MOLSON Coors
Q4 AND FULL YEAR 2018 EARNINGS
FEBRUARY 12, 2019
This presentation includes “forward-looking statements” within the meaning of the U.S. federal securities laws. Generally, the words “believe,” “expect,” “intend,” “anticipate,” “project,” “will,” “outlook,” and similar expressions identify forward-looking statements, which generally are not historic in nature. Although the Company believes that the assumptions upon which 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 historical experience, and present projections and expectations are disclosed in the Company’s filings with the Securities and Exchange Commission (“SEC”). These factors include, among others, the impact of increased competition resulting from further consolidation of brewers, competitive pricing and product pressures; health of the beer industry and our brands in our markets; economic conditions in our markets; additional impairment charges; our ability to maintain manufacturer/distribution agreements; changes in our supply chain system; availability or increase in the cost of packaging materials; success of our joint ventures; risks relating to operations in developing and emerging markets; changes in legal and regulatory requirements, including the regulation of distribution systems; fluctuations in foreign currency exchange rates; increase in the cost of commodities used in the business; the impact of climate change and the availability and quality of water; loss or closure of a major brewery or other key facility; our ability to implement our strategic initiatives, including executing and realizing cost savings; our ability to successfully integrate newly acquired businesses; our ability to achieve expected tax benefits, accretion and cost savings relating to the Acquisition; pension plan and other post-retirement benefit costs; failure to comply with debt covenants or deterioration in our credit rating; our ability to maintain good labor relations; our ability to maintain brand image, reputation and product quality; and other risks discussed in our filings with the SEC, including our most recent Annual Report on Form 10-K and our Quarterly Reports on Form 10-Q. All forward-looking statements in this press release are expressly qualified by such cautionary statements and by reference to the underlying assumptions. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. We do not undertake to update forward-looking statements, whether as a result of new information, future events or otherwise.

Non-GAAP Information

Please see our most recent earnings release or visit the investor relations page of our website – www.molsoncoors.com – to find disclosure and applicable reconciliations of non-GAAP financial measures discussed in this presentation.
MARK HUNTER

MOLSON COORS
PRESIDENT AND CEO
Multiple accomplishments last year despite difficult U.S. market and inflation environment

- Restored underlying EBITDA growth Q4 and 2H
- Scaled International profit contribution
- Continued focus on premiumization
- Launched Truss and other disruptive growth initiatives
- Upsized cost savings
- Deleveraged as planned

Building momentum against strategy

- Strong U.S. commercial plan
- Building above premium mix across all regions
- Cost savings more than $200 million 2019, $450 million 2020-2022
- Capital allocation flexibility increasing
- ~3.75x EBITDA around mid-2019 and dividend increase
FOCUS: DELIVERING GROWTH & LONG-TERM SHAREHOLDER VALUE

**EARN MORE**
- BUILD EXTRAORDINARY BRANDS
- STRENGTHEN CUSTOMER EXCELLENCE
- DRIVE DISRUPTIVE GROWTH

**USE LESS**
- DRIVE SYNERGIES AND COST SAVINGS
- INCREASE PRODUCTIVITY

**INVEST WISELY**
- BRAND LED GROWTH OPPORTUNITIES
- STRENGTHEN BALANCE SHEET
- RETURN CASH TO SHAREHOLDERS

TOP-LINE GROWTH + EXPAND EBITDA MARGINS = TOTAL SHAREHOLDER RETURNS
**ABOVE PREMIUM AS % OF BRAND VOLUME**

- **2016**: 15%
- **2017**: 20%
- **2018**: 25%

**KEY TAKEAWAYS**

- **International** gaining strength in focus markets
- **Europe** strengthening core and premiumizing - *Staropramen*, cider, craft
- **Canada** driven by *Belgian Moon*, *Heineken* and *Trou du Diable*
- Expecting further **U.S.**, industry volume contraction, offset by continued industry premiumization, improving MillerCoors share

