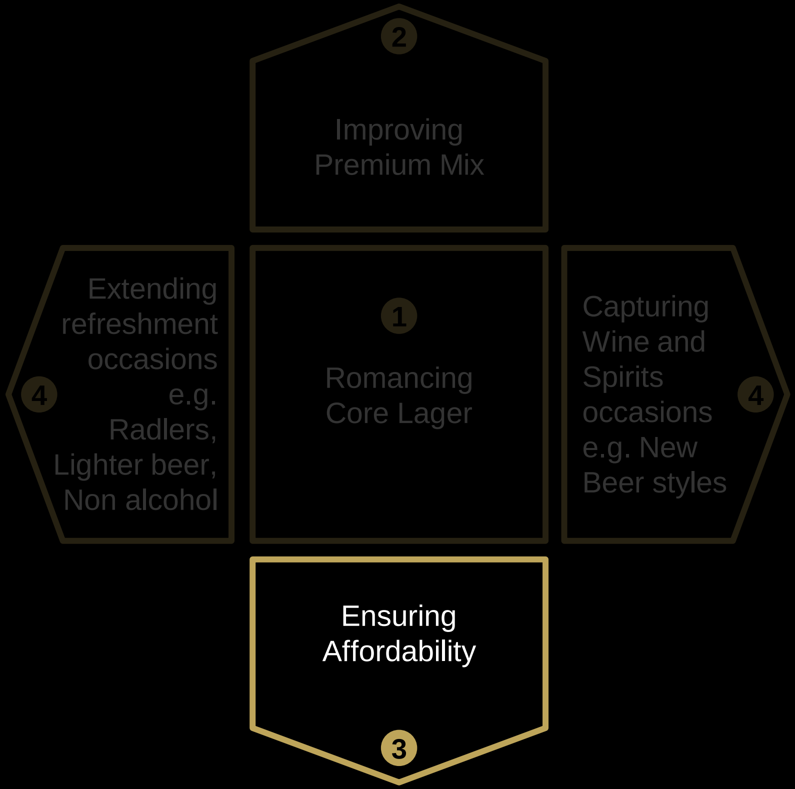
- Purposefully targeting young adult men entering the beer category, Excelent represents the “modern face of Czech beer”
- Activation focused at the party occasion to maximise brand salience and impact



Progressive, lively brand,
% agreement

Source: TNS

Ensuring Affordability

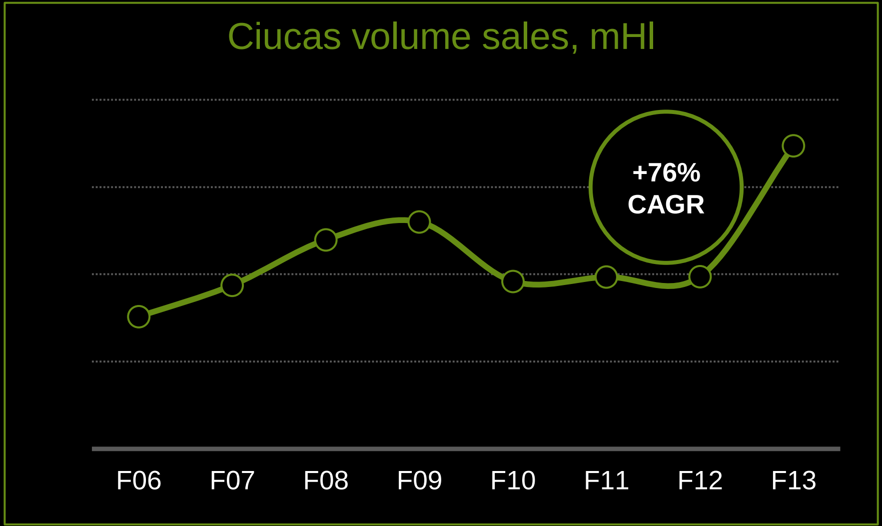


Generating value with relevant affordable brands and packs

Ciucas Romania

The "value for money" brand for low income consumers in uncomplicated, relaxing occasions

- Packs upgraded to improve visibility, brand image and pricing
- Delivering the right pack for the right occasion
- Strong regional focus ensured relevance of offer to consumers



