



ANALYST DAY 2016

MBC VISION AND STRATEGY

"UK's leading Ale Brewer"

Extending our No1 position with brands demanded and loved by customers and consumers

| Vision | Big Brands | Localness | Customer Service | Supply Chain | Innovation |
|--|--|---|---|--|--|
| Strategy Pillars | <p>Drive Hobgoblin, Pedigree and Wainwright nationally</p> | <p>Leverage our USP of heartland brands</p> | <p>Outstanding customer service and category leadership in premium bottle and cask ale</p> <p>One stop shop in Free Trade</p> | <p>Highest quality at optimum cost</p> <p>Contract services driving cost efficiencies and industry consolidation</p> | <p>Industry leading insight and innovation to drive value growth</p> |
| <p>ATTRACT AND DEVELOP EXCEPTIONAL PEOPLE</p> | | | | | |



KEY MESSAGES



Brewing

- Original craft; Unions, Cooper and Burton water
- Innovative styles and technologies; fastcask



Sales and Marketing

- Core brands delivering current and future growth
- Market share gains in premium categories



Innovation

- Insight-led NPD executed with pace
- Future pipeline of high value, premium brands



Production and Logistics

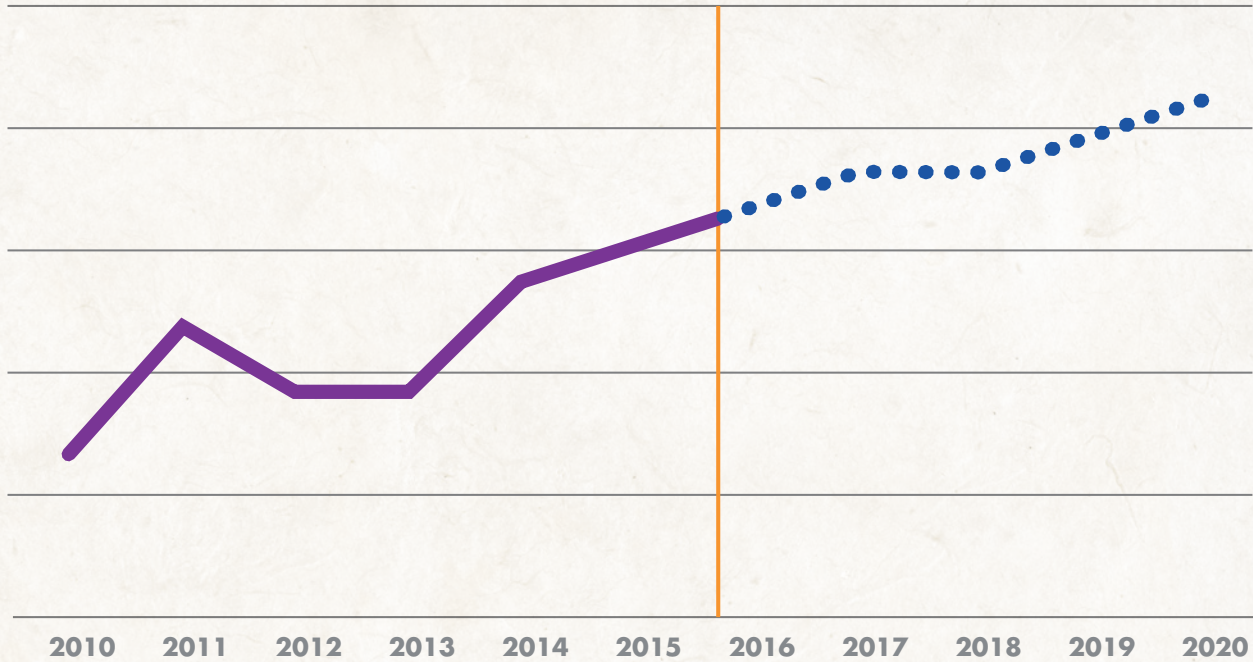
- Unique mix of scale and flexibility
- Forward investment plan to respond to constant change





BREWING

TOTAL GROUP BREWING VOLUME



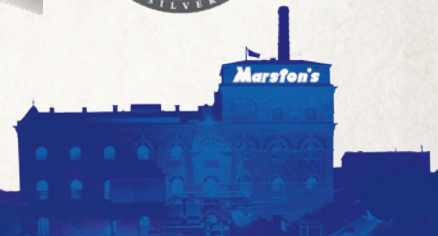
BREWING EXPERTISE



WE HAVE A WEALTH OF EXPERTISE ACROSS OUR BREWING TEAM THAT INCLUDES;

- 1 Fellow of the Institute of Brewing and Distilling
- 8 Master Brewers (+ 5 in training)
- 1 Beer Sommelier (+ 1 in training)
- 1 All Beer Parliamentary Beer Group Brewer of the Year 2014

