

---

# Molson Coors Brewing Company

**March 2008**

---

**Leo Kiely**  
*Chief Executive Officer*  
*Molson Coors Brewing Company*

# Forward Looking Statements

*This presentation includes "forward-looking statements" within the meaning of the federal securities laws, commonly identified by such terms as "looking ahead," "anticipates," "estimates" and other terms with similar meaning. Although the Company believes that the assumptions upon which the financial information and its forward-looking statements are based are reasonable, it can give no assurance that these assumptions will prove to be correct. Important factors that could cause actual results to differ materially from the Company's projections and expectations are disclosed in the Company's filings with the Securities and Exchange Commission. These factors include, among others, changes in consumer preferences and product trends; price discounting by major competitors; failure to complete, or to realize the anticipated cost savings and other benefits from our planned MillerCoors joint venture; and increases in cost generally. All forward-looking statements in this presentation are expressly qualified by such cautionary statements and by reference to the underlying assumptions. We do not undertake to publicly update forward-looking statements, whether as a result of new information, future events or otherwise.*

# Agenda

---

- **Leo Kiely**
  - President and CEO, Molson Coors Brewing Company
- **Kevin Boyce**
  - President and CEO, Molson Canada
- **Peter Swinburn**
  - President and CEO, Coors Brewing Company
- **Mark Hunter**
  - President and CEO, Coors Brewers Limited
- **Timothy Wolf**
  - Global Chief Financial Officer, Molson Coors Brewing Company

# 2007 – Brand-Based Top Line Growth

---

## Top line growth

- Coors Light unleashed
  - Global STRs up 4% (5% in the second half)
  - + 3% CAGR since the merger; taking share
- Net sales growth of nearly 6%
- Net pricing grew in U.S., U.K. and Canada

# 2007 – Surpassed Cost Savings Targets

---

## Strong Momentum Continues

- Surpassed Synergies targets again in 2007
- Surpassed Resources for Growth targets
- Cost savings almost \$100 million above 3-year target
- Improved our financial foundation
  - Restructured our debt
  - Reduced debt
  - Reduced interest and other expenses

# 2007 – Strong Bottom Line Growth

---

## A Breakthrough Year

- 40% increase to \$507 million in consolidated income from continuing operations
  - (after-tax excluding special and other one-time items)
- \$2.80 diluted earnings per share, up 33% from \$2.10 in 2006

# 2005 - 2007: Strategic Transactions

---

## Global

- Sold Brazil business

## Canada

- Sold House of Blues Canada
- Sold preferred share interest in Canadiens
- Bought and leveraged Creemore in Canada
- Signed Heineken, Modelo and Miller
- Opened Moncton, closed Edmonton, invested in Vancouver



# 2005 - 2007: Strategic Transactions

---

## U.K

- Camerons – independent on-trade
- Contract brewing: 3 million hectoliters for S&N
- (2008) Added Draught Magners Original Irish Cider

## U.S.

- Opened Shenandoah brewery in Virginia
- Signed definitive agreement for MillerCoors US Joint Venture

# MillerCoors Approval: Staying Focused

---

- Regulatory clearance expected by mid-year
- Team will be chosen following approval
- Will move quickly to get company up and running
- Second half '07 results demonstrate
  - Focus and committed U.S. team
  - Strength of key brands

# Succession and the Winning Team

---

## Leadership Change at Molson Coors

- Leo Kiely to become C.E.O. of MillerCoors
- Robust succession process underway at Board
- Depth of talent and experience at all levels
- Transition to new leadership will be smooth

## MillerCoors – Expect a Smooth Transition

- Majority of JV talent to be sourced from Coors and Miller
- Leadership transition at Coors and at CBL went very smoothly

# Strategic Benefits of the MillerCoors JV

---

- Stronger competitor in the U.S.
- \$210 million in synergies to Molson Coors (\$500 million total synergies)
- Incremental profit and cash flow for Molson Coors
  - Build brands in core markets and around the world

# Global Brand Growth at Molson Coors

---

- Dave Perkins, President, Global Brands and Market Development
  - Responsible for growth and expansion of Molson Coors business and brand portfolio in global markets
  - 27 years in the brewing industry – formerly with Molson and Molson USA
- Molson Coors will participate in global consolidation
  - Partnerships, joint ventures, acquisitions
  - Goal is high-return, long-term growth

---

# **Kevin Boyce**

*President and Chief Executive Officer  
Molson Canada*

# Canadian Beer Market - *Key Trends*

---

- Industry growth of 0.9%
- Continued segment shifts
  - Strong growth of Super Premium and Premium Light segments
  - Value segment beginning to decline
- Continued extensive pricing and promotional activity outside of value segment
- Commodity inflation
- Continued strong profitability

# Looking Back, 2007 Was A Great Year for Molson Canada - *Third Consecutive Year of Volume Growth*

- Strategic brands growing at more than 5X the rate of the industry
- Double-digit growth on Coors Light (third consecutive year)
- Double-digit growth on our 3 large partner brands – Heineken, Corona, MGD
- Double-digit growth on Rickard's and Creemore
- Double-digit growth on Carling
- Volume growth in 8 out of 10 provinces

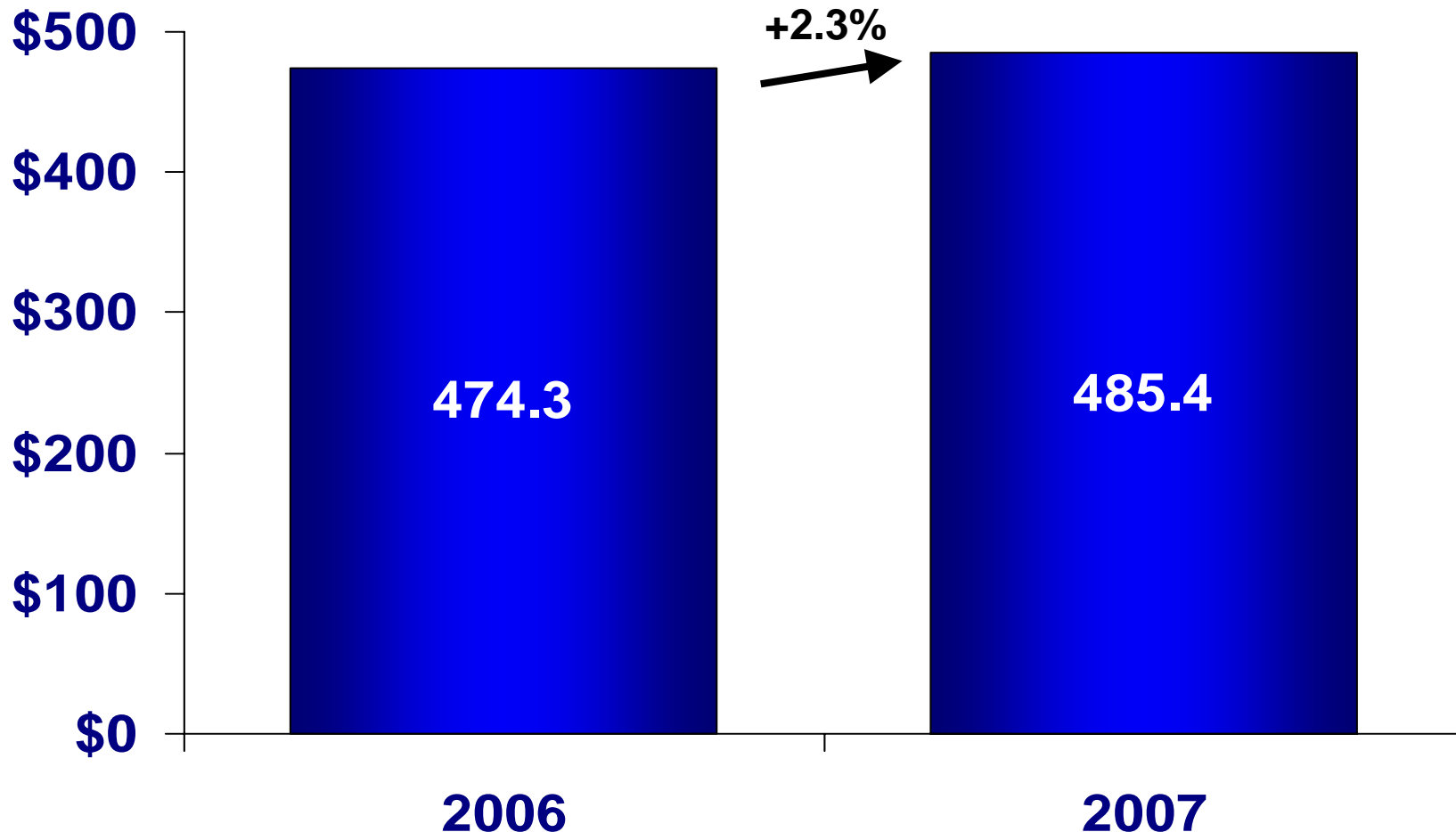
**BEST OF ALL – WE GREW TOTAL NATIONAL MARKET SHARE**



# Looking Back, Profitability Growth After Adjusting For Special and Other One-Time Items

## 2007 Pretax Income

(US\$ millions)



# We Are Delivering Against Our Vision and Continuing to Focus On Our Five Strategic Thrusts

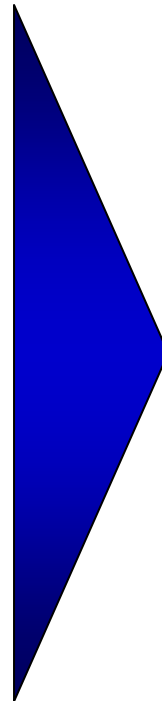
**Build a Consumer Preferred Portfolio**

**Become a Customer Preferred Supplier**

**Build a Passion for Growth Culture**

**Attack Costs to Reinvest for Growth**

**Strengthen the Business Environment**



## Vision

**Canada's favorite brewer, winning with inspired employees who are passionate about building brands that are the heart and soul of every drinks occasion.**

# We Are Continuing to Change and Evolve to Achieve Our Vision

## 2005

- Completion of Molson Coors merger
- Integration of Coors Canada JV
- Development of new Molson Canada vision
- Refocusing of brand portfolio against strategic brands
- Development of 5 strategic thrusts
- Creemore acquisition
- Initiation of SOX Compliance program

## 2006

- Strong strategic brand growth
- Rickard's White test in Quebec
- Kick-off of CRM project
- Sub-Zero Phase 2
- Successful implementation of SOX program
- New bottle lines in Edmonton and Toronto
- Blue Moon production in Montreal

## 2007

- G&A restructuring
- New Miller deal
- New Heineken deal
- Modelo Molson JV
- Moncton opening
- Edmonton closing
- Phase I CRM launch
- Rickard's White National roll-out
- IT infrastructure transition
- Proud to Play our Part
- Grew Share!

