

Q3'19 Results & Revitalization Plan

October 30, 2019



MOLSON Coors

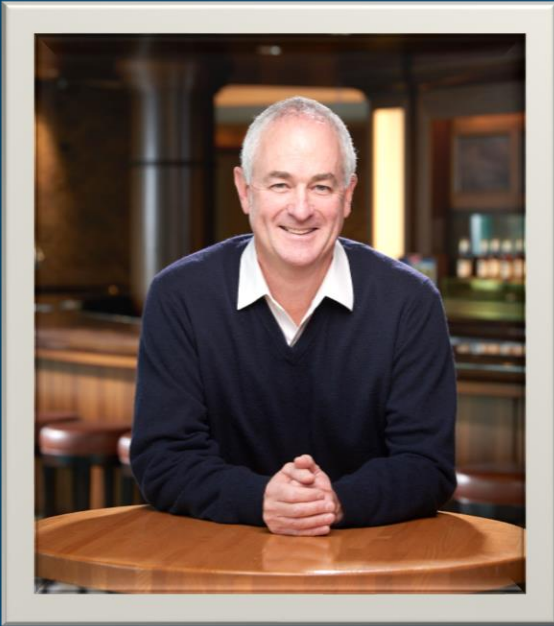
Forward Looking Statements

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; cost reduction strategies, including the 2019 revitalization plan and the estimated range of related restructuring charges and timing of cash charges; 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 presentation 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.

Introduction



**President &
Chief Executive Officer
Gavin Hattersley**



We are one of the world's leading brewers with beers that have stood the test of time



In the face of changing consumer behavior and taste, we must change to get to consistent topline growth



We are implementing a plan to invest in our brands, making hard choices to unlock resources

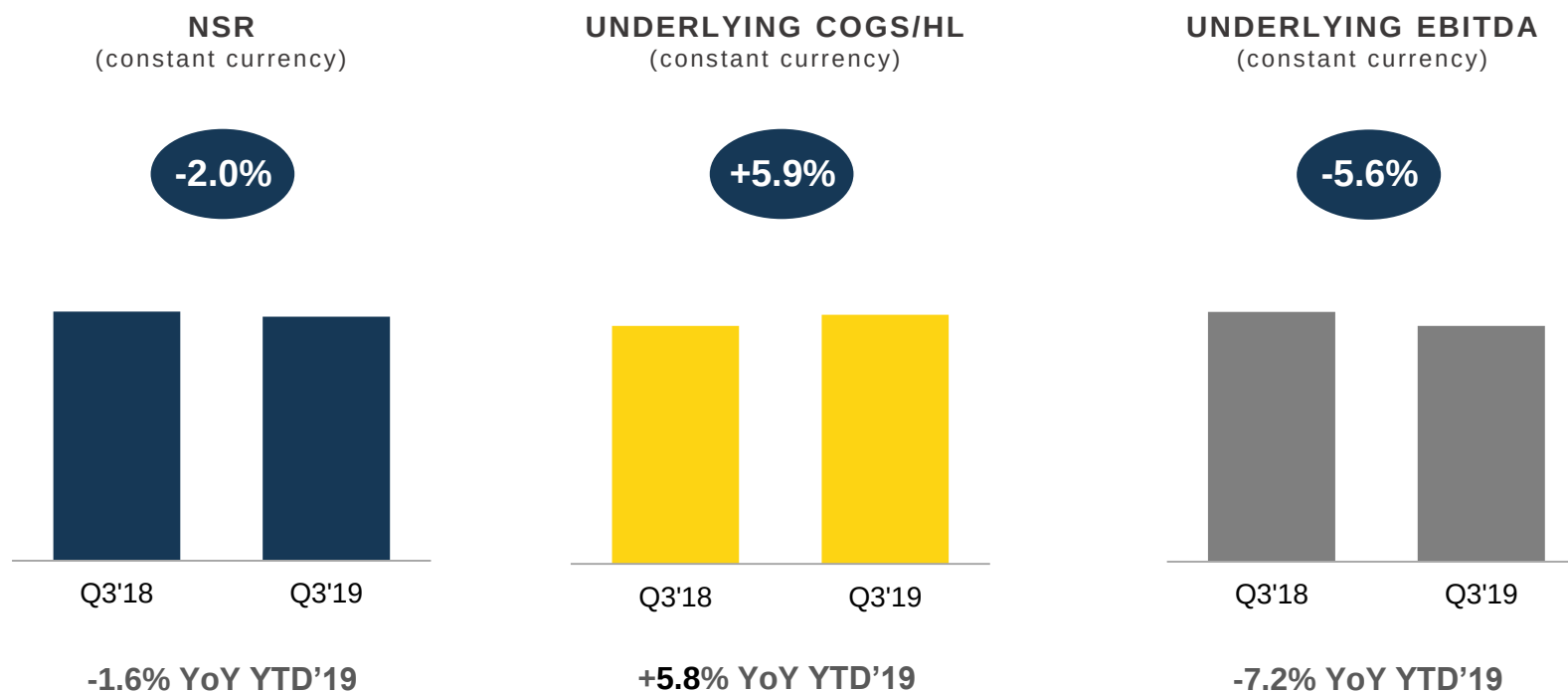


We will streamline decision-making, move faster as a company and take calculated risks



Chief Financial Officer
Tracey Joubert