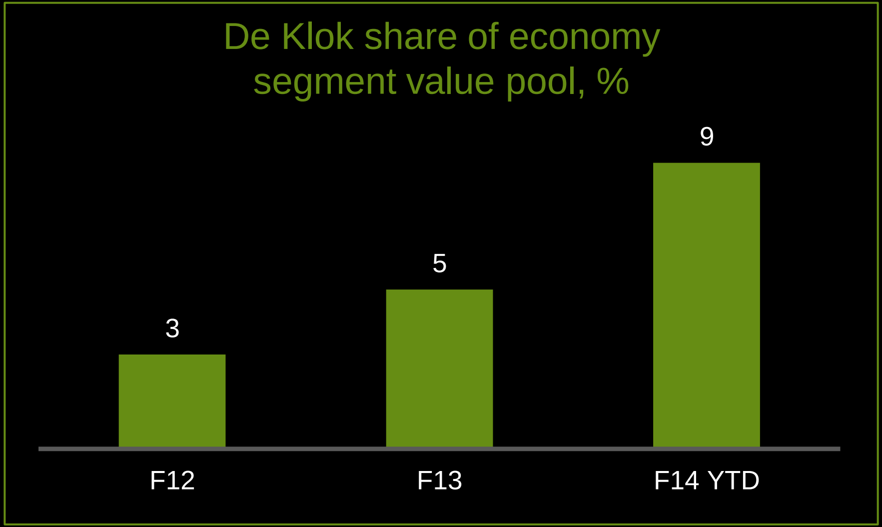
Source: SABMiller

Generating value with relevant affordable brands and packs

De Klok Netherlands

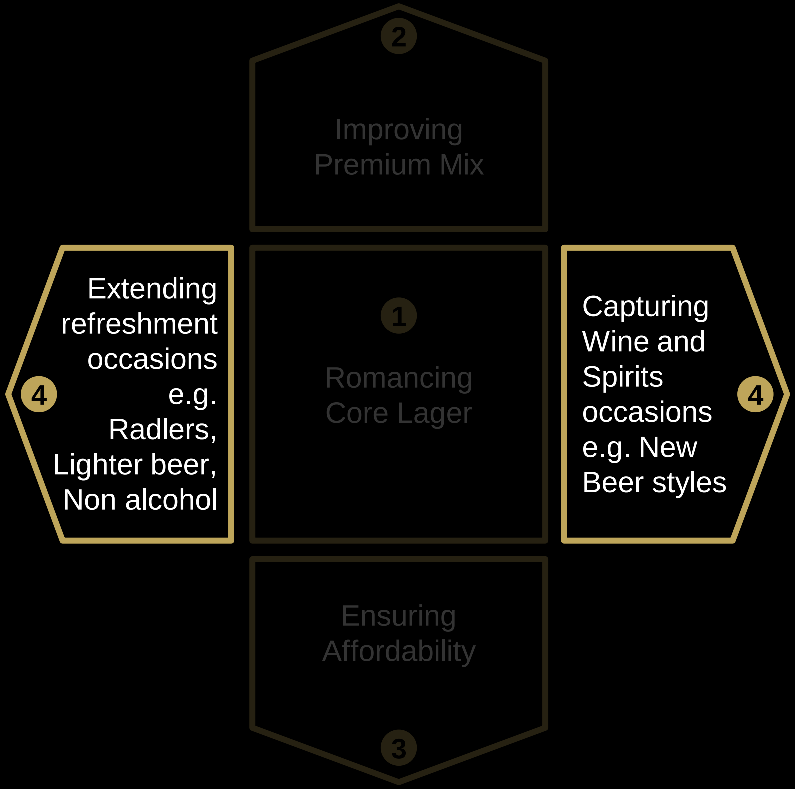
Attractive alternative to cheap imports and retailer brands

- Positioned as “simply good beer”, with effective trial mechanics and minimal cannibalisation
- Strong shelf impact and Grolsch brewery credentials driving differentiation
- Exclusive launch with C1000 ensured strong retailer cooperation



Source: SABMiller

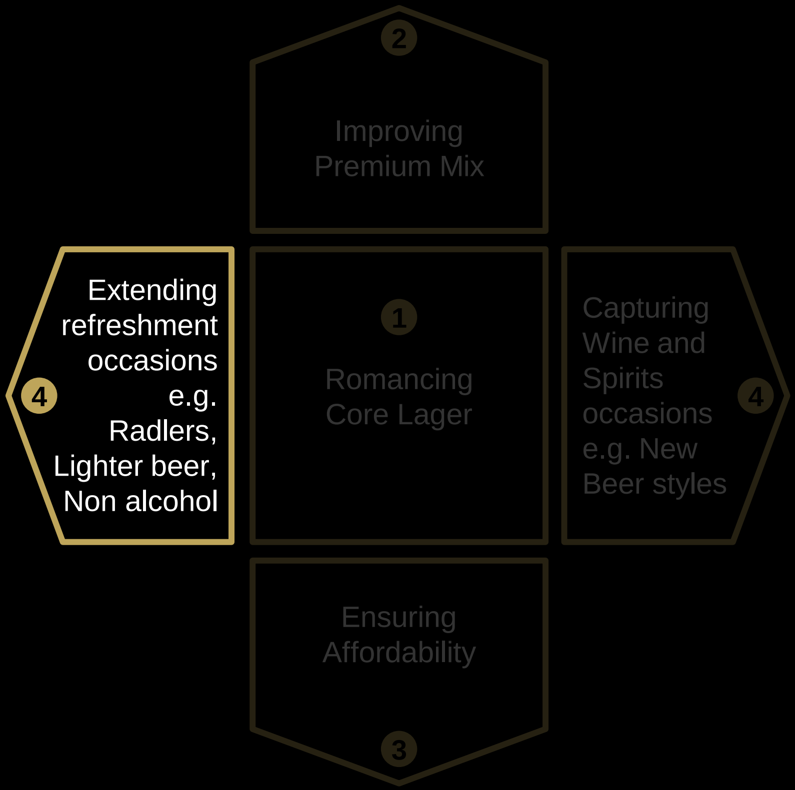
Accessing New Occasions



Changing consumer dynamics inform how to tap into new occasions

- Growth of mixed gender drinking occasions
- More proactive approach to managing health
- Experiential society
- Status display & connoisseurship