15 BEERS WINNING 20 AWARDS IN 2015









SALES AND MARKETING

MBC MARKETING STRATEGY



Extend our **No1 position** with brands demanded and loved by our customers and consumers

Deliver **incremental growth** through industry leading insight & NPD

Drive Hobgoblin, Pedigree and Wainwright **nationally** while growing local brand families regionally





- The most shopped brand in Off Trade with 1.9m shoppers in 2015
- Number 90 in The Grocer Top 100 Alcohol Brands 2016
- Recruiting new consumers;
 - Gold PBA £3m RSV in 1st Year*
 - Ruby is number 1 PBA Recruiter Brand**

*Source: IRI All Outlets, 28 Feb 16 **Source: RBD Shoppertrack 16

FIND YOUR MOUNTAIN

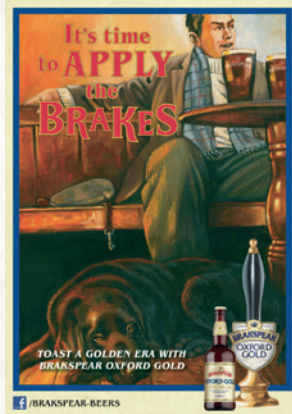
- Relunched with **contemporary branding**
- **Authentic/unique** with individual appeal
- **5 awards** won in 4 years
- Golden ales - Drive trial & recruitment of **younger drinkers**