# Looking forward to 2008 and Beyond

## *Continuing to focus on Our Five Strategic Thrusts*

### **Build a Consumer Preferred Portfolio**

- Continue strong growth on our strategic brands
- Improve Molson TM Performance
- Continue to drive innovation

### **Become a Customer Preferred Supplier**

- Customer Relationship Marketing (CRM) Roll-Out
- Continued investment in sales training – The Molson Way
- Continue to execute supply chain flawlessly

### **Build a Passion for Growth Culture**

- Continuous improvement in talent management, employee training and overall employee engagement
- Implement a World Class Manufacturing environment
- Ensure people and culture remain a competitive advantage for Molson

### **Attack Costs to Reinvest for Growth**

- Resources for Growth
- WINS
- Continue attacking non-consumer visible costs

### **Strengthen the Business Environment**

- Build on our strengthened partner relationships
- Continue our strong relationship building with government and other stakeholders
- “Proud to Play Our Part”

# Investing in Our Brands

## *A Taste of Our Advertising Creative*

---

- **Coors Light – “Snow Truck”**
- **Coors Light – “Cold Truck”**
- **Coors Light – “Maxim Golf”**
- **Molson Canadian – “1000 Words”**
- **Rickard’s – “Glory of Battle”**



---

**Peter Swinburn**  
*President and Chief Executive Officer*  
*Coors Brewing Company*

# Agenda

---

- 2007 Summary
- Brand Equity / Positioning
- 2008 Outlook



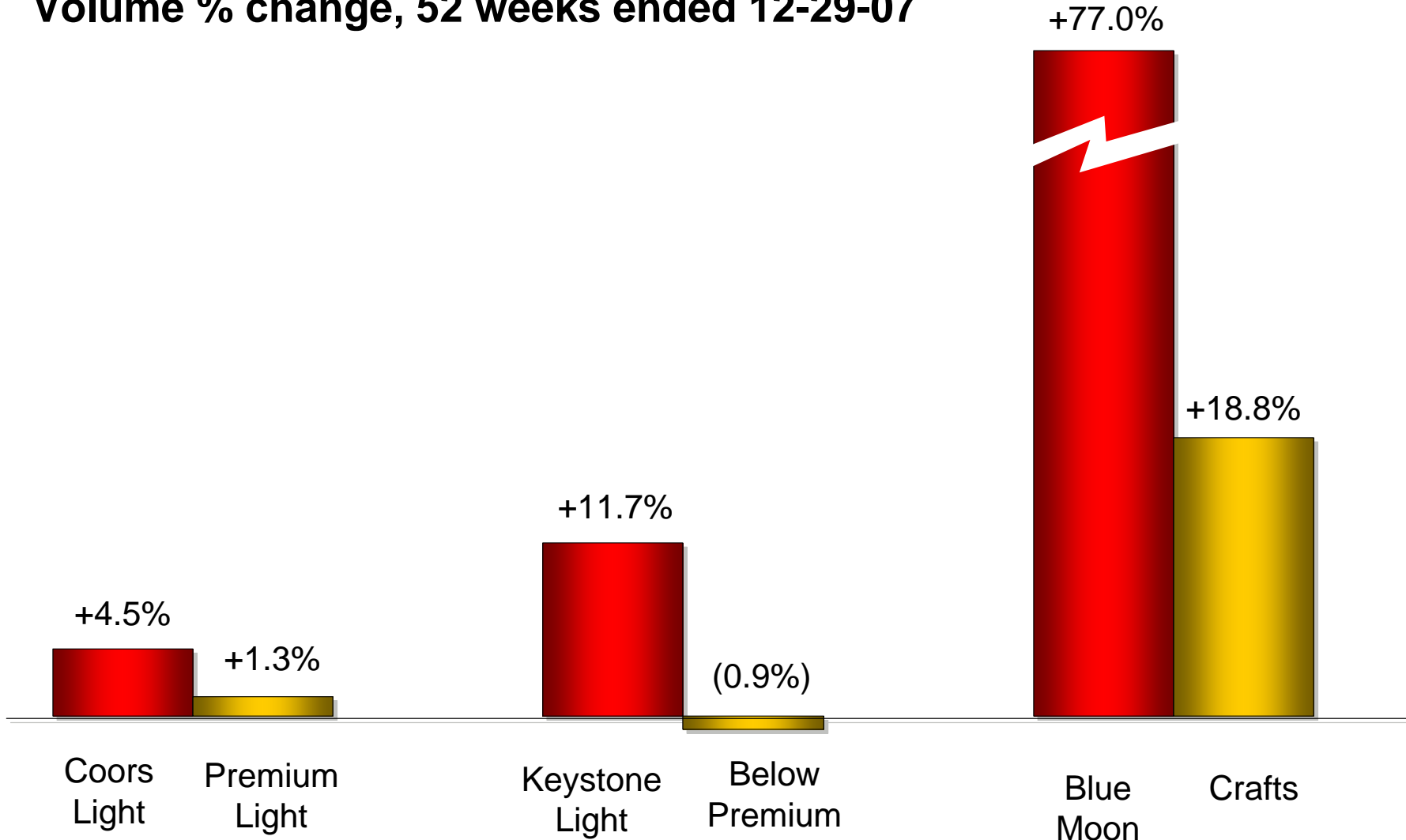
# For CBC, 2007 Was a Record Year

---

- Delivered STR growth of 4.1% and grew market share
  - Coors Light up low-single digits
  - Banquet up mid-single digits...with the 2<sup>nd</sup> Half up double digits
  - Keystone Light up double digits
  - Blue Moon up strong double digits
- Achieved Net Pricing of 2.3%
- Pretax growth of 26.9% over 2006