Capturing non-alcohol occasions

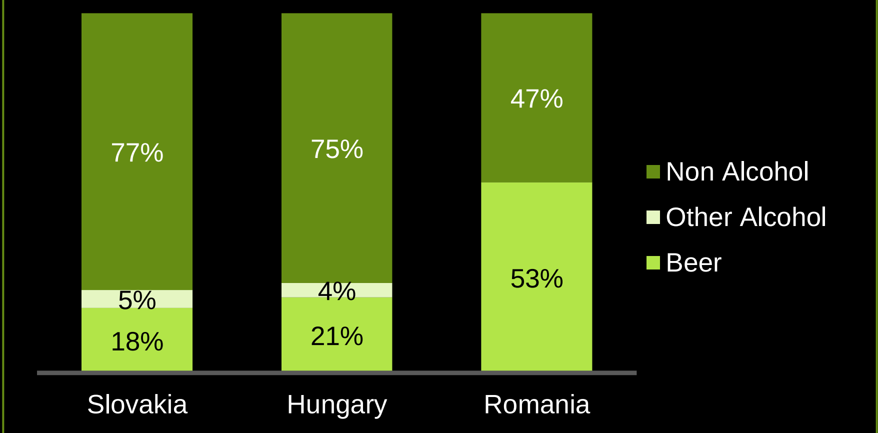


Capturing refreshment occasions

Radlers across Region

Radlers offer adult consumers an alternative way to refresh in occasions regular beer is typically not considered

- Skewing towards younger adults and more affluent segments of the population
- Incremental to our business



Source: GfK

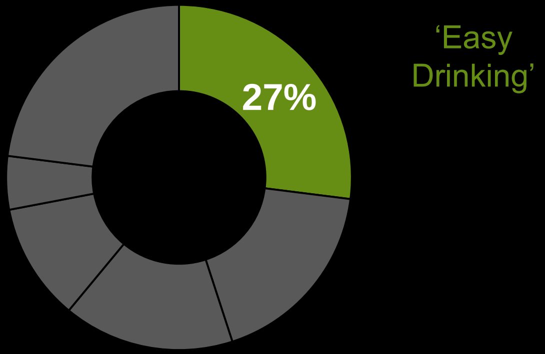
Capturing refreshment occasions

Kornuit Netherlands

Kornuit meets an underserved consumer need related to “refreshment”

- Targeting millennials in social occasions, at a premium price
- Offering a lighter and more refreshing product experience

Liquid preference segmentation



Source: MMR

Capturing refreshment occasions

Kornuit ad

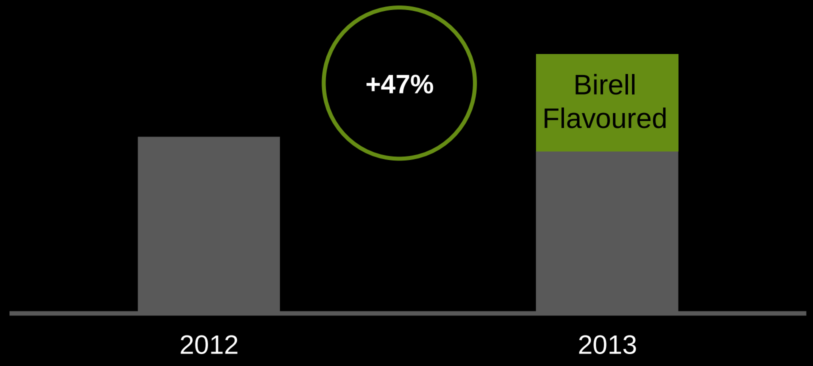
Capturing ‘active lifestyle’ occasions

Birell Slovakia

New flavored variants creating a whole new segment

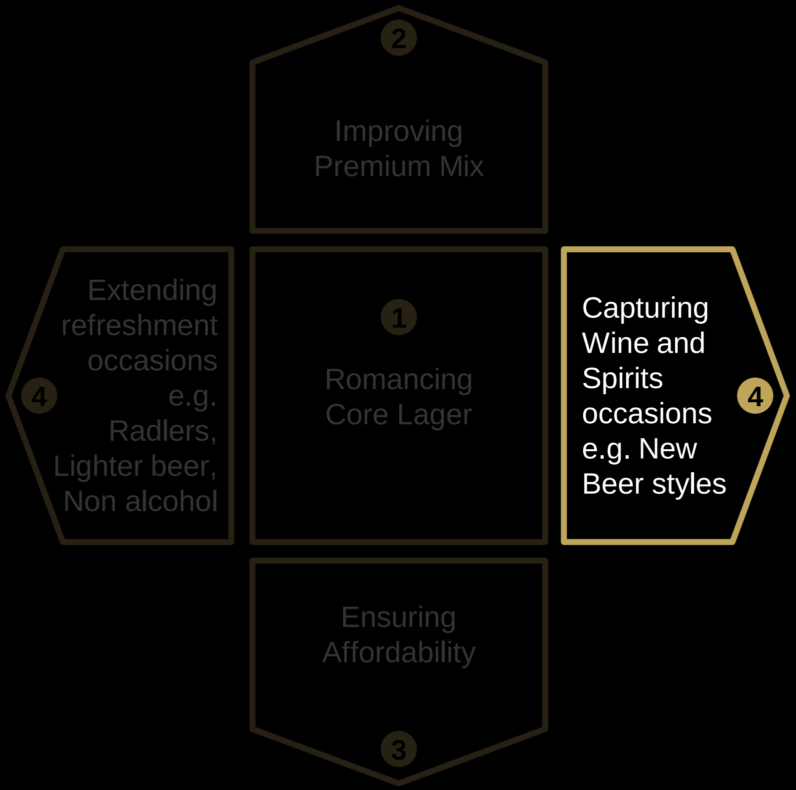
- A unique offering to meet the need of those who wish to stay in control
- Differentiating activation campaign built on the theme of ‘Active Lifestyle’