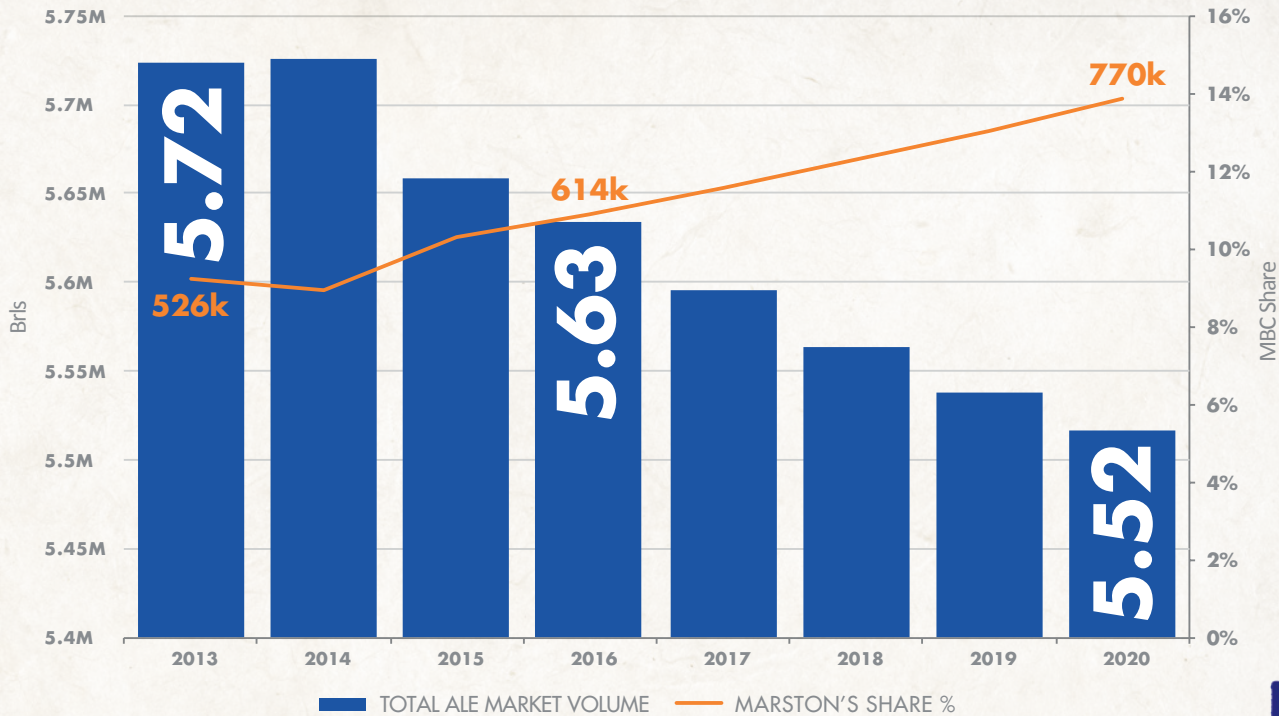
LOCAL STRATEGY



Regional brand families account for 60% of total own ale volume



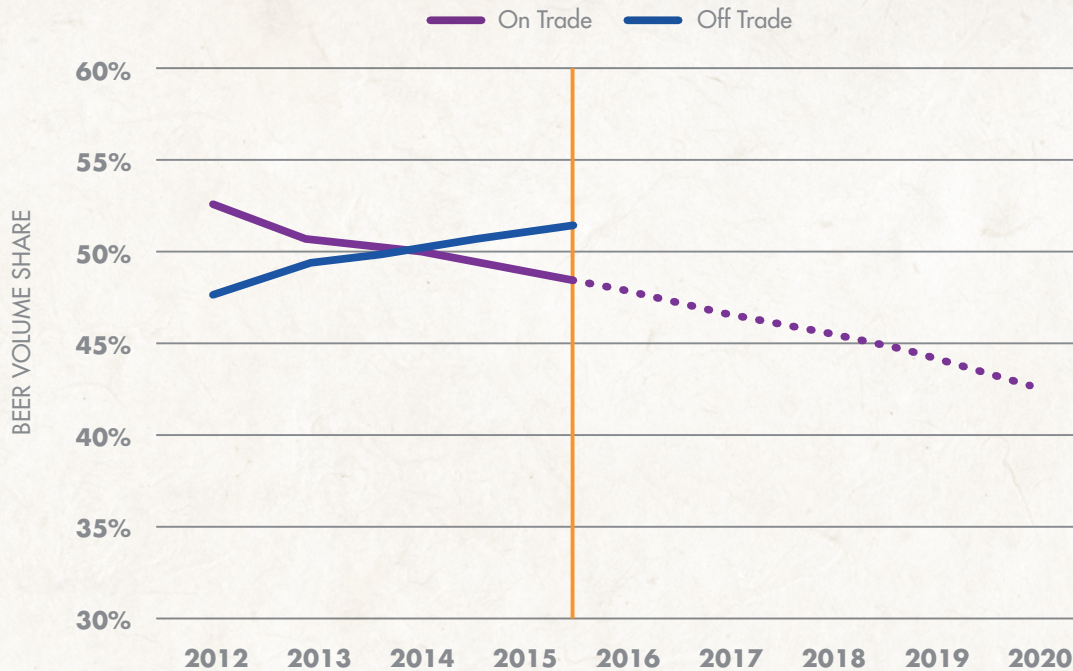
MBC SHARE GROWTH IN ALE MARKET



Source: BBPA ABS 2016



ON TO OFF SHIFT WILL CONTINUE



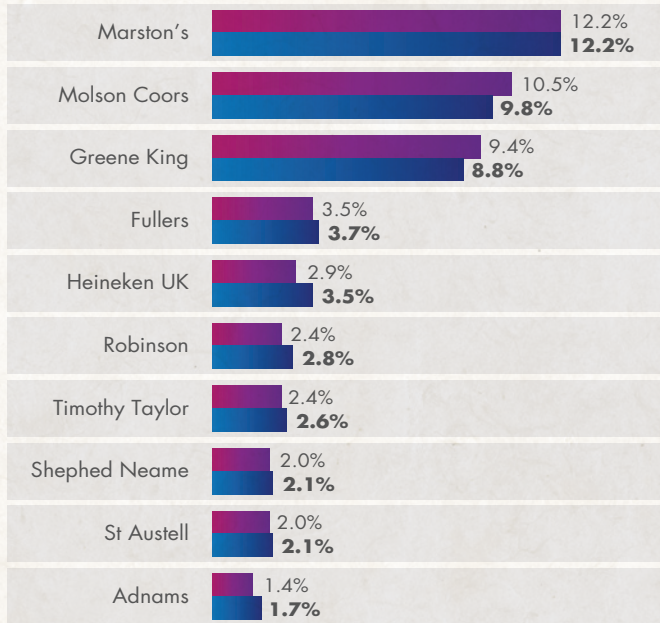
Source: BBPA ABS 2016 + MBC Forecast



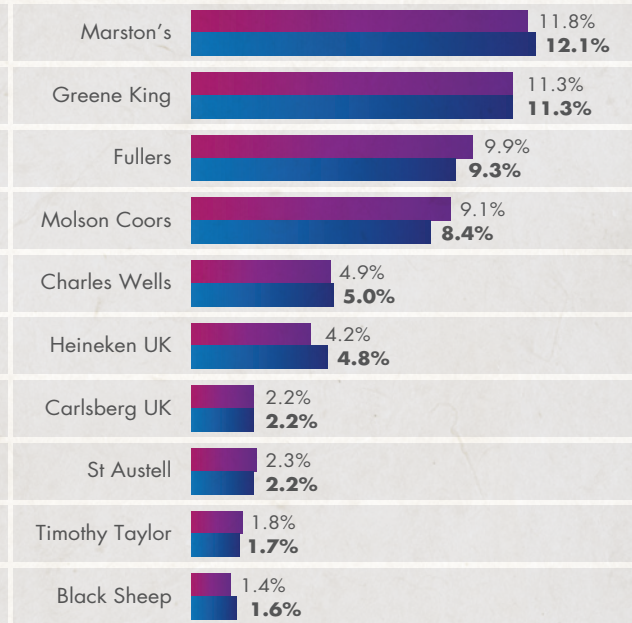


CASK ALE CATEGORY LEADER

TENANTED AND LEASE BREWER SHARE OF CASK ALE



FREE TRADE BREWER SHARE OF CASK ALE



Source: CGA Brand Index data to 19 March 2016

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UNRIVALLED BRANDS AND SERVICE