*Note: MGD (outside U.S.) is an Above Premium brand.*
COST SAVINGS
2017-2019

2017-2019 COST SAVINGS PROGRAM

2017: $255 million
2018: $240 million
2019E: $205 million

$700 million

ESTIMATED COST SAVINGS
2020-2022

$450 MILLION

SAVINGS FROM
• World Class Supply Chain 2.0
• Greenfield breweries
• Global Business Services
• New IT & Procurement initiatives
• More rigorous ZBB
DEBT / EBITDA

- **2015**: 2.2x
- **2016 PF**: 2.4x
- **2017**: 5.1x
- **2018**: 4.4x
- **Around Mid-2019E**: ~3.75x

**MARKETING SPEND**

- Scaling investment behind above premium brands (e.g. Blue Moon, Peroni, Sol, Staropramen) and innovation
- Increasing focus on return on marketing investment (ROMI)
- Shift to digital and other non-traditional media

Note: 2016 PF leverage ratios represent company estimates for S&P and Moody’s pro forma ratios.

*2018 ratios represent company estimates for S&P and Moody’s ratios.
TRACEY JOUBERT

MOLSON Coors
CHIEF FINANCIAL OFFICER
Note: Non-GAAP underlying earnings before interest, tax, depreciation and amortization (EBITDA) is calculated by excluding special and other non-core items from the nearest U.S. GAAP earnings. See reconciliation to nearest U.S. GAAP measures on our website. NSR/HL on a brand volume basis in constant currency and excluding the impact of the revenue recognition accounting standard. See our Q4 2018 Earnings Release and FY 2018 10-K for more details on revenue recognition. Reported NSR/HL based on financial NSR and volume.
FULL YEAR 2018

**WW BRAND VOLUME**
(millions HL)

-1.9%

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
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<tbody>
<tr>
<td>Value</td>
<td>94.0</td>
<td>92.1</td>
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**NSR/HL EXCL REV REC**
(USD, constant currency)

-0.1%

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<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
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<tbody>
<tr>
<td>Value</td>
<td>$106.41</td>
<td>$106.29</td>
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**UNDERLYING EBITDA**
(USD millions, constant currency)

-1.5%

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<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
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<tbody>
<tr>
<td>Value</td>
<td>$2,497</td>
<td>$2,458</td>
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</table>

**FINANCIAL VOLUME** -2.9%

Note: Non-GAAP underlying earnings before interest, tax, depreciation and amortization (EBITDA) is calculated by excluding special and other non-core items from the nearest U.S. GAAP earnings. See reconciliation to nearest U.S. GAAP measures on our website. NSR/HL on a brand volume basis in constant currency and excluding the impact of the revenue recognition accounting standard. See our Q4 2018 Earnings Release and FY 2018 10-K for more details on revenue recognition. Reported NSR/HL based on financial NSR and volume.
UNDERLYING EBITDA
($ millions)

+6.4%

Q4’17: $348
Q4’18: $370

BRAND VOLUME
(millions HL)

-5.1%

Q4’17: (millions HL)
Q4’18: (millions HL)

DOMESTIC STWs -8.9%

NSR/HL EXCL REV REC

+2.1%

Q4’17: NSR/HL
Q4’18: NSR/HL

NSR/HL (brand volume basis)
+2.7%

Note: Non-GAAP underlying earnings before interest, tax, depreciation and amortization (EBITDA) is calculated by excluding special and other non-core items from the nearest U.S. GAAP earnings. See reconciliation to nearest U.S. GAAP measures on our website. Brand volume based on domestic volume and trading day adjusted. NSR/HL on a brand volume basis excluding the impact of the revenue recognition accounting standard. See our Q4 2018 Earnings Release and FY 2018 10-K for more details on revenue recognition.
UNITED STATES
2018 PERFORMANCE

UNDERLYING EBITDA
($ millions)

<table>
<thead>
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<th></th>
<th>2017</th>
<th>2018</th>
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<tbody>
<tr>
<td>$1,890</td>
<td>$1,861</td>
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</table>

-1.5%

BRAND VOLUME
(millions HL)

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>-3.9%</td>
<td>-3.9%</td>
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</table>