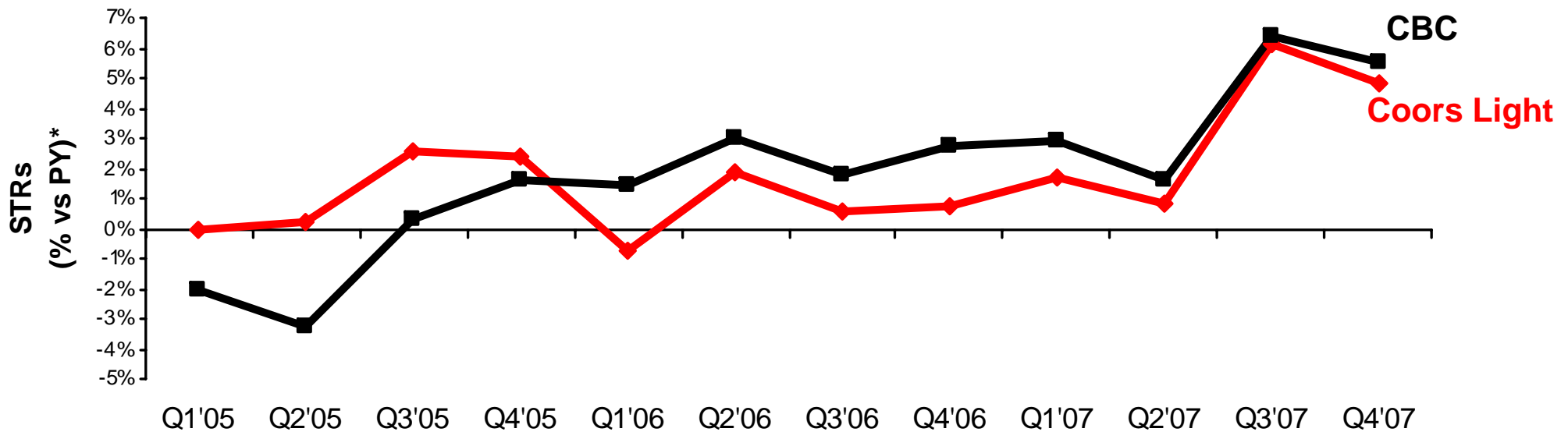
# Strong Brands Drive Growth

Volume % change, 52 weeks ended 12-29-07



# CBC and Coors Light Momentum Continues

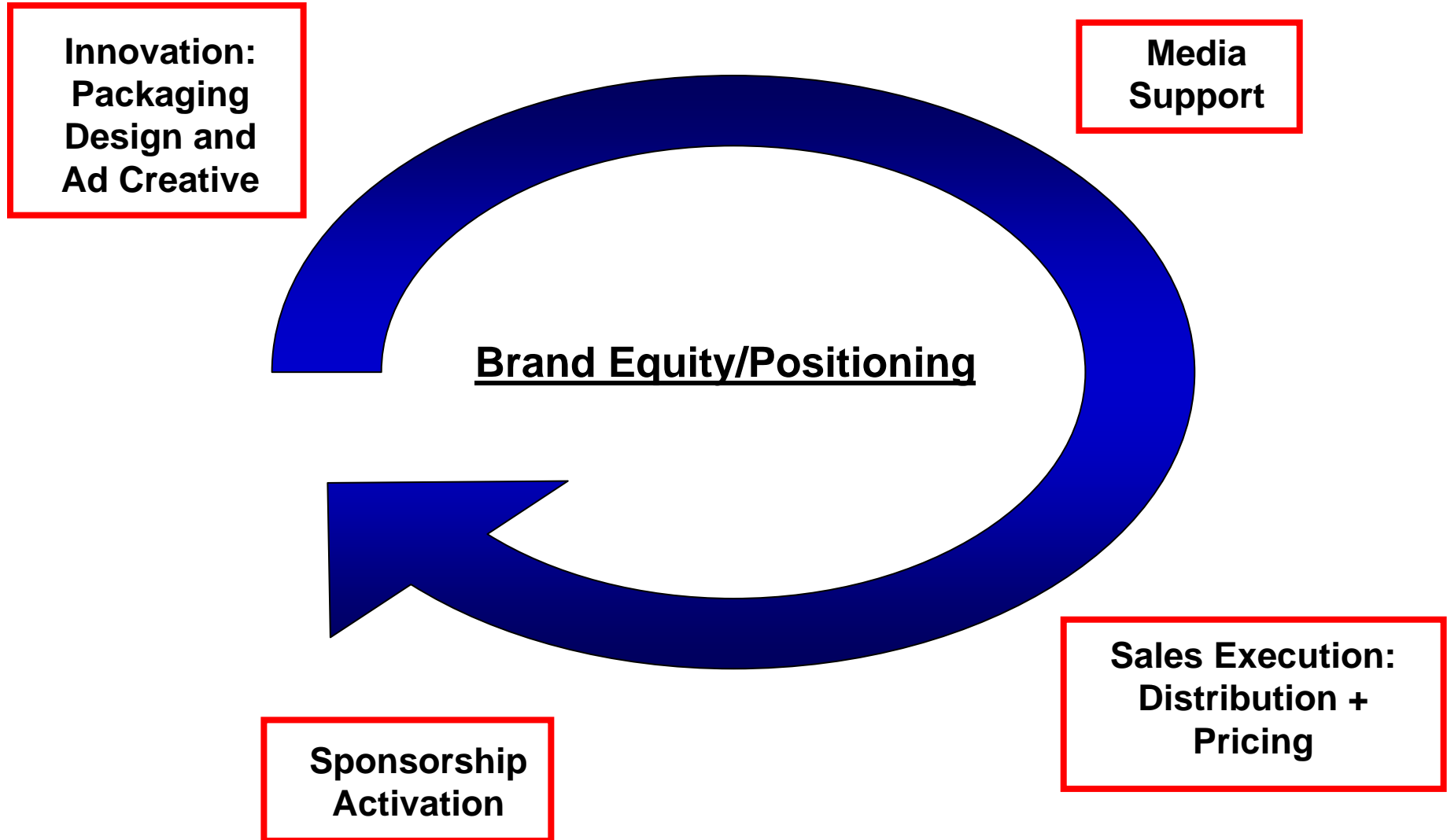
## CBC Sales-to-Retail Growth



**Strong brand positioning and equities driving  
CBC growth and momentum**

Excluding 53<sup>rd</sup> week in 4<sup>th</sup> quarter of 2006.

# It Starts With Solid Brand Positioning Then Driven Through to Consumer With 360° Support



# Coors Light – Rocky Mountain Cold Refreshment

Global Positioning: For young-at-heart key beer drinkers (of legal drinking age) who prefer easy drinking lagers, Coors Light is the highly-drinkable beer that refreshes both the body and spirit because only ice cold Coors Light was born in the Rocky Mountains.



# Innovation Success Formula

The Right Ideas, delivering purchase intent are...

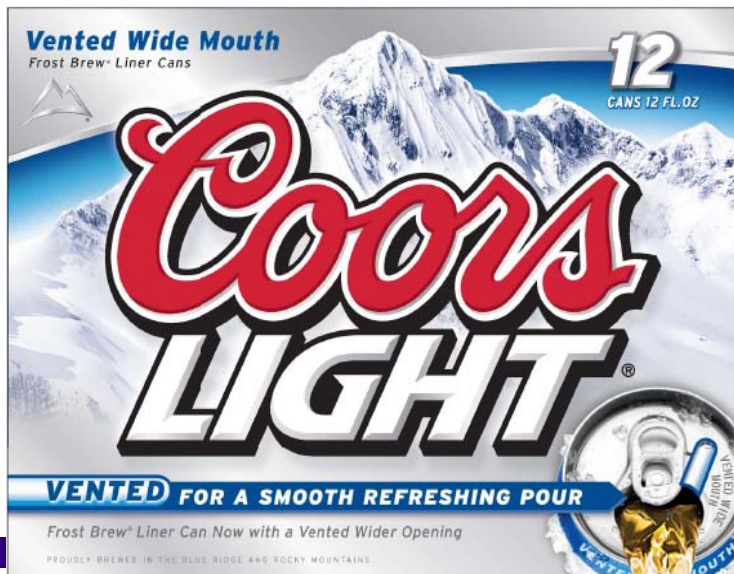
- Anchored in **brand positioning**
- Driven by compelling **consumer insights**
- Dramatize **point of difference** vs. competition
- Provide a **reason to believe**





# Vented Wide Mouth – Raised Area On Lid (vent) Allows More Air Flow for Smoother Pour

- **Brand positioning:** Enhances Rocky Mountain Cold Refreshment by providing 30% smoother flow
- **Consumer Insight:** Majority of beer drinkers dissatisfied with how their can pours, but 70% of consumers drink from can
- **Differentiation:** Widest opening in the industry
  - 8% wider than current & ML
  - 27% wider than BL
- **Reason to Believe:** Vent visible and improved drinking experience







# Cold Activated Labels – Mountains Turn Blue When Coors Light & Coors Banquet Are Cold and Ready to Drink

**Brand Positioning:** Guarantees Rocky Mountain Cold Refreshment

**Consumer Insight:** Consumers want to know when their beer is cold. Buying cold activated cans ensures cold beer

**Differentiation:** Only brand(s) offering added value

**Reason to Believe:** Mountains turn blue



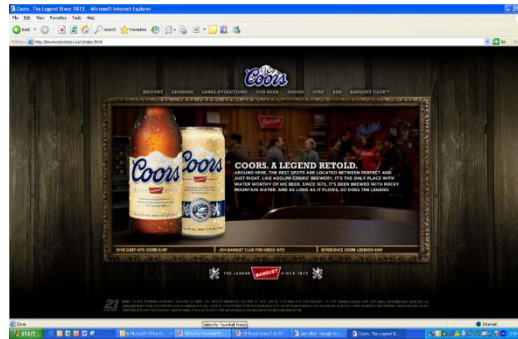


# Coors Banquet – Timeless Western Brew

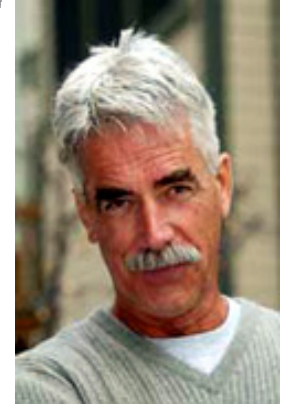
For full-flavored beer drinkers, Coors Banquet is the timeless western brew that delivers smooth, full-flavored taste because it's stubbornly brewed with the same ingredients in the Rockies since 1873.



Retail



Online



Radio



Packaging



Outdoor



TV



# Blue Moon

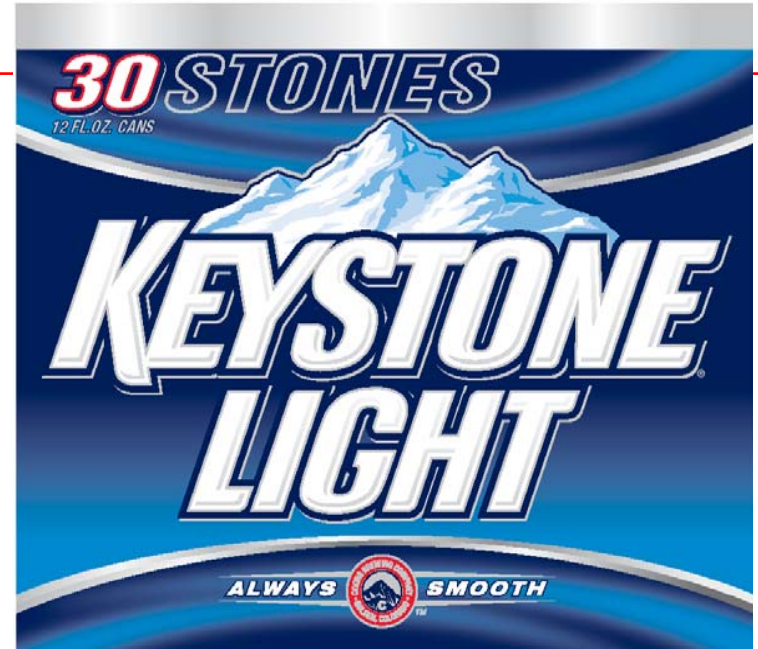
Positioning: To those seeking quality and variety, Blue Moon Belgian-White is the hand-crafted beer that delivers a multi-sensory experience that people can take pride in because of its unique liquid profile and garnish ritual.





# Keystone Light

Positioning: To 21-29 year-old Cruisers who refuse to take themselves or life too seriously, Keystone Light delivers the smoothest tasting affordable beer in every specially lined can.