5 REGIONAL BREWERIES AND 8 DIFFERENT BRAND FAMILIES

We craft some of the nation's favourite cask, craft, keg and bottled ales

Wide range of market leading standard, premium and world beers and ciders and full selection of wines and spirits



JENNINGS



CASFIELD BEERS

MARSTON'S



BRAKSPEAR

RINGWOOD BREWERY

National network of **TRADE QUALITY BEER** Technicians

14 distribution depots delivering nationwide

An unrivalled range of **24 PERMANENT CASK ALES & 44 MONTHLY GUEST ALES**

Local and national sales force backed up with **AWARD WINNING CUSTOMER SERVICE**



Preferential rates for all Marston's customers on a range of extra services like energy, utilities, insurance and many more



BEST NATIONAL CASK ALE SUPPLIER IN THE LAST 3 READERS' POLLS

AWARD WINNING ALE

A range of 24 permanent beers and an exciting guest ale programme with a further 44 beers throughout the year.



EXCEPTIONAL SERVICE

Dedicated local Business Development Managers and an award winning customer services team.

UNRIVALLED QUALITY

A unique 'caskforce' team of over 30 Beer Quality Technicians who deliver on site beer quality advice, auditing and cellar support.

NATIONAL DISTRIBUTION

A dedicated team of over 320 personnel based at 14 local depots around the country all ensuring high quality and personal service.



EXTENSIVE DRINKS RANGE

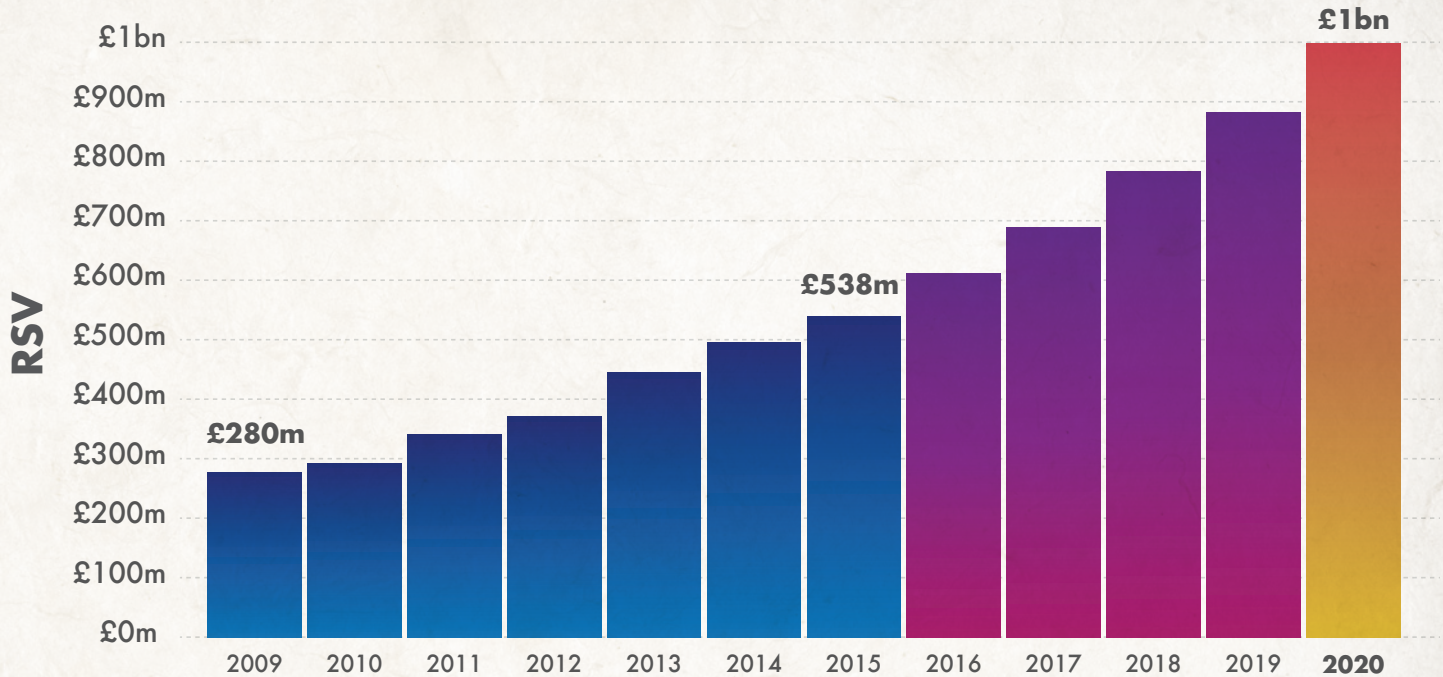
A wide range of drinks from lager, cider, wine, spirits and minerals, providing you a hassle free one stop shop.

