

EABL F09

Investor Group Briefing

“Investing for the future”

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28th August 2009

Agenda

- | | | |
|--------------------|-----|-----|
| > Business Update | GMD | |
| > Financial Review | | GFD |
| > Q & A | | All |





Business Update

F09 saw tough environment ...

- > Significant economic slow down
- > Massive cost pressures
- > Unanticipated tax changes
- > Shift in retail and consumer dynamics
- > Competition on all fronts

Notwithstanding we posted credible performance

volumes	▼	-4%
net sales value	▲	+6%
cost of goods	▲	+14%
gross profit	—	0%
A&P	▼	-2%
OHS	—	0%

with strong underlying financials

- > Clear vision supported by bold strategic pillars
- > Great talent and strong brand portfolio
- > Continued strong innovation and renovation
- > Enhanced geographic footprint - GLR
- > Upgraded RTM

And executed strongly across Region

kenya



uganda



tanzania



great lakes



Well activated renovation ...



new 'GK' - - Guinness Kubwa

Continued to invest in the business ... Kshs 2Bn CAPEX

Kenya

- > Line 2 complete and in use
- > 6 new DPV's and 4 BBT's commissioned and in use
- > New Boiler, air compressor, fridge plant and HV Switchgear all commissioned



Uganda

- > Fire alarm and ammonia leak detection complete and in use
- > Security boundary wall complete
- > New EBI for line 2 installed and in use



Dialed up Our people agenda ...

- > **Employee engagement programs**

 - One company, One culture

- > **Repositioned Organisation to win**

 - Restructuring to create a Simpler, Faster, Better organisation

- > **Continued to build capability**

 - Tusker Academy

- > **Sustained succession planning activities**

 - Early career program (5th year)
 - Secondment of High Potential employees

- > **Enhanced reward structure**

Whilst enriching Our Communities



105,500 and counting....
Our goals are getting greener

EABL is a strong supporter of environmental conservation. After engaging in successful tree planting exercises in Kenya and Uganda, we are proud to have planted 105,500 trees so far this year.

To find out more, get in touch through this email: eablfoundation@eabl.com

GREEN GOALS 2010
EAST AFRICAN BREWERY LIMITED

Locations: Kenya, Uganda, Kenya, Uganda

planted over 105K trees
across EA



responsible drinking



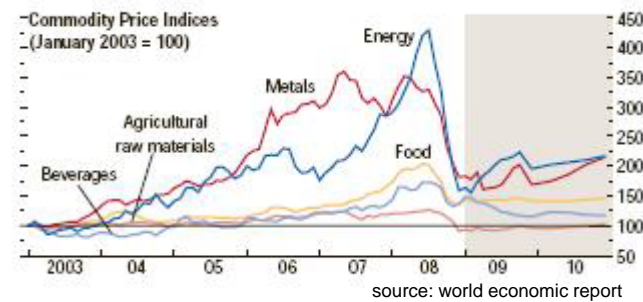
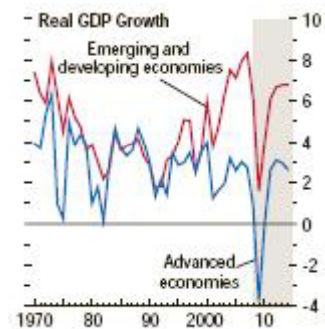
potable water to over
515K paxs in EA



The Future

The future

with growth re-emerging, albeit slowly ...



- > Upturn in disposable incomes
- > Improving consumer confidence
- > Returning financial stability

However F09 challenges likely to expand to F10

- > Continuing economic challenges
- > Increasing competition across the region
- > Tax remains at higher level than elsewhere in the region
- > War for talent
- > Increasing insecurity across our markets

Our Vision

to be Eastern Africa's
1 Drinks Company
by Market and
Segment by 2010












In conclusion ... we are confident to sustain performance and trajectory

- > Underlying business fundamentals remain strong
- > Organisation restructured for increased efficiencies
- > Great talent, strong brands, good corporate reputation
- > Ring fence Kenya and accelerate geographic expansion
- > Continue to invest for the future



Financial Review

Sustained performance in tough macros

Group P & L Highlights	Growth		
volume		-4%	
nsv		6%	> Tough in Kenya
gross profit		-1%	
A & P		-2.0%	> Competition in Uganda
Overheads		0%	> High input/energy costs
PBT before reorganisation		1%	
PBT after reorganisation		-3%	> Improved operations
net profit		-5%	
EPS -Kshs		-5%	

Strong metrics ...