DOMESTIC STWs -4.4%

NSR/HL EXCL REV REC

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
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<tbody>
<tr>
<td>+1.6%</td>
<td>+1.6%</td>
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</table>

NSR/HL (brand volume basis) +1.5%

KEY TAKEAWAYS

• Distributor inventories declined sequentially to normal levels at year end

• Coors Light reversed negative segment share trend in Q4, Miller Lite increased segment share for 17th consecutive quarter

• Underlying EBITDA grew high single digits in second half

• Full year brand volume and STW volumes largely converged

Note: Non-GAAP underlying earnings before interest, tax, depreciation and amortization (EBITDA) is calculated by excluding special and other non-core items from the nearest U.S. GAAP earnings. See reconciliation to nearest U.S. GAAP measures on our website. Brand volume based on domestic volume. NSR/HL on a brand volume basis excluding the impact of the revenue recognition accounting standard. See our Q4 2018 Earnings Release and FY 2018 10-K for more details on revenue recognition.
EUROPE
Q4 2018 PERFORMANCE

UNDERLYING EBITDA
(millions, constant currency)

-7.8%

$91

Q4’17

$84

Q4’18

-11.2% REPORTED

BRAND VOLUME
(millions HL)

+3.3%

Q4’17

Q4’18

FINANCIAL VOLUME+3.0%

NSR/HL
(local currency)

-2.5%

Q4’17

Q4’18

Note: Non-GAAP underlying earnings before interest, tax, depreciation and amortization (EBITDA) is calculated by excluding special and other non-core items from the nearest U.S. GAAP earnings. See reconciliation to nearest U.S. GAAP measures on our website. NSR/HL on a brand volume basis.
**KEY TAKEAWAYS**

- Europe top and bottom line performance impacted by lapping 2017 indirect tax reversal

- Underlying EBITDA excluding the effect of the indirect tax provision reversal +4.3%

- Continued organic volume growth and improving brand mix

- Continued investment in premiumization—Staropramen, MGD, cider, craft

- Additional investment to meet revised excise tax guidelines

**EUROPE**

**2018 PERFORMANCE**

<table>
<thead>
<tr>
<th>UNDERLYING EBITDA (millions, constant currency)</th>
<th>BRAND VOLUME (millions HL)</th>
<th>NSR/HL (local currency)</th>
</tr>
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<tbody>
<tr>
<td>-8.2%</td>
<td>+2.2%</td>
<td>-3.4%</td>
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<tr>
<td>$413</td>
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<tr>
<td>$379</td>
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<table>
<thead>
<tr>
<th>2017</th>
<th>2018</th>
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</table>

-6.8% REPORTED

FINANCIAL VOLUME +2.1%

Note: Non-GAAP underlying earnings before interest, tax, depreciation and amortization (EBITDA) is calculated by excluding special and other non-core items from the nearest U.S. GAAP earnings. See reconciliation to nearest U.S. GAAP measures on our website. NSR/HL on a brand volume basis.
Q4 2018 PERFORMANCE

**UNDERLYING EBITDA**
(millions, constant currency)

-12.0%

Q4’17
$79

Q4’18
$70

-18.3% REPORTED

**BRAND VOLUME**
(millions HL)

-2.0%

Q4’17

Q4’18

**NSR/HL EXCL REV REC**
(local currency)

+2.7%

Q4’17

Q4’18

Note: Non-GAAP underlying earnings before interest, tax, depreciation and amortization (EBITDA) is calculated by excluding special and other non-core items from the nearest U.S. GAAP earnings. See reconciliation to nearest U.S. GAAP measures on our website. NSR/HL on a brand volume basis excluding the impact of the revenue recognition accounting standard. See our Q4 2018 Earnings Release and FY 2018 10-K for more details on revenue recognition.
Key Takeaways

- Industry softness in the West and Ontario partially offset by growth in Quebec
- Cost increases driven by inflation and investments in supply chain transformation
- Premiumization driven by Belgian Moon, Coors Banquet, Heineken and Creemore in Q4

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INTERNATIONAL Q4 2018 PERFORMANCE