COST SAVING SOLUTIONS

With over 1,700 pubs comes great purchasing power and Marston's have negotiated fantastic deals on a wide range of products and services such as card payments, kitchen and bar equipment and waste management.



PBA CATEGORY GROWTH



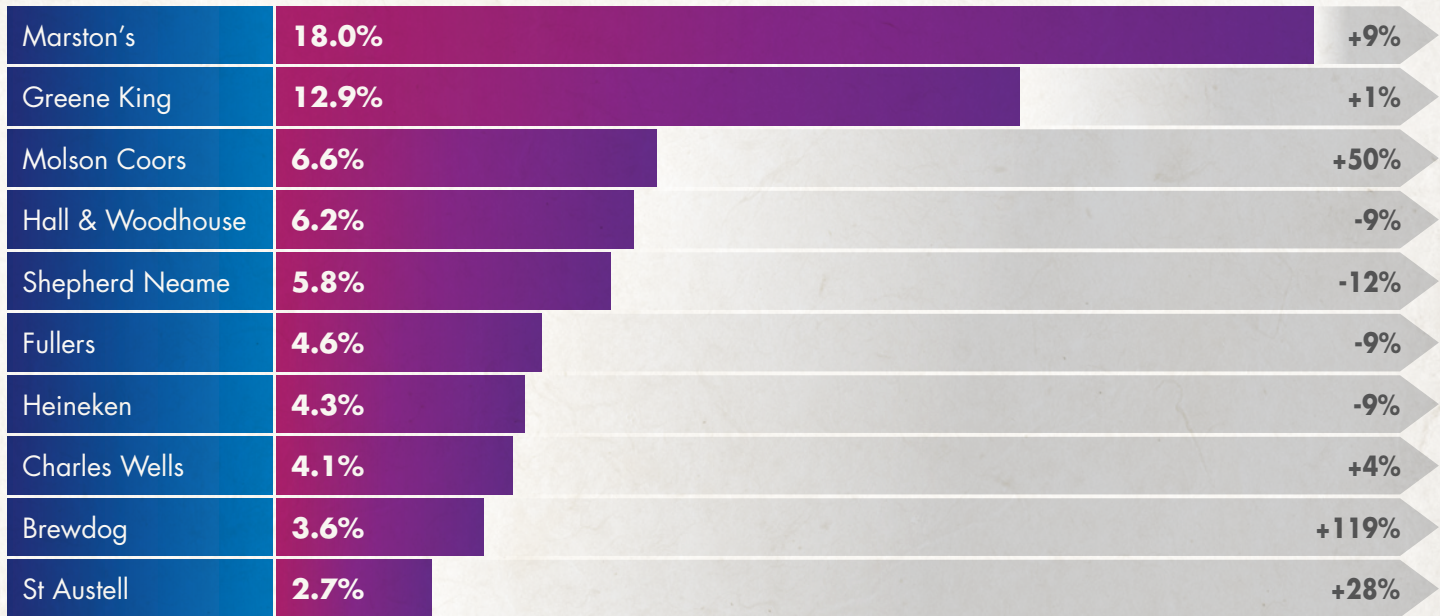
Source: Using BBPA volume and IRI Avg. Price Data; 52 W/E to 2 Jan 2016