Birell volume sales



Source: SABMiller

Capturing wine and spirits occasions



Capturing wine and spirits occasions

Ksiazece Poland

Entry point to the nascent specialty beer segment in Poland

- Targeting 25-35 year old affluent consumers looking for something new
- Offering a differentiated collection of less bitter, more flavourful beers

“The taste of Ksiazece range is different and I like that”

35 years old male

"I drink Ksiazece, because I'm the kind of guy who likes to try different things”

26 years old male

Winning at the Front Line

Capturing disproportionate share of target purchase and consumption occasions

- Brands preferred by consumers and customers
- Clearly targeted brand / serving / price offerings
- Steady flow of innovation / renovation

- Unwavering focus on driving revenues (and margins)
- Relentless, disciplined execution
- Continuous capture of marketplace opportunities

Managing our customer relationships more deliberately

Attractiveness + **Winability** = **Category Partners**

Attractiveness		Winability		Category Partners
Assess revenue and margin growth potential	+	Determine willingness and ability to partner with us to drive category	=	**Increased profit across value chain** **SABMiller disproportionate share of value growth**

On-Trade

The On Trade Landscape is evolving

- Traditional on trade outlets are under pressure
  - Total alcohol consumption declining
  - Consumers have less disposable income
  - 12,000 outlet closures in the UK since 2007
- Increased competition for consumer leisure time and budget
- Consumers demanding an improved experience

European On Trade Volume 2003-2013, mhls

Source: Canadean, CGA Analysis

Rebuilding value in a transforming channel

We strive to create compelling consumer experiences that increases consumer value and customer revenues:

- Distinctive brand and product offers
  - Innovative flavour and serving options
  - Immersive product experiences
- Appropriate Packs
  - Targeted packs per occasion at the right price
  - Compelling brand centric activities
- Engaging Atmosphere
  - Attractive outlet presentation and ambience

Partnering with customers to create premium experiences

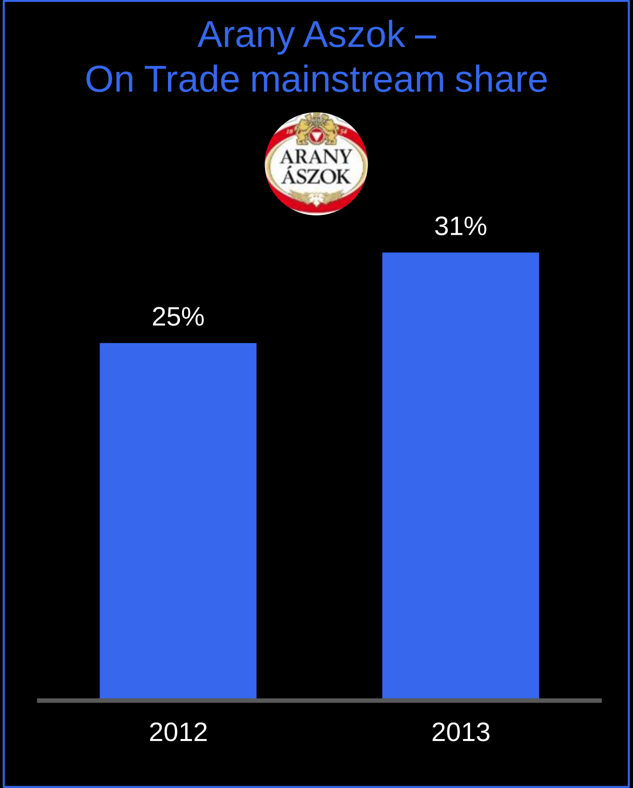
- An exceptional draught experience differentiates our offer and generates incremental revenues
- We have developed a range of ways to bring draught to life:
  - "Brewery Fresh" tank beer
  - Fresh, unpasteurised Pilsner Urquell in oak barrels
  - Unpasteurised Gambrinus in Czech
- Customer enjoys increased footfall, rotation and higher margins
- We gain distribution and increase preference for our brands

Pilsner Urquell Tank beer concept

- Pilsner Urquell extended the tank beer concept to Berlin
- Offering becomes central to the outlet identity
- Successful new outlets in London, Vienna and Bratislava
- Staff trained to become brand advocates
- Drives brand awareness, visibility and trial

Partnering with customers to drive consumers back to the pub

- In Hungary, consumers offered a reward at the end of a hard working week – a mug of beer for the price of a glass
- Driving footfall in the on-trade, shifting consumption from bottle to higher margin draught
- Outlet owners co-funded the successful promotion
- Channel and pack shift provide significant incremental margin



Partnering with customers to generate additional transactions

- On trade frequency was declining in the Canaries
- Partnered with outlet owners to develop “Ruta deTapas”
- 20cl bottle perfect pack size for each Tapas
- Consumers extend the occasion, visiting many outlets along the route, with an additional transaction in each
- SABMiller gained new outlets and saw a 60% increase in revenue in these areas