UNDERLYING EBITDA (millions, constant currency)

Q4’17
$0.4

Q4’18
$3.5

+$3.1M

BRAND VOLUME (millions HL)

Q4’17

Q4’18

+1.1%

NSR/HL (constant currency)

Q4’17

Q4’18

-18.0%

REPORTED UNDERLYING EBITDA $2.8M

FINANCIAL VOLUME -22.6%

Note: Non-GAAP underlying earnings before interest, tax, depreciation and amortization (EBITDA) is calculated by excluding special and other non-core items from the nearest U.S. GAAP earnings. See reconciliation to nearest U.S. GAAP measures on our website. NSR/HL on a brand volume basis.
INTERNATIONAL 2018 PERFORMANCE

UNDERLYING EBITDA (millions, constant currency)

2017 2018
$3.5  $22.5

+$19.0M

BRAND VOLUME (millions HL)

2017 2018

+$2.2%

FINANCIAL VOLUME -7.5%

REPORTED UNDERLYING EBITDA $19.3M

NSR/HL (constant currency)

2017 2018

-6.0%

NSR/HL (brand volume basis) -7.3%

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KEY TAKEAWAYS

• Increased profitability in Mexico-local production
• Increased profitability of focus brands: Coors Light, MGD, Miller Lite
• Increased brand volume in focus markets
• Blue Moon and Miller High Life accelerating
Expected dividend Payout Ratio 20%-25% of trailing annual underlying EBITDA after achieving ~3.75x leverage around mid 2019

Unchanged

~$700M 2017-2019
$450M 2020-2022

Strong double digit percentage increase constant currency

$1.4 billion +/- 10%
EARN MORE: COMMERCIAL EXCELLENCE DRIVERS

ENHANCED COMMERCIAL CAPABILITIES WILL DRIVE TOP & BOTTOM LINE

BUILD EXTRAORDINARY BRANDS

ENERGIZE CORE BRANDS
GROW ABOVE PREMIUM & CRAFT
BUILD GLOBAL BRANDS

STRENGTHEN CUSTOMER EXCELLENCE

DRIVE DISRUPTIVE GROWTH

EXPAND PORTFOLIO
DIGITAL & E-COMMERCE
ACCELERATE INTERNATIONAL GROWTH

INSIGHT & ANALYTICS
UNITED STATES COMMERCIAL EXCELLENCE

CONSUMER EXCELLENCE

- Continue growing share in premium
- Accelerate above premium & craft
- Stabilize below premium to expand beer

INNOVATION DRIVING PLACEMENTS

CUSTOMER EXCELLENCE

- Offering more value to distributors
- Bolder retail partnerships
- Building e-commerce capabilities
- Evolving brand experiences
The World’s Most Refreshing Beer

The Original Light Beer
EUROPE COMMERCIAL EXCELLENCE

CONSUMER EXCELLENCE

- DRIVING NATIONAL CHAMPION BRANDS – VOLUME GROWTH IN ’18
- ALL GLOBAL PREMIUM BRANDS* IN GROWTH +7.8% IN 2018
- ACCELERATING ABOVE PREMIUM, CRAFT AND CIDER

CUSTOMER EXCELLENCE

- ENHANCED REVENUE MANAGEMENT APPROACH
- MAINTAIN & DEVELOP FIRST CHOICE REPUTATION
- CATEGORY GROWTH DRIVING ACTIVATION
- BRILLIANT FIELD SALES EXECUTION

*COORS LIGHT, MGD, BLUE MOON AND STAROPRAMEN OUTSIDE OF CZECH REPUBLIC. INCLUDING STAROPRAMEN IN CZECH REPUBLIC +5.5%.
At Carling, we believe in making it where we’re from. We believe it because it’s what we do. Proudly brewed in Burton-on-Trent.
CANADA COMMERCIAL EXCELLENCE

CONSUMER EXCELLENCE

- IMPROVE SHARE IN PREMIUM
- GROWTH IN ABOVE PREMIUM
- NON-ALC PORTFOLIO DELIVERING STRONG GROWTH
- SHARE GROWTH IN VALUE SEGMENT
- INNOVATION DRIVING PLACEMENTS