# Sales Execution: Aligned Against the Market

---

## Key Accounts

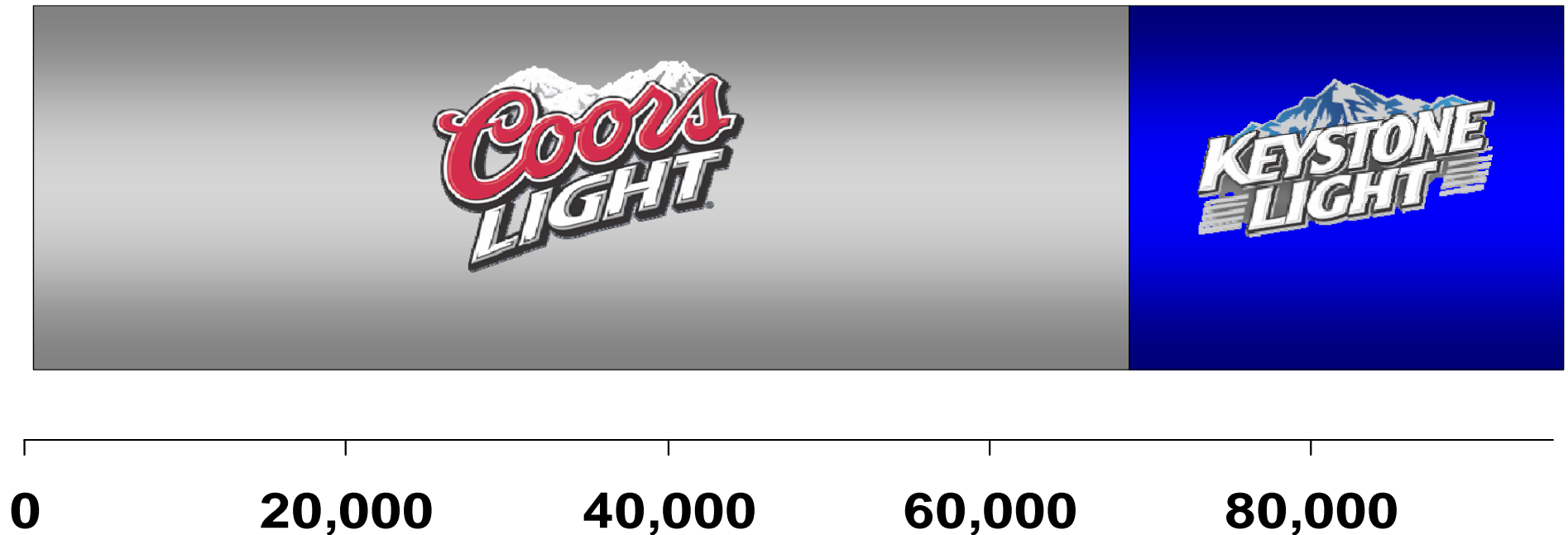
- Grew at over 6%
- Increased number of category captain appointments to 42

## General Managers

- Expanded to 20 markets
- Accountability at front end
- Speed in decision making supported by enhanced analytical tools

# Sales Execution: In 2007, Gained 95,000 New Points of Distribution

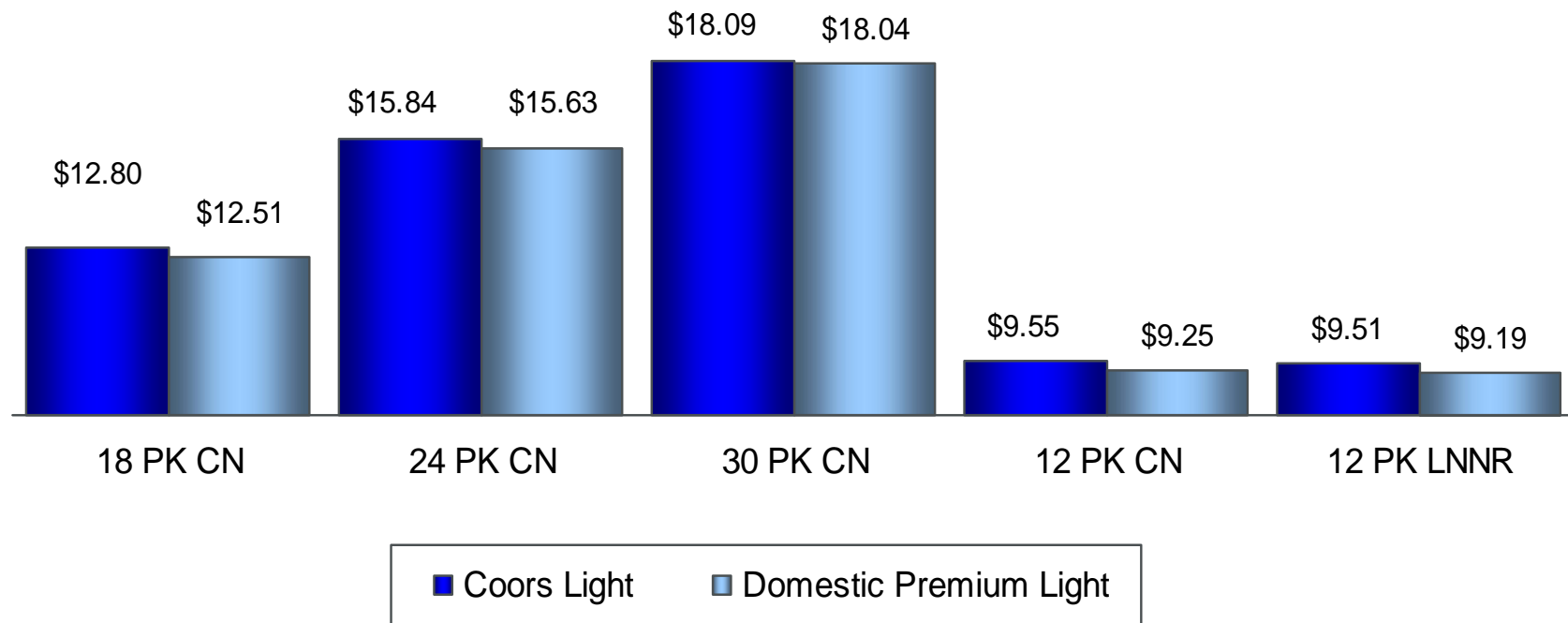
## 2007 Placements





# Sales Execution: Pricing

## Premium Light Brands Average Price - Total U.S. Grocery



# Sponsorships Drive Brand Positioning and Capture Broad Base of Consumers



# 2008 Will See Continued Focus on Our Five Business Strategies

## Building Great Beer Brands

### Business Strategies

1. Grow through brand strength
2. Go to market with discipline
3. Build export markets
4. Relentlessly improve 3-tier profitability
5. Commit to corporate and social responsibility



### Results

Grow volume faster than the market

Pretax income growth

# 2008 Priorities

## Grow Through Brand Strength

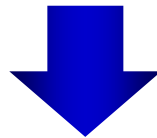
- Bring Rocky Mountain Cold Refreshment on-premise
- Align network around multi-cultural initiatives

## Go To Market With Discipline

- Full implementation of GM structure in 26 markets
- Build momentum while working toward the JV close and integration

## Relentlessly improve 3-tier profitability

- Deliver RFG initiatives while containing inflation



**Deliver top line growth through to profit**

# Reasons to Believe

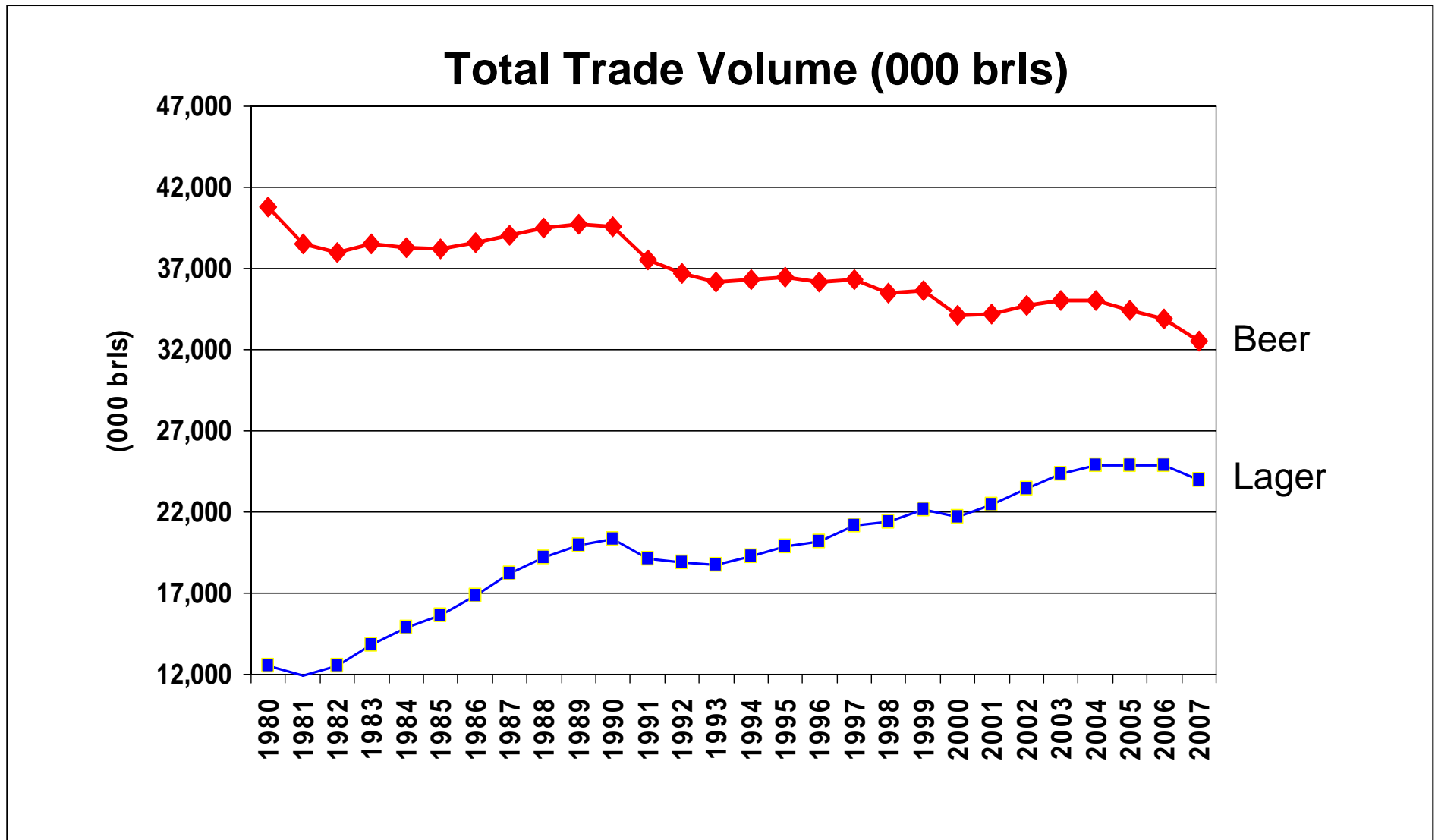
---

- Our brands are strong and play in healthy segments
  - Gaining share and taking above industry pricing
- Our 2008 marketing and innovation programs are even stronger
- We are as aligned as ever with our distributor network
- Our General Manager Program is working
- Momentum with Key Accounts is strong
- Our product quality has never been better
- Our momentum is based on a solid foundation and executing the basics