Partnering with customers to drive penetration

- In Italy, 70% of beer occasions are with food
- We drive beer penetration in food occasions through merchandising of menu offers
- In participating outlets beer sell-out increased by +52%

Working with customers to engage consumers with compelling brand experiences, while improving the on-trade offer

Today

- Uninspiring consumer experience
- Little choice within and beyond core lager
- Variable perceptions of draught quality
- Low price differentiation
- Inadequate outlet management competency
- Relationship selling based on volume

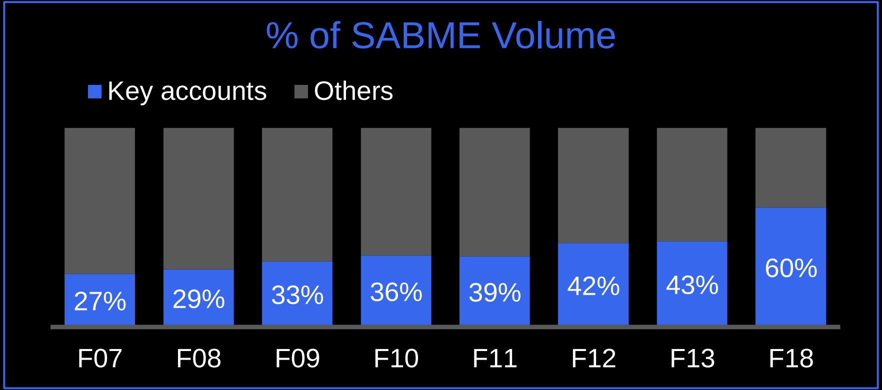
2020

- Outlet as centre of community experience
- Engaged, knowledgeable beer consumers
- Variety of attractive offers at different price points
- Draught as on-trade hero
- Professional management and service
- Partnership with customer based on revenue growth

Off-Trade

Continued growth and consolidation of large retailers

- Off trade continues to gain channel share
- Key accounts now represent 43% of our business
- Broadening scope including convenience and online
- Opportunities for differentiated offers against distinctive shopper missions



Not all retailers are the same

- Retailers segmented according to their business model and strategy
- Engagement model based on clear understanding of customer’s performance criteria and decision making process
  - Partnership vs. Transactional
- Tailored brand / pack / promotion / and service model offering by customer
- Specific packages for traditional trade customers receptive to category development initiatives

Shaping category value growth with Partners

We pursue long term relationships based on mutual value growth:

- Strong, distinctive brands preferred by consumers
- Innovative, engaging packs and displays
- Shopper and Category Management expertise
- Joint Business Planning
- Aligned performance goals

Developing compelling offers

- Increasing footfall with compelling brand activations
- Targeted packs and displays aimed at specific shopper missions
  – meals, pre-party, bbq
- Drive trade up opportunities with seasonal products, specialities and gift packs
- Improving penetration in more occasions
  – Radlers, food pairing
- Stimulating impulse purchases with cold availability

Average shopping basket value at major Dutch retailer

€20 €41

Shaping Category Evolution

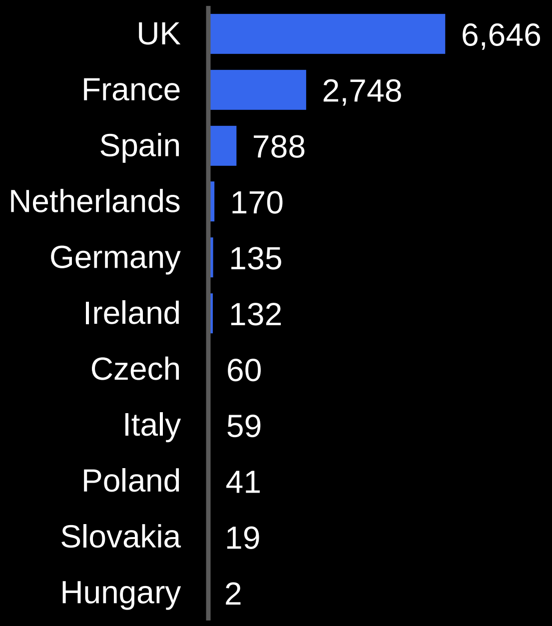
- "World Beer" developed to provide a differentiated and premium alternative to standard lager in the UK
  - Creating a new and fast growing sub category in beer
  - Generating significant incremental margin for both SABMiller and Customers
  - Consistently bringing new revenue enhancing packs and promotions to our customers

WORLD BEER
WORTH DISCOVERING

E-commerce - Staying ahead of the game with a repeatable model

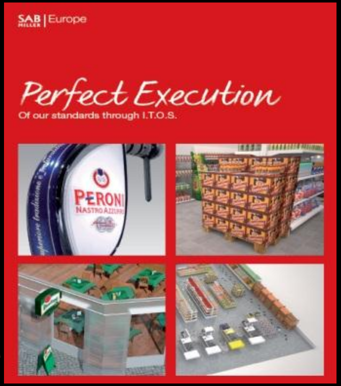
- MBUK sells 6% of volume online
- Growing 11% in Tesco, 20% in Sainsbury’s and 31% in Ocado in 2013
- Peroni Nastro Azzurro twice achieved top-selling SKU in Beer, Wine & Spirits category at Ocado
- Focus on customer collaboration to drive conversion and shopping experience