Net sales value
up by

6%

EPS down

-5%

Targeted
marketing spend

-2.4%

Cash balance

6.5 Bn Ksh

Delivered profit
before tax and
reorganization

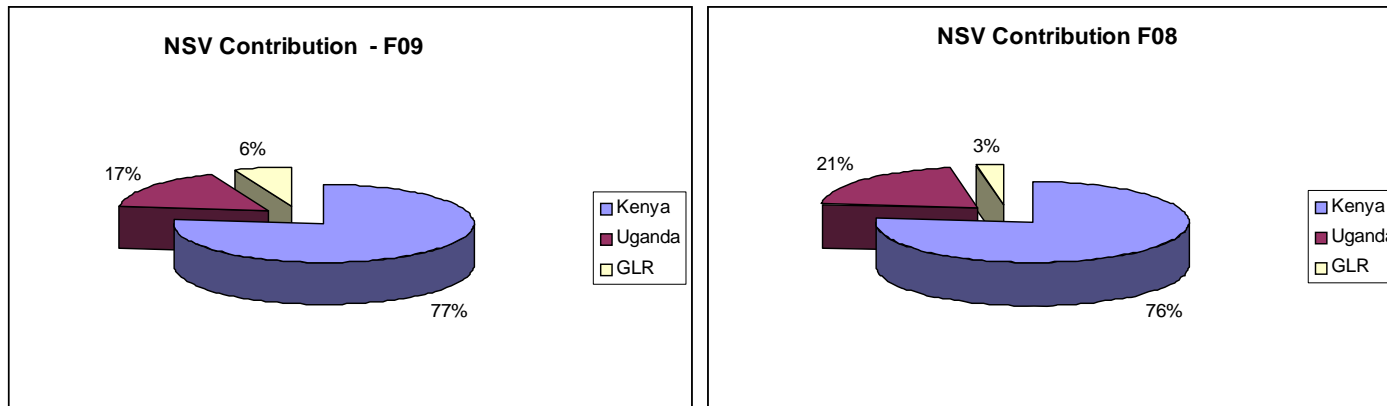
1%

Returning cash
to shareholders

9Ksh/share

Growing NSV across the markets

NSV share by market



> impressive growth in GLR and exports – to 6% of Group

Kenya

Resilient performance in very 'soft' market

- > Sales growth driven by Tusker Senator, Guinness and Whitecap
- > Selective pricing review led to improved sales value to offset against rising costs
- > Significant cost pressure mostly caused by higher raw material cost, energy & taxes
- > Spirits volumes declined by 33% due to tax increases



Volume growth	1%
Net sales growth	5%
Marketing spend	-13%
Operating profit	-15%

Uganda

Growth in a very competitive environment

- > Heightened competitive activity targeting our key brands
- > Held market share and grew Net Sales of Bell and Waragi, but with unfavourable costs per unit
- > Overheads were contained but marketing spend accelerated to meet competition challenges

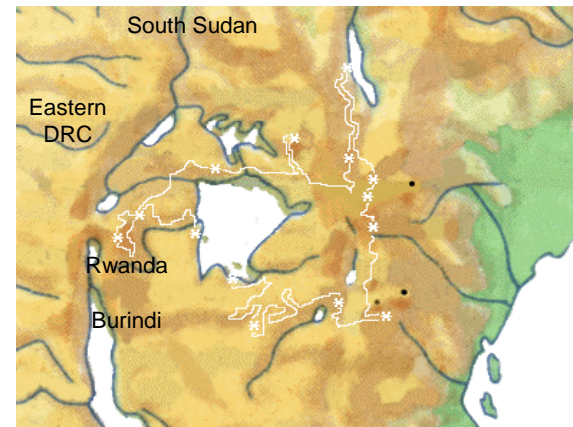


Volume growth	23%
Net sales growth	-2%
Marketing spend	11%
Operating profit	-44%

GLR and Exports

Positively progressing geographic expansion

- > Enhanced product distribution – Pilsner grew by 11%
- > Better yields and lower COGS
- > Delivered and effective business operating model in place