---

**Mark Hunter**  
*President and Chief Executive Officer*  
*Coors Brewers Limited*

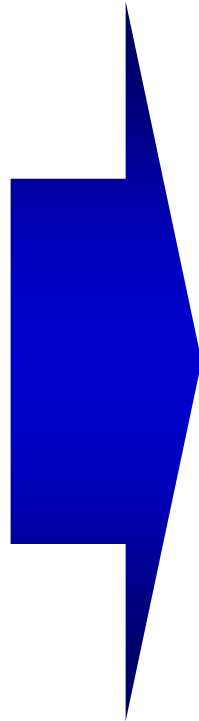
# 2007 Summary – Poor Summer Weather and 2<sup>nd</sup> Half Smoking Ban Impacted UK Lager Growth and the Total Beer Market



# 2007 Summary – Against This Market Context, We Delivered a Respectable Financial Performance

In local currency:

- Volume down 5.8%\*, share down 0.4 % points
- Price per barrel up 3.0%
- Own COGS per barrel up less than 1.0%
- G & A reduced by 6.5%
- Marketing investment up 2.6%



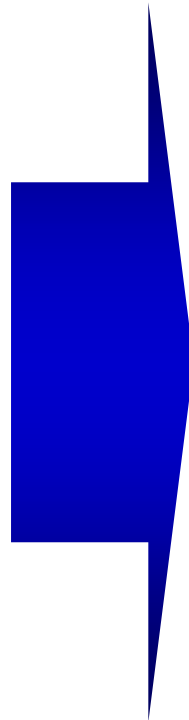
- Pretax earnings (before special items) \$96.2m, up 3.6% vs. 2006
- We did an excellent job of managing costs and saved £14m (£20m in 2006)
- We continued to invest heavily in brand building and innovation



# 2007 Summary – We Delivered Once Again What We Said We Would

## *We said we would ...*

- Optimise Profit by managing the volume / margin balance
- Focus on minimising costs / optimising productivity of our assets
- Building our business by developing our existing portfolio
- Building for the future by driving innovation

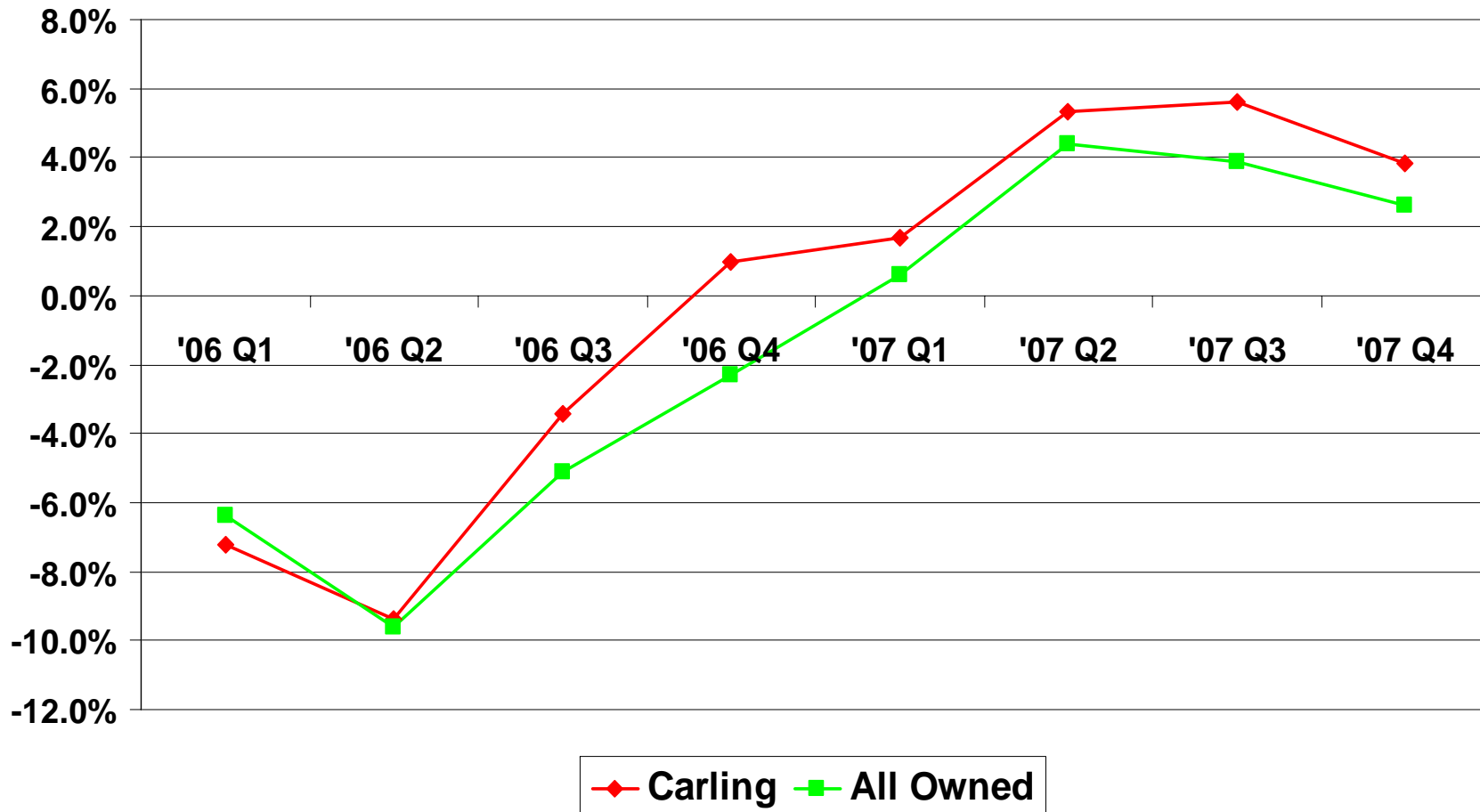


## *We delivered...*

- Pricing growth in all 4 quarters
- Signed long term production deal with S&N to improve our asset utilisation
- Continued investment in On trade dispense – 50,000 “cold” installations
- New brands, new dispense innovation and new packaging innovation

# 2007 Summary – We Continued to Pursue Value for Our Brands Despite Significant Pricing Pressure From Retail Power and Competitors

Year-on-Year Price Movements (£/bbl)

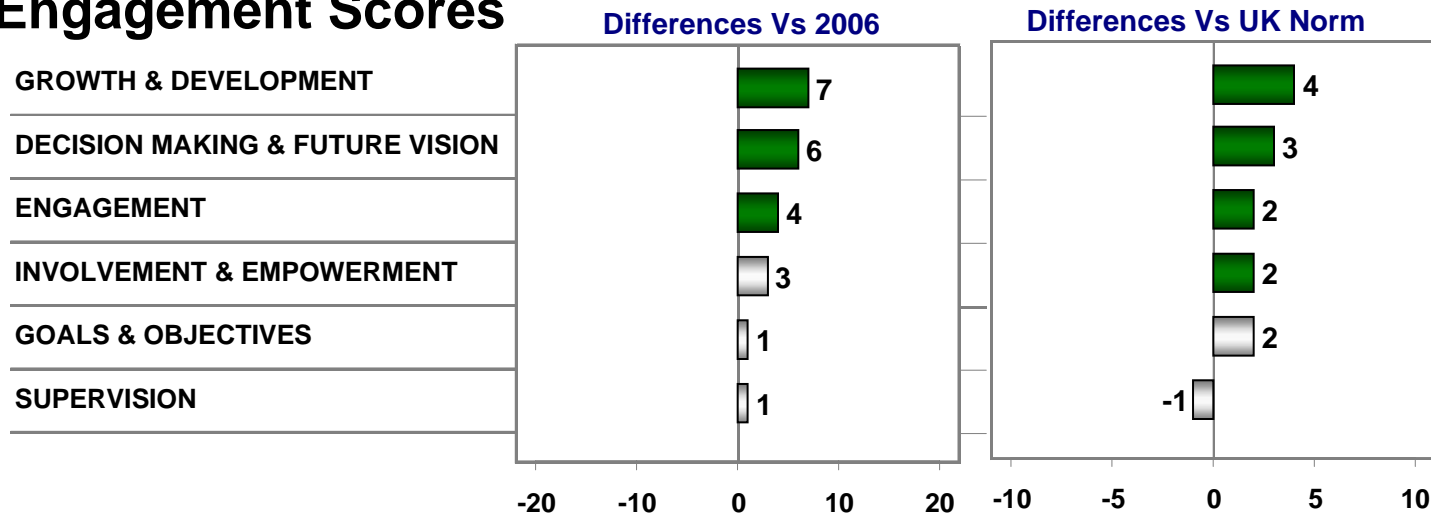


# Looking To The Future – 2008 Market Dynamics Look Challenging But Continued Focus On Our Strategic Platforms Will Support Our Transition Focus

<u>Market Dynamic</u>	<u>2008 Response</u>	<u>Strategic Platforms</u>
Volume decline	Carling Availability & Throughput Grolsch Blond New Coors Light	<ul style="list-style-type: none"> <li>• <b>People</b> – <i>enabling the right people, to do the right things, in the right way</i></li> <li>• <b>Customers</b> – <i>becoming the preferred supplier to do business with</i></li> </ul>
Pricing Environment	Continued focus on Profit Optimisation	<ul style="list-style-type: none"> <li>• <b>Productivity</b> – <i>unlocking resources for growth</i></li> </ul>
Inflationary Cost Pressures	Continued cost management	<ul style="list-style-type: none"> <li>• <b>Brands</b> - <i>building a consumer &amp; customer preferred portfolio</i></li> </ul>
Alcohol Responsibility	Social Responsibility	<ul style="list-style-type: none"> <li>• <b>Transformation</b> – <i>getting in the best shape for tomorrow</i></li> </ul>

# 2008 People Platform – Our People Engagement Scores Have Improved Despite the Market Dynamics, Cost Reduction and Outsourcing Programs

## Engagement Scores



“Right people, right way will lead to superior financial performance”

## Investors in People Award

Achieved re-accreditation with Investors in People

Held as ‘top performing organisation’ (top 2% of 30,000 organisations)

# 2008 Customer Preferred Supplier – We Are Step Changing Our Customer Service Offer Across Our Three Main Routes to Market ...