2012 Total online grocery sales, €m



Relentless Execution Focus

- Develop insights on shopper motivations and behaviours
- Create Picture of Success (POS) at outlet level
- Teams empowered to identify and act on opportunities
- Enhanced technology to improve sales effectiveness
- Learning quickly what works and adapting
- Incentives linked to revenue growth



Driving meaningful differentiation in consumer and shopper engagement, creating value in the category for our partners

Today

- Beer perceived as low margin retail footfall driver
- Homogenous, undifferentiated lager brands
- Retailer focus on price promotion
- Improving credibility in product and pack innovation
- Growing understanding of shopper motivation
- Variability in customer engagement model

2020

- Retailer partnership in category value growth
- Distinctive, targeted brand offerings
- Engaging, effective consumer relevant promotions
- Acknowledged strength in revenue driving innovation
- Category leaders in shopper execution
- Retailer engagement based on mutual value growth

Simpler, Better, Faster – at Scale

Business model evolving to address the changing landscape

1. Multi-domestic (up to 2010)	2. Regionally Optimised (from 2010)	3. Regionally and Globally Integrated (from 2014)
"Whole" In-Country model	In-Country Commercial Operations	In-Country Commercial Execution
	Regional Manufacturing and Supply Planning	**Above Market** Repeatable Commercial solutions End-to-end Supply Procurement Global Business Services
	Global Procurement	

Repeatable commercial solutions

Design Principle

- Global / Regional services and solutions with uncompromised local execution
  - Ways of working harmonised
  - Scalable solutions
  - Country MD retains accountability for winning in market

Outcomes

- Commercial excellence e.g.
  - Consistent outlet segmentation and prioritisation adopted
  - Re-aligning sales and trade marketing effort to customer potential
- Strengthened above country innovation capability
  - Consumer centric platforms that can be scaled across region/globe
  - Fewer, bigger opportunities progressed
- Marketing support consolidated
  - Specialist services moved above market

Examples

Common Key Account Framework

Cold Invigoration

Insights, Media

Driving top line benefits and small cost savings from F15

A single regional manufacturing and supply planning organisation has already delivered significant benefits

What we did

- Functionalised manufacturing and supply planning
- Implemented best in class metrics and approaches
- Optimised regional supply grid

What we delivered

- Improved functional management capability
- Increased rate of learning across countries
- Improved resource allocation and operating performance
- Improved quality in terms of taste, flavour stability
- Water and Energy usage reduction > 20% versus F10
- Macro extract loss also reduced by >20% over last 4 years
- Value delivered ~$110m

Supply Planning → **Demand Planning**

Inbound Logistics → **Brewery** → **Brewery Warehouse** → **Primary Distribution** → **Secondary Depot** → **Customer Delivery**

Today

We are taking the end-to-end supply chain optimisation further

Next stage

- 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
  - Improved distribution efficiencies
- Lower costs and better service

Supply Planning | Demand Planning

Inbound Logistics → Brewery → Brewery Warehouse → Primary Distribution → Secondary Depot → Customer Delivery

Future Supply Organisation

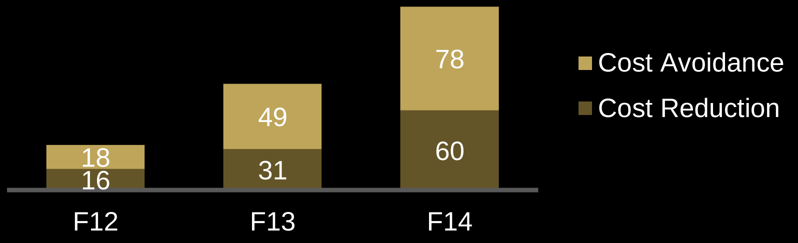
Cost savings expected from F16

Procurement is now an integrated global function

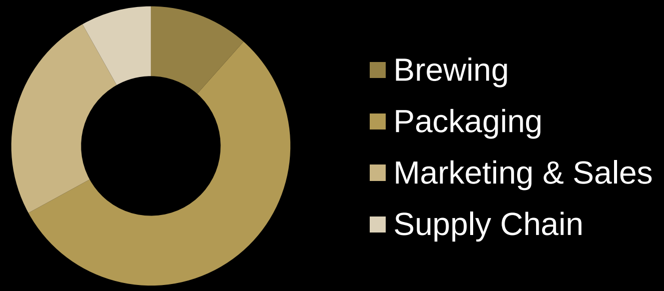
- Expands the spend under management >80%
- Drives value through leveraging global scope and scale
- Applies a consistent set of principles and ways of working for procurement across the SABMiller business
- Specialist capabilities built at global and regional level
- Opportunity to migrate to Buy / Sell model
  - Currently being piloted in 3 Europe Markets