TOP 10 BREWERS BY VALUE

MARKET SHARE

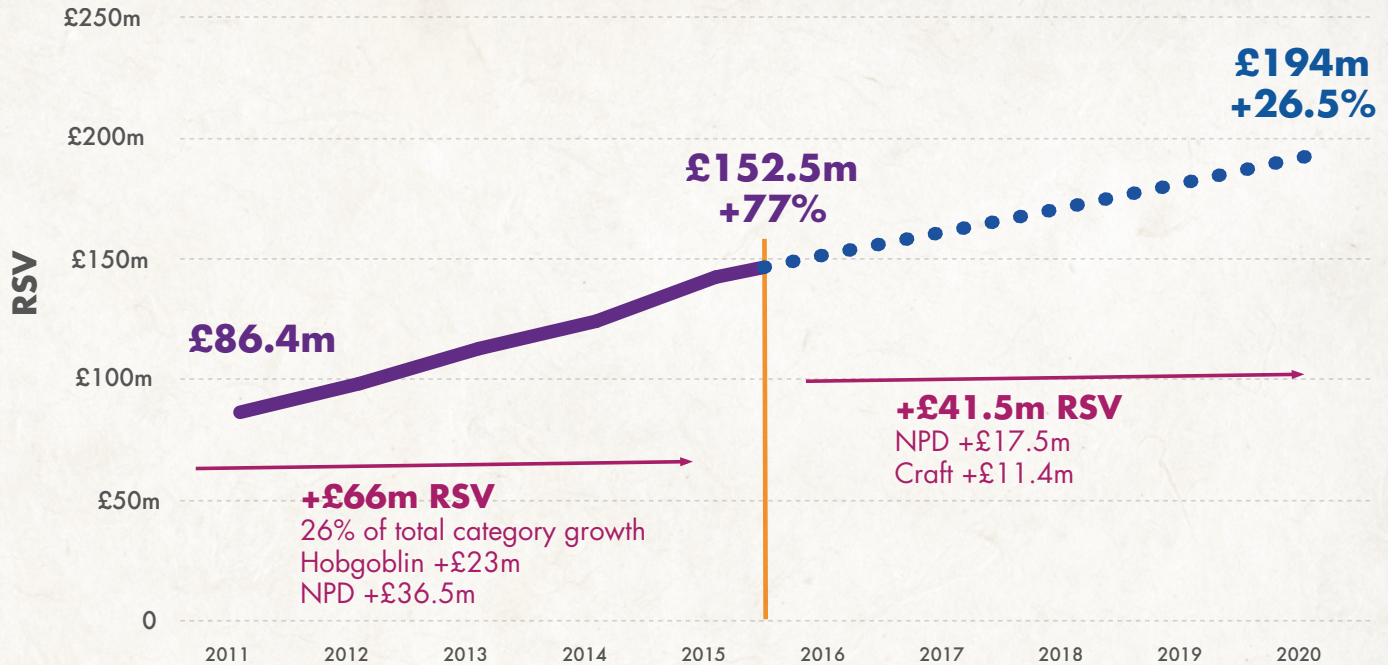
YOY VALUE CHANGE



Source: IRI All outlets, W/E 23 April 16



2020 OFF TRADE PLAN





INNOVATION

YOUNGER AND BETTER

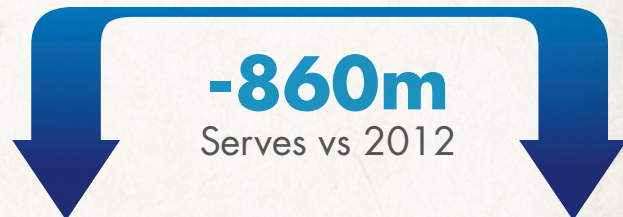
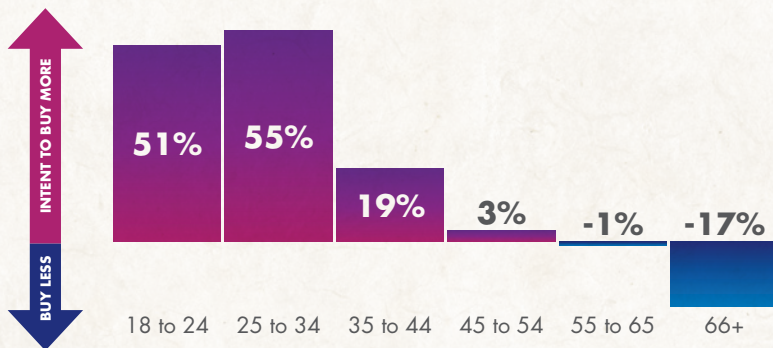
DRINKING OUT WEEKLY



ON TRADE CONSUMPTION



FUTURE PBA PURCHASING INTENT



Source: CGA strategy Brand Index data 19 March 2016
RBD Shoppertrack 2016



CRAFT BEER



7.1 million

GB consumers now typically drink craft beer when out-of-home. A figure higher than the equivalent 4.8m for gin.