CUSTOMER EXCELLENCE

- STRONG FIELD SALES MANAGEMENT PROCESSES
- LCBO PILOT BOOSTED CATEGORY AND SHARE GROWTH

LCBO PILOT

CANADIAN EXCELLENCE

CUSTOMER EXCELLENCE

IMPROVE SHARE IN PREMIUM

GROWTH IN ABOVE PREMIUM

NON-ALC PORTFOLIO

DELIVERING STRONG GROWTH

SHARE GROWTH IN VALUE SEGMENT

INNOVATION DRIVING PLACEMENTS

STRONG FIELD SALES MANAGEMENT PROCESSES

LCBO PILOT BOOSTED CATEGORY AND SHARE GROWTH
COORS LIGHT “THE MOUNTAINS ARE CALLING”
MOLSON “HISTORY IS IN YOUR HANDS”

NEW CAMPAIGN LAUNCHES IN APRIL

NEW PACKAGING INNOVATION LAUNCHES IN MAY

THE BEST WAY TO HONOUR HISTORY IS TO KEEP MAKING IT.
CONTINUE TO BUILD AWARENESS AND DISTRIBUTION FOLLOWING SUCCESSFUL LAUNCH IN 2018
INTERNATIONAL – STEP CHANGING CONTRIBUTION

Net Sales Revenue ($ millions)

- 2012: $147.0
- 2013: $137.6
- 2014: $156.3
- 2015: $144.5
- 2016: $163.6
- 2017: $264.0
- 2018: $253.4

China Restructure

Constant Currency Basis
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CONSUMER EXCELLENCE

% OF BRAND VOLUME IN ABOVE PREMIUM AND CRAFT

2018

- Above Premium
- Other

CUSTOMER EXCELLENCE

Category Drivers Delivering Category Growth and +6% NPS*

*NPS=Net Promoter Score

MGD PREMIUM LEADER IN PARAGUAY

MGD SUCCESS IN PARAGUAY

GROW EMERGING BRANDS SELECTIVELY
BUILDING GLOBAL BRANDS

CHANGING TRAJECTORY OF COORS LIGHT

EXPAND MILLER™ GROWTH GLOBALLY

ACCELERATE STRONG STAROPRAMEN GROWTH IN EUROPE

RENEW BLUE MOON GROWTH IN US AND EXPAND GLOBAL
CUSTOMER EXCELLENCE: STAYING FIRST CHOICE FOR CUSTOMERS

BUILD SALES AND CUSTOMER MANAGEMENT CAPABILITY

• BeerMate Salesforce platform
  ~1000 Salesforce live in 12 months

• Seamless B2B Platform
  UK lead – Omni channel customer experience

• Implementing Demand Spaces and Category Drivers to growth category and earn Category Captaincy

• Leading customer partnerships with analytics backbone for their E-Commerce platforms

STRENGTHEN CUSTOMER SATISFACTION METRICS (NPS)

• U.S. No. 1 in CM Profit Group—including 1st time ever No. 1 in on-premise

• U.S. No. 1 in Advantage Group in TAB (#2 overall behind P&G)

• UK Advantage Group No. 1 rating for On Premise

• Canada net promoter score grew 75bps
DISRUPTIVE GROWTH INITIATIVES: SEEDING TRANSFORMATION

**RE-ENERGIZE OUR CORE**

Low and no alc grew 4.1% in 2018

**DRIVE DISRUPTIVE GROWTH**

**LEAD ON-TREND ALCOHOLIC BEVERAGES**

**BUILD CAPABILITY**

Global %tile

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<tr>
<th></th>
<th>2017</th>
<th>2018</th>
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<tr>
<td></td>
<td>79th</td>
<td>97th</td>
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</table>

+18 pts
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- EARN MORE
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- USE LESS
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TOP-LINE GROWTH + EXPAND EBITDA MARGINS = TOTAL SHAREHOLDER RETURNS
MOLSON Coors
Q&A