Expect same cost reduction run rate in F15 and F16

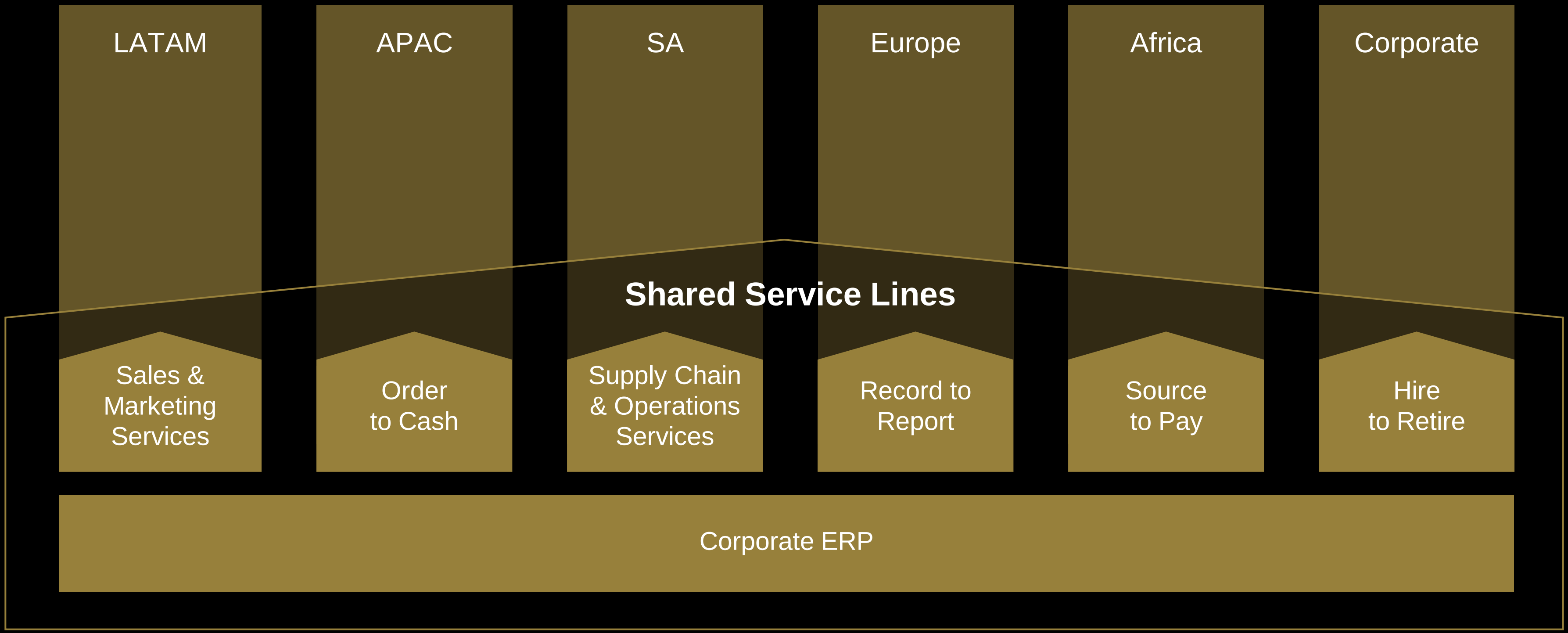
Overview of Europe Benefits (Cumulative) F12-F14 ($M)



F14 Split



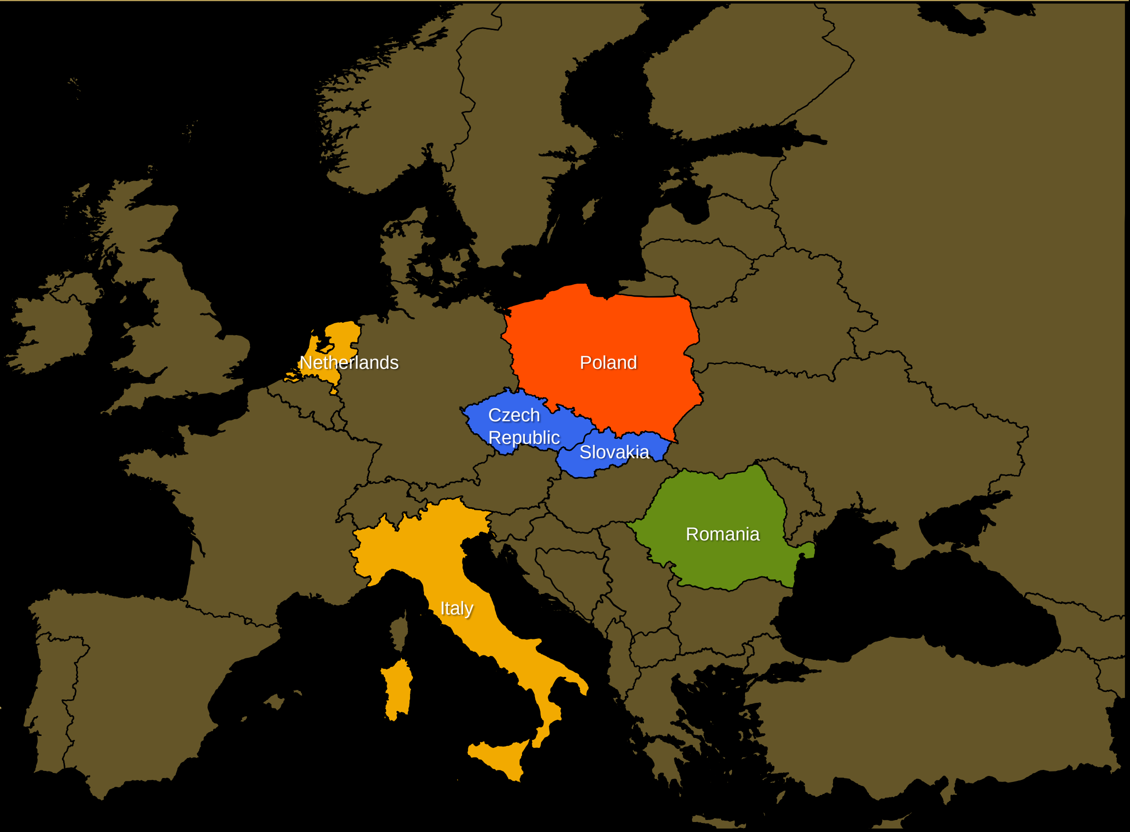
Shared Services will simplify processes, eliminate inefficiencies and enable functional rationalisation