# 2008 Productivity Platform – Continued Focus On Unlocking Resources for Growth So That We Can Grow Profitability and Invest in Building Our Brands

---

## Central Overheads

- Outsourcing some IT / HR / Finance operations (WINS program)

## Production

- Extracting value from long term production contract with S&N for 3.0m Hls
- Continued focus on reducing costs through WCO program / innovation
- Offset significant inflationary pressures
  - barley, aluminium, utilities, etc.

# Brands – Despite Challenging Trading Conditions, We Increased Investment in Building a Consumer & Customer Preferred Portfolio for the Future

Grow Aggressively	Targeted Growth	Launch, Seed & Grow
  	   	    



# Brands – Increased Support for Innovation, Experience and Communication Resulted in Price Growth and Key New Business Wins for Carling in 2007





# Brands – Carling in Marston's: A Case Study on Brand Strength

UK's 5th biggest  
On-premise customer



2,300 Pubs  
plus  
3,000 Customers



Replaces



Throughout estate

Marston's Pilot results:

- Carling achieves 40% price premium to Carlsberg
- Carling achieves 5% price premium to Fosters
- Outlets' volume sales remain constant despite higher prices
- Carling secures 70% category share

# Brands – 2008 Initiatives Will Secure Volume, Value and Market Share Growth for Carling



2,000 installs for 2008

First on i-phone



2 new ads for 2008



## Availability Communication Experience

Launch of fresh beer in to the On Trade



"Thermo" National TV in 2008

Frosted glasses trial in 1,000 outlets



24,000 new Carling Cold Beer Stations





# Brands – In a Troubled Category Grolsch Volumes Declined in 2007. However, Innovation Shows Encouraging Signs and ATL Is Back in 2008



*Grolsch Blond pilot indicates ROS twice Grolsch Premium Lager*



*Distinctive New Livery*



*Channel 4 Comedy sponsorship - 52 weeks TV presence in 2008*





# Brands – MCBC's Global Brand: Coors Light Launched in Q4 2007 With Heavyweight Support Behind International Proposition



*National TV*





# Brands – A Strong and Unique Above Premium Portfolio Is Starting to Take Shape for CBL



## DIFFERENT WORLD DRINKS CO.



# The Building Blocks for Emerging Profit Growth As We Move Beyond 2008 Are Now in Place ...

---

- Ambitious consumer focussed brand building, innovation and portfolio development
- Step changing our customer service offer as we seek to 'amaze our customers'
- Upwards pricing movement to mitigate input cost inflation
- Value created through our existing assets / capability
  - Return on production assets (e.g. S&N contract brewing)
  - Go to market capability (e.g. Magners Cider)
- A cost base that is 'fit for purpose' and an institutionalised focus on cost reduction



---

**Tim Wolf**  
*Global Chief Financial Officer*  
*Molson Coors Brewing Company*

# 3-Year Journey – Strengthening the Base

---

## Delivering on Financial Commitments – Roadmap to Future

- Driving earnings power
  - Brand-led, growing top-line
  - Programs to reduce costs
  - Reducing interest, tax
- Financial position/strategies
  - Balance sheet strength
  - Funding pension plans
  - Improving financial discipline
- Outlook
  - Cash generation, evolving cash use priorities
  - U.S. JV

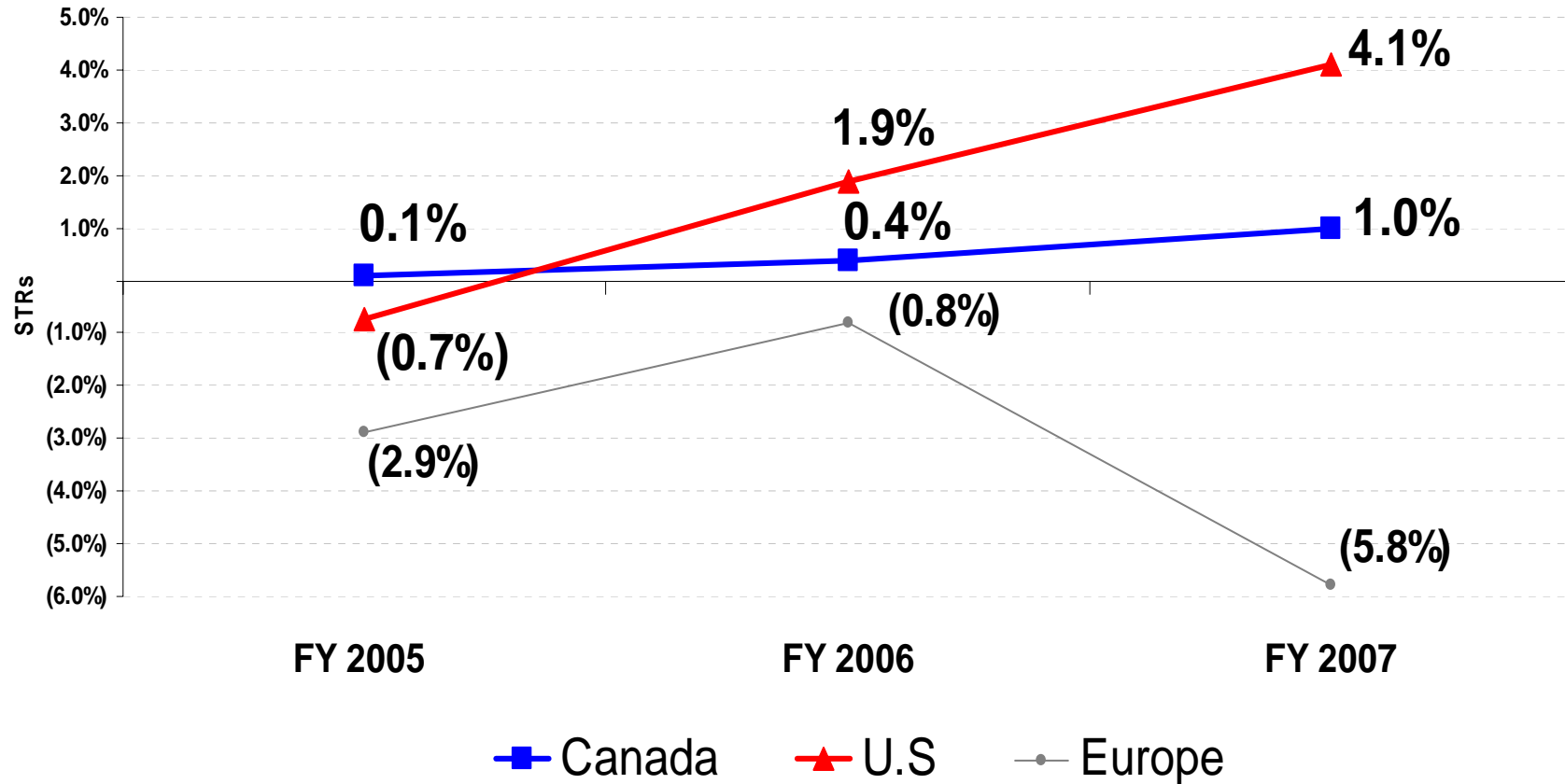
## 3-Year Journey – Highlights

---

- Unleashed Coors Light in Canada, secured partner brands, grew share, re-established U.S. volume, share momentum
- Over-delivered 3-year merger synergies, introduced next-generation RFG cost program
- Tightened cash, profit disciplines, generated \$1 billion cash: reduced debt, funded pensions
- Strong profit trends past 2 years ('06 & '07 growth, 26% & 40%)
- Signed definitive agreement: MillerCoors U.S. JV

# 3-Year Sales-to-Retail Trends

- Improving U.S. and Canada volume trends post merger...



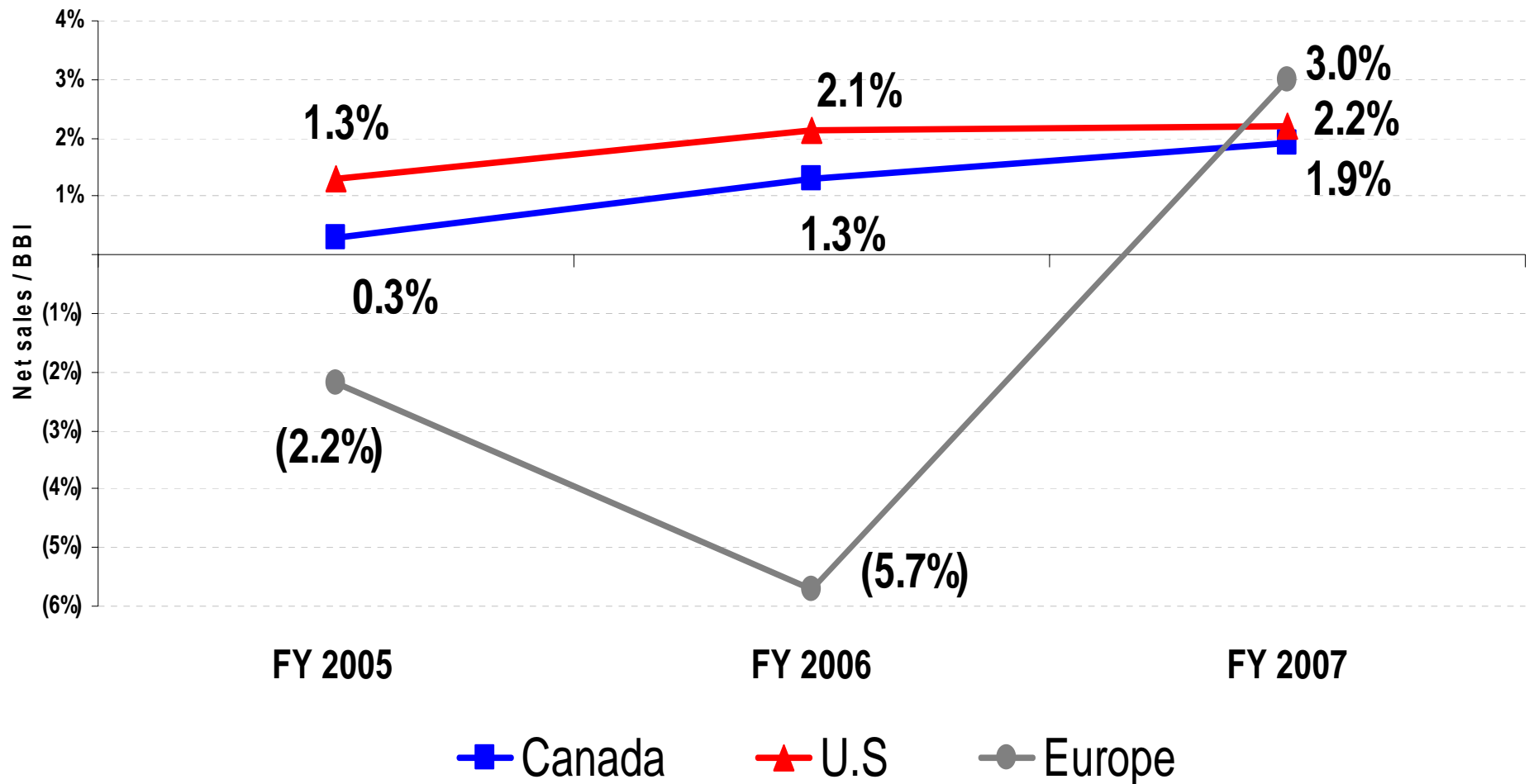
**Demonstrated volume growth in the two most important segments: U.S. and Canada are 90% of segment pre-tax income**



Note: FY '05 results are pro-forma for the Molson Coors merger.  
 \*Comparable basis (excluding 53<sup>rd</sup> week in fiscal 2006).