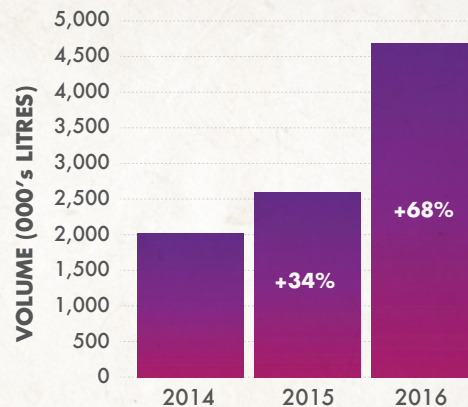
ON TRADE

VOLUME
+44%

VALUE
+50%



OFF TRADE



Source: SIG BWS Outlets, Volume, YoY

CRAFT BEER IS STOCKED IN
41,000

OUTLETS +21% YoY
RoS is up +20% YoY

YET CRAFT BEER **ONLY**
ACCOUNTS FOR
4.3%
of **total beer volume**

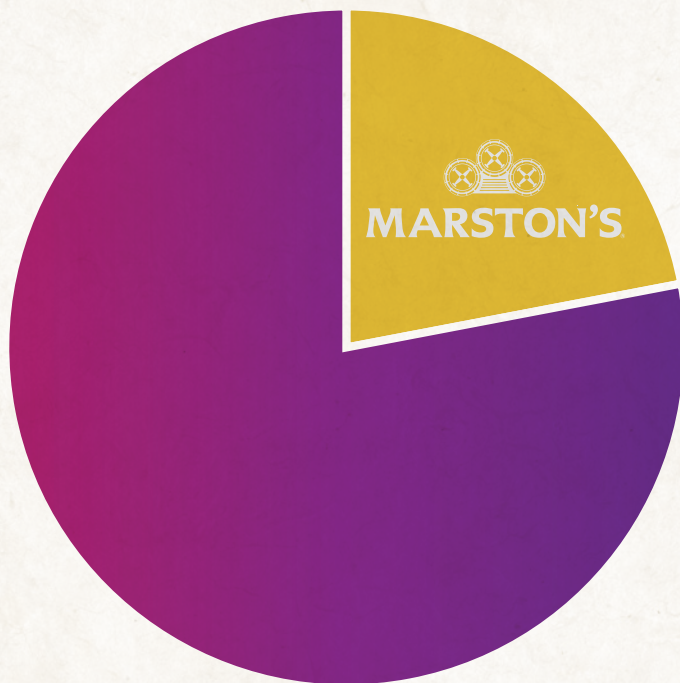
Source: CGA On Premise Measurement 2016P03 – 19 March 2016.



MARSTON'S 22% OF TOTAL NPD VALUE



TOTAL NPD VALUE £17.5M RSV



**22% =
£3.8m RSV**

NPD currently **5.4%**
of category value.

2020 vision **20%**
of category value.

Source: IRI All outlets, W/E 23 April 2016



TOP 5 ON TRADE CRAFT BRANDS

#1



**BROOKLYN
LAGER**

4.7% SHARE
(+56.6% vs YA)

#2



**BREWDOG
PUNK IPA**

2.5% SHARE
(+99.8% vs YA)

#3



**SHIPYARD
AMERICAN
PALE ALE**

1.9% SHARE
(+269.8% vs YA)

#4



**MEANTIME
PALE ALE**

1.8% SHARE
(+70.5% vs YA)

#5



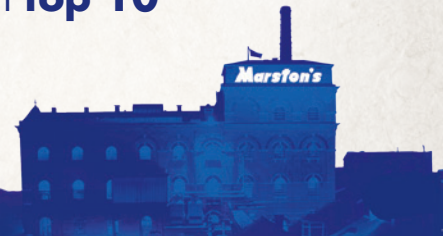
**CAMDEN
HELLS LAGER**

1.6% SHARE
(+127.6% vs YA)

Shipyard is the **fastest growing** craft brand in **top 10**

*Brands with distribution in less than 1,500 outlets have been removed from this list.