Shared Services implementation will follow the deployment of our corporate ERP system

ERP Roll-out Sequence

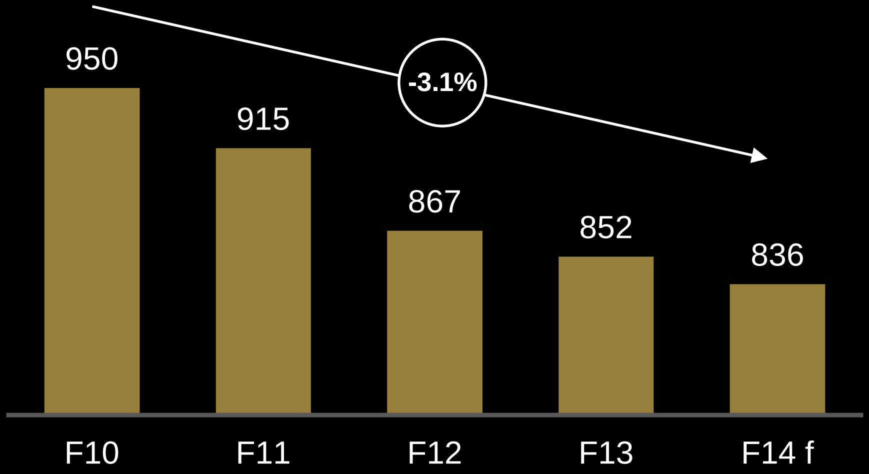
- Completed 2013
- End 2014
- Early 2015
- Late 2015



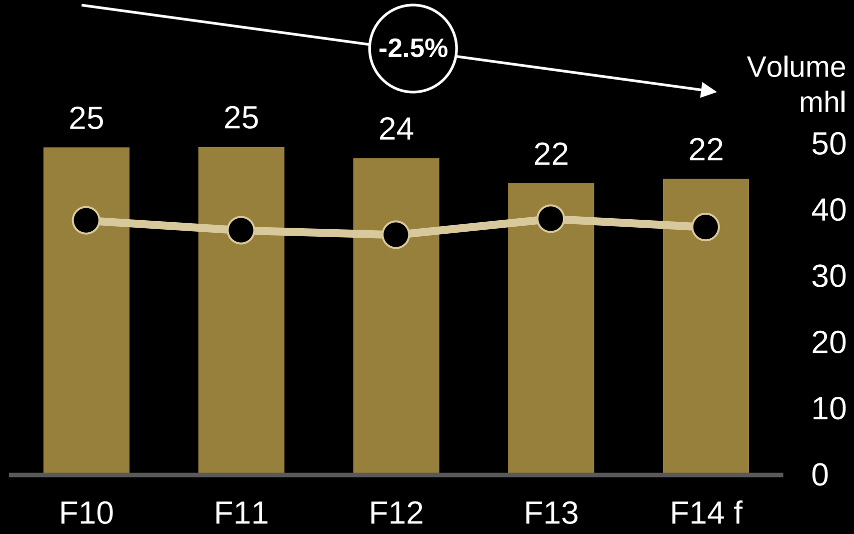
Majority of costs incurred F14 and F15
Benefits expected from F16

Continued focus on cost and productivity

Total fixed costs, US$m



Real fixed costs per hl excluding IT, $/hl



Going forward expect ongoing Fixed Cost Productivity[1] in range of 2-3%

1. Fixed costs reduction per hl in constant currency

The Europe growth levers

Growth Engines

- Share gains with improved execution and revenue management
- Premium and innovation focus
- Scale efficiencies of above market initiatives
- Medium term benefits of a more efficient cost base

Headwinds

- Structural shift towards the off-premise/discounters
- Growth in less profitable segments, packs and soft drinks
- Cost of evolving the commercial & supply organisation
- Investment in global template and global business services

Looking forward - volume and revenue expectations

Volume

- Market expected to be flat in the medium term
  - Share of alcohol to be stable
  - Opportunity to access new occasions
- Winning at the frontline leading to incremental share gains

Low single digits increase

Revenue per Hl

- Channel and pack shifts impacting overall growth per hl
  - Off premise & PET lower revenue
- Innovation and premiumisation offsetting growth of economy brands and packs
- Growth of associate soft drinks brings downward pressure

Low single digits increase

Looking forward - cost and investment expectations

Cost Management

- Scale initiatives
  - Global Business Services
  - Europe restructuring
    - End to end supply chain
    - Commercial optimisation
    - Functional rationalisation
    - Geographical overlaps

Investment

- Maintenance level of capital investment to continue
  - $250m per annum
- Above market support
  - Re-investment of savings behind innovation and sales capability

Note: Excludes Anadolu Efes

Europe medium-term guidance

- Volume growth
  - Low single digits
- NPR per hl
  - Low single digits revenue per hl increase on a constant currency basis
- EBITA margin
  - Margins expected to grow by 30-60 bps per year
  - Fairly flat in F15 net of substantial re-investment

Q&A