# 3-Year Net Sales Per Barrel Trends

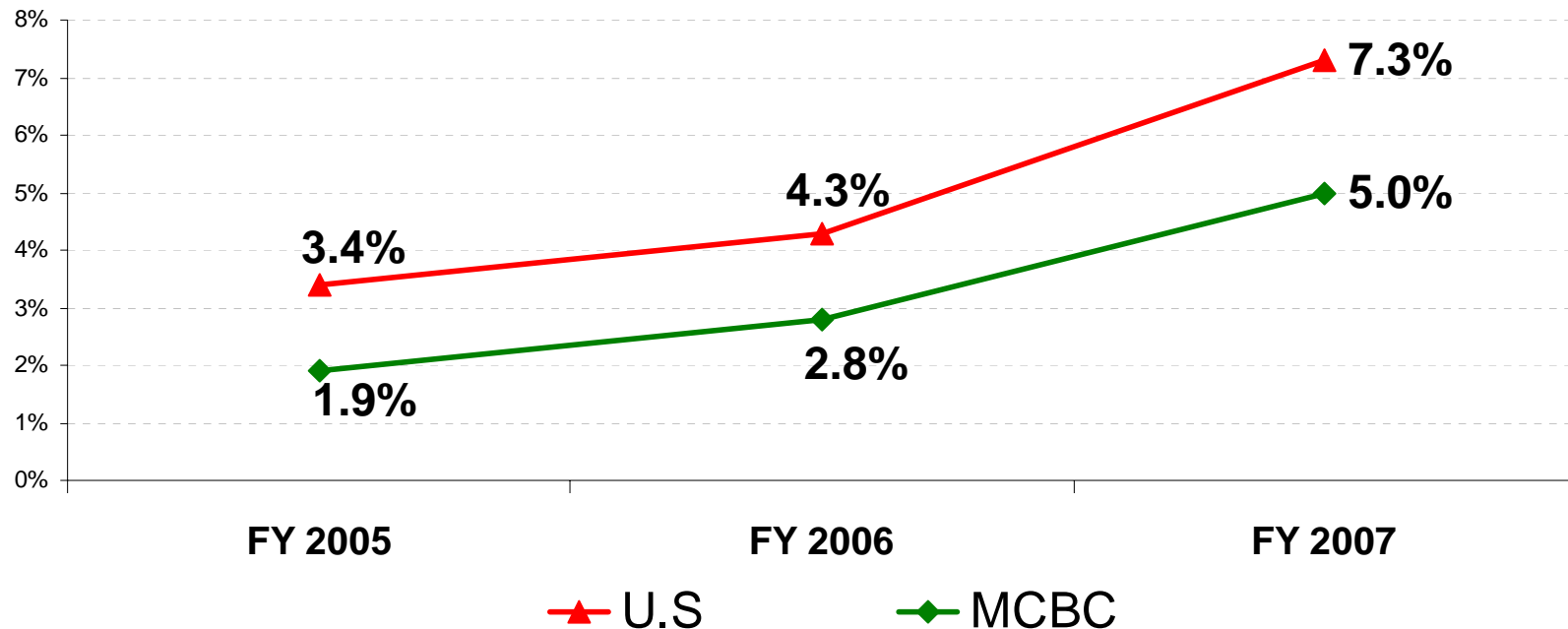
...and improved revenue/barrel growth in all geographies...



# 2005-2007 – Cost Pressures Accelerate

...despite intense cost pressures, especially 2006 & 2007...

### COGS Cost Inflation (local currency)



**Nearly \$300mm of total COGS inflation over the past 2 years is close to double the long-term average inflation rate**

# 3-Year Cost Reductions

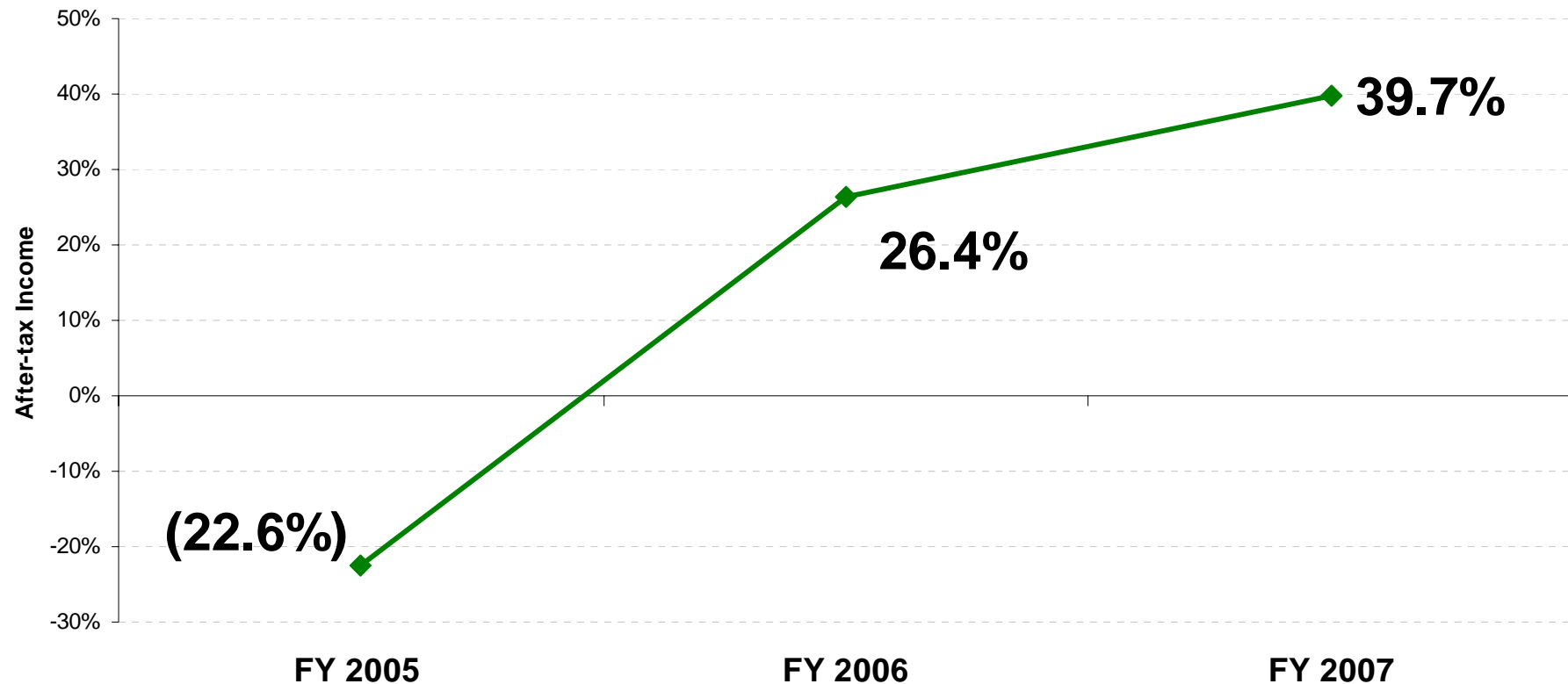
<b>Annual Cost Savings (US\$ millions)</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>Total</b>
Resources for Growth ('07-'09)	--	--	91	91
Merger synergies ('05-'07)	59	66	55	180
Pre-existing programs ('05-'06)	22	38	--	60
<b>Total</b>	<b>81</b>	<b>104</b>	<b>146</b>	<b>331</b>

- **First year RFG: \$25 million over target**
- **2007: Record \$146 million total cost reductions**

# 3-Year Profit Trends

...has combined with cost reductions to drive strong profit growth.