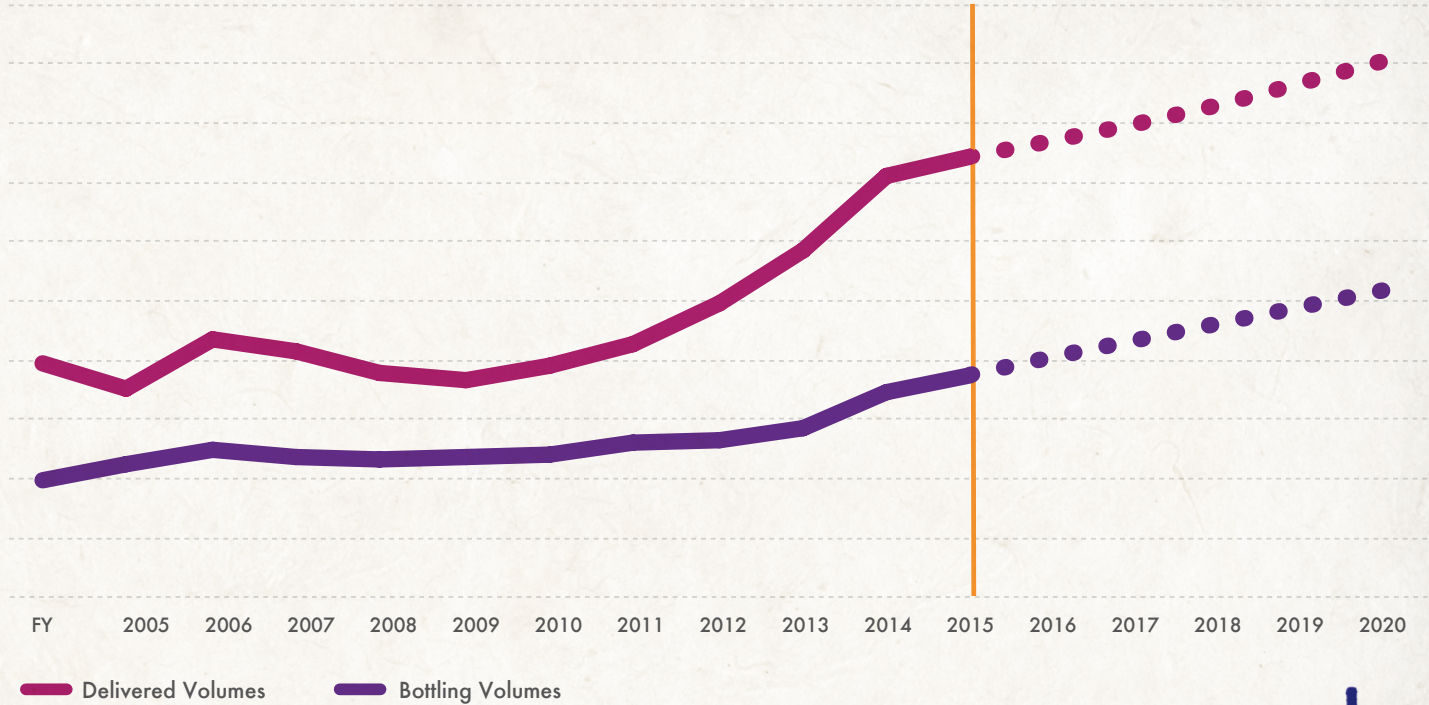
Source: CGA On Premise Measurement 2016P05 -14/05/2016.



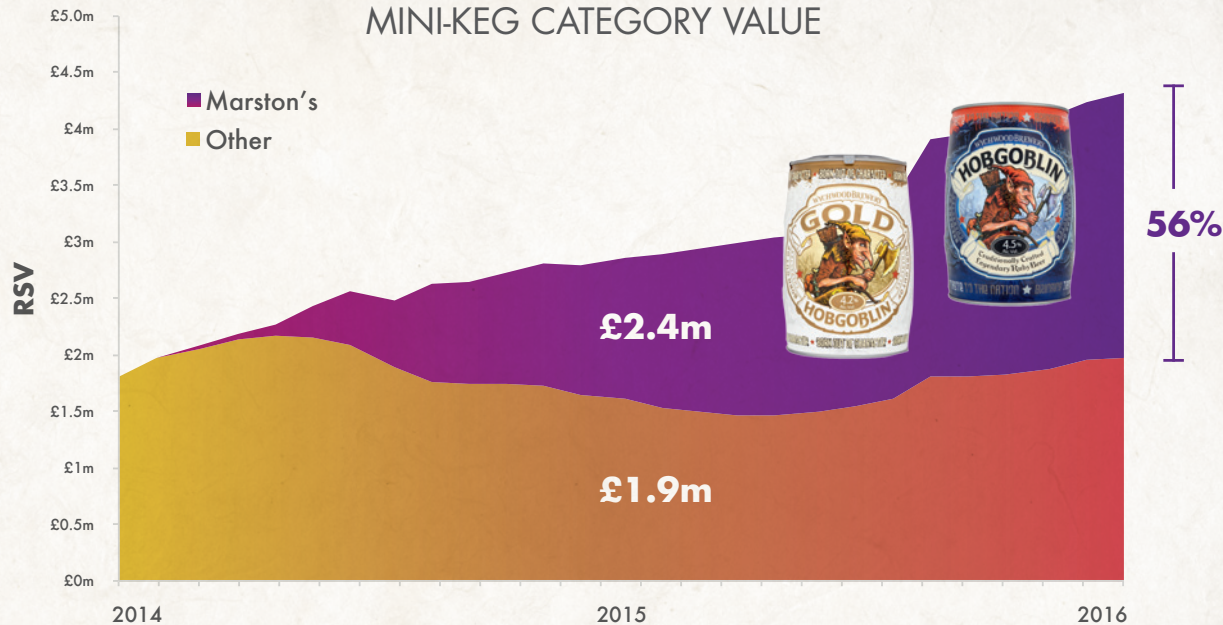


PRODUCTION AND LOGISTICS

BOTTLING AND WAREHOUSE VOLUMES



HOME KEG INNOVATION



- **28%** incremental
- Mini-Keg shoppers are twice as likely to be **under 45**

Source: IRI All outlets, W/E 23 April 16. Kantar WPO



LEVERAGING LOCALNESS IN OFF TRADE



The Mixed Pack Category is growing at **+25% YoY**

Source: IRI All outlets, W/E 23 April 16