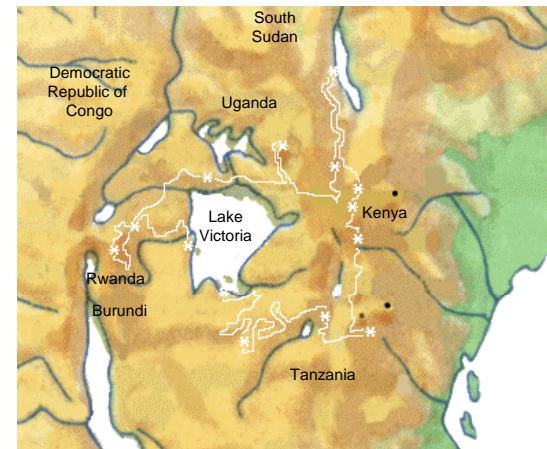
Volume growth **11%**

Marketing spend **< >%**

Tanzania

Sustained volumes,
growing share of associate

- > Challenges in driving volumes of our key brands
- > New strategies sought to create more value



Volumes

< >%

SOA

26%

Income statement Ksh (Mn)

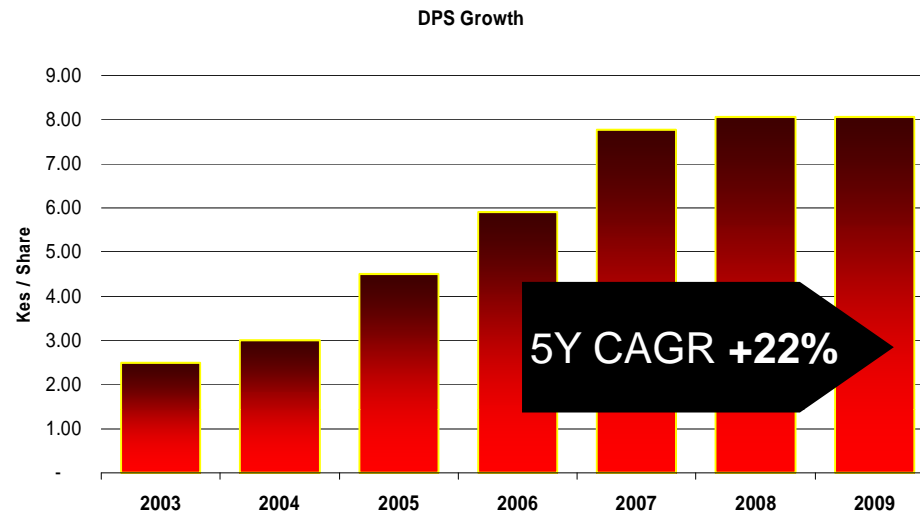
SUMMARY GROUP P&L	2009	2008	Movement	
	Kshs M	Kshs M	Kshs M	Change %
Net Revenue	34,408	32,488	1,920	6%
Cost of Sales	(17,079)	(15,007)	(2,072)	14%
Gross Profit	17,329	17,481	(153)	-1%
Other Operating Income(Expense)	(336)	(599)	263	-44%
Selling & distribution	(2,115)	(2,164)	49	-2%
Administrative Expenses	(3,838)	(3,834)	(4)	0%
Profit from Operations	11,039	10,884	155	1%
Net Finance Income	493	624	(131)	-21%
Income from Associates	1,016	808	207	26%
Reorganisation costs	(558)	-	(558)	100%
Profit before tax	11,989	12,316	(327)	-3%
Income tax expense	(3,380)	(3,132)	(248)	8%
Profit after tax	8,609	9,184	(575)	-6%
Minority Interest	(1,421)	(1,631)	210	-13%
Net Profit	7,189	7,553	(365)	-5%
Basic earnings per share	9.09	9.55	(0)	-5%

Markets contributed ...

Kenya		F09	
		Kshs bn	GROWTH
Net Sales		26.5	1%
Profit Before Taxes		9.2	-5%
Uganda		F09	
Net Sales		6.77	0%
Profit Before Taxes		0.80	-31%
Tanzania		F09	
Volumes (Eus)		495	0%
Share of Associates		1.02	26%
Exports		F09	
Volumes (Eus)		436	12%

Our dividend proposal...

- > Final dividend proposal of Kes 5.55/share
- > Final dividend payment of Kes 4.5Bn
- > Taking full year dividend to Kes 8.05/share, same level as LY
- > Full year dividend payment of Kes 6.4Bn



F10 Outlook positive with clear strategies

- > Revenue growth management initiatives
- > Consolidating our Spirits business and market for growth through engagement with Government and fighting re emergence of illicit
- > Effective management of COGS pressures (raw materials, utilities & fuel) and containing overheads through streamlined business processes e.g. supply chain, production, distribution and logistics
- > Increased efficiencies



Closing



Q & A



Thank You