Molson Coors After-Tax Income\*





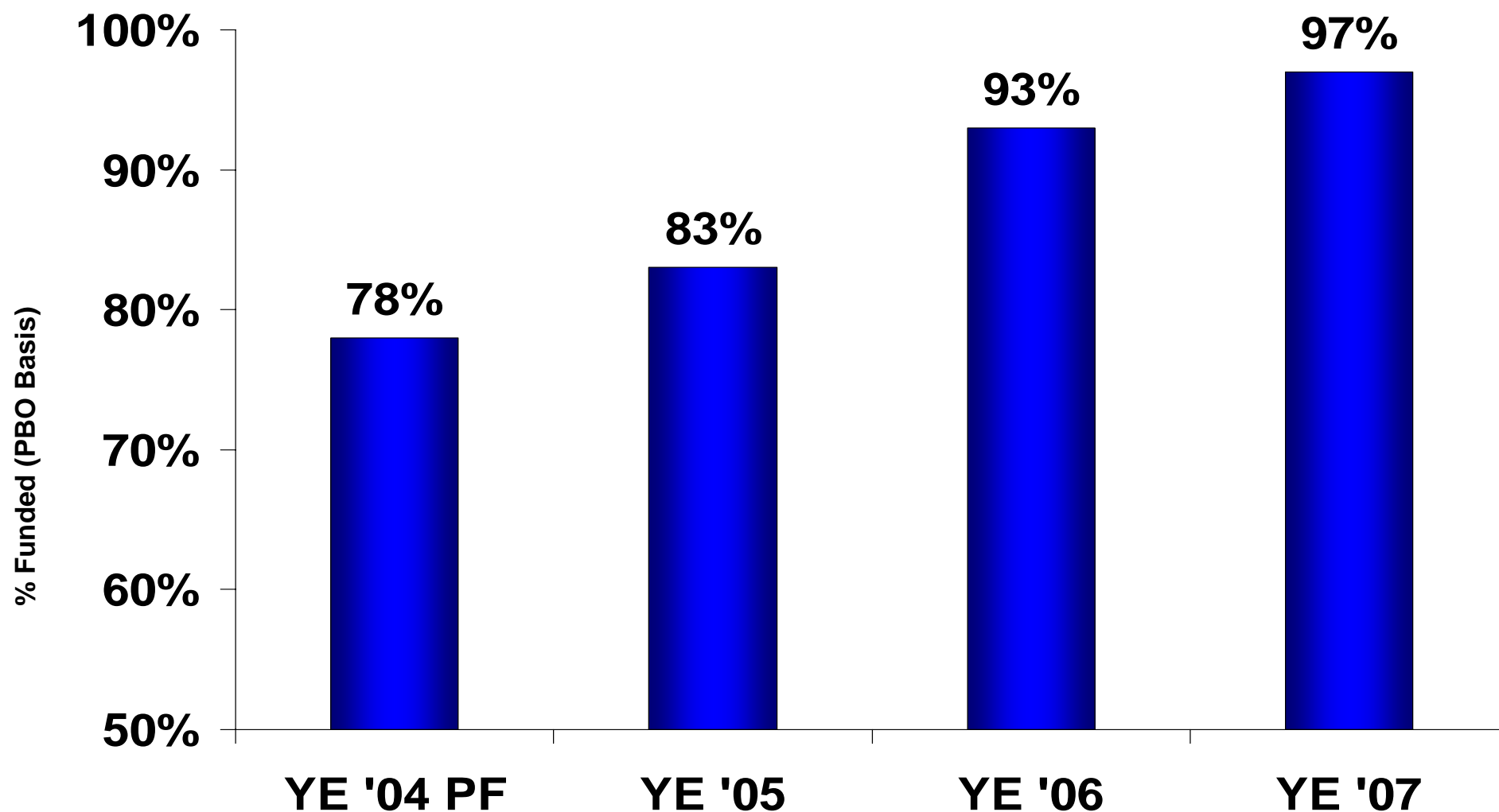
# Financial Strategies: Tax, Interest and Pension

---

## Results from 2005-2007 Actions

1. Lowered long-term tax rate range to 22% - 26%
  - 10+% points lower than pre-merger = \$65+ million of annual savings (2007 base)
2. Reduced annualized interest \$51 million, or 34%
  - \$148 million (2004 PF) to \$95 - \$100 million (2008 forecast)

# 3-Year Improved Pension Funded Status\*



# 3-Year Cash and Debt Recap: Stronger Base

(US\$ millions)

• MCBC opening net debt YE 2004PF*	<b>\$2,676</b>
<i>Less:</i> 2005 cash generation (all sources)	295
<i>Less:</i> Brazil Kaiser debt	62
<i>Less:</i> 2006 cash generation	448
<i>Less:</i> 2007 cash generation	267
<i>Plus:</i> FX impact	171
• <i>Equals:</i> YE2007 net debt**	<b>\$1,775</b>

**Strong 3-year cash generation of \$1 billion and Brazil debt disposition yield debt reduction, strong balance sheet, foundation for growth**

## 2008 Free Cash Flow Goal: \$550 Million

---

- More than \$300 million higher than '07 with several items contributing:
  - Operating profit growth
  - Lower CapEx (UK kegs, breweries in '07)
  - Lower pension contributions
  - Monetizations
- Many factors at work, but net \$550 million (+/- 5%) is achievable

# 2008: Transition in Cash Use Priorities

## Capital Structure

- Share repurchases
- Dividends
- Selective debt repayment
- Pension contributions

## Base Growth

- Tactical brand investments
- In-market new brands
- Incremental capital expenditure
- Market place innovation

## Strategic/transformational

- Select new geographies
- Infrastructure
- In-market opportunities

Short-term



Long-term

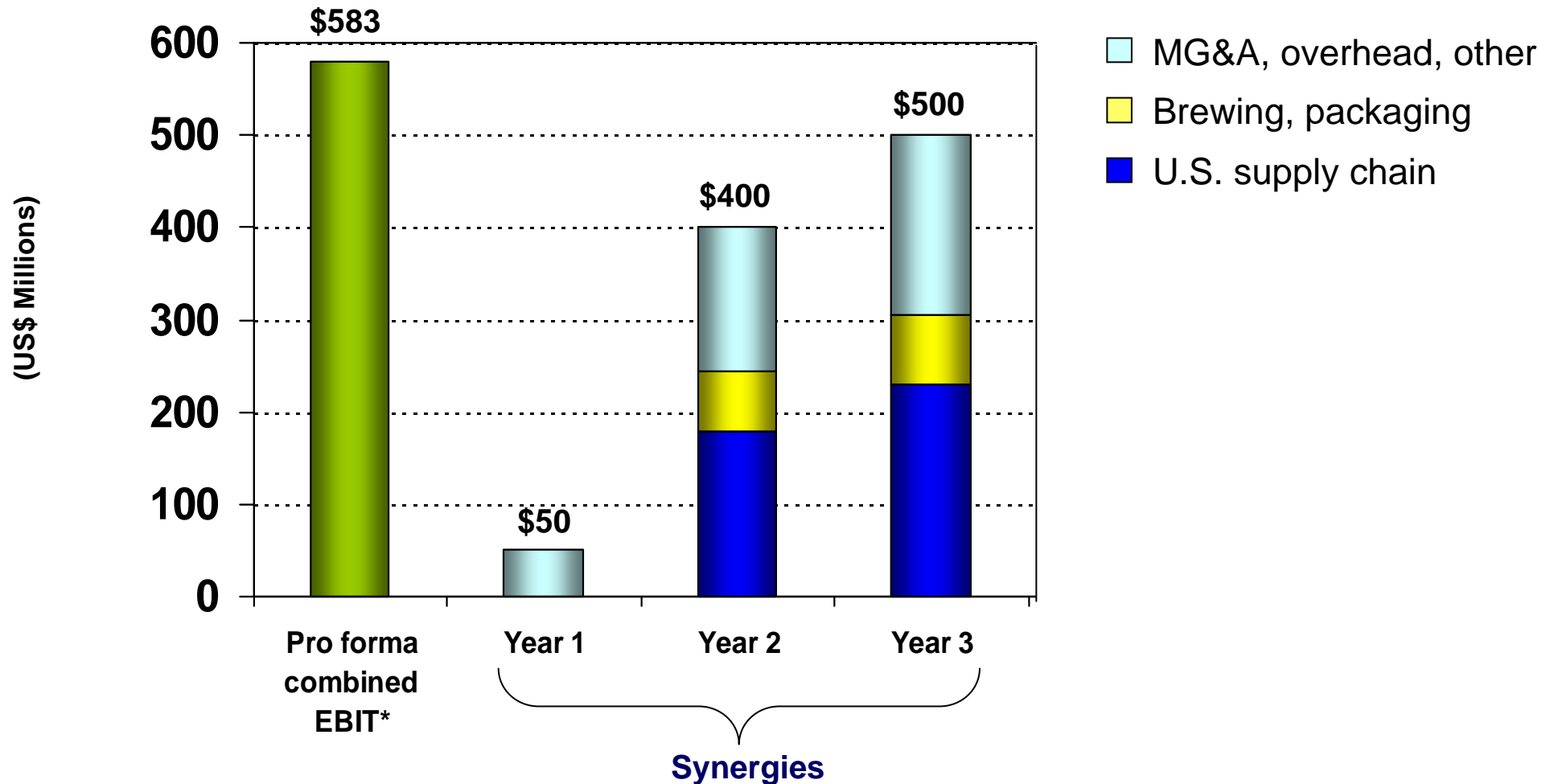
**Focus: Disciplined allocation of cash**

# Raising the Bar: Resources for Growth

<b>Cost Savings</b> (US\$ millions)	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>Total</b>
Global Supply Chain	77	64	74	215
Overheads, G&A	14	13	8	35
<b>Total</b>	<b>91</b>	<b>77</b>	<b>82</b>	<b>250</b>

- **2007: Exceeded target by \$25 million (38%)**
- **Accelerated delivery of original initiatives, locked in “ideas”**

# U.S. JV Synergies: More Resources

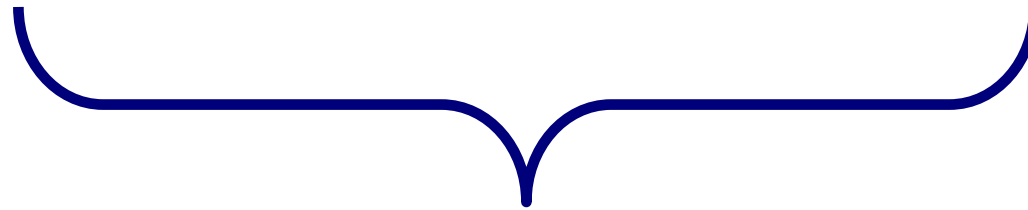


**Synergies = 86% of pro forma EBIT (base year)**

# 3-Year Journey – Strengthening the Base

## Delivering on Financial Commitments – Roadmap to Future

- Driving earnings power: Growth
- Financial position/strategies: Balance sheet is strong



***Strong Foundation***



---

**Leo Kiely**  
*Chief Executive Officer*  
*Molson Coors Brewing Company*

# Molson Coors – An Emerging Leader

---

## Molson Coors – a personality is emerging!

- We are building momentum through our brands
- We are building a winning culture
  - Talent base with depth and experience
  - Passion, committed to a vision
- We deliver on our commitments
  - Our results speak for themselves

**BRANDS – PEOPLE – RESULTS**

---

# Q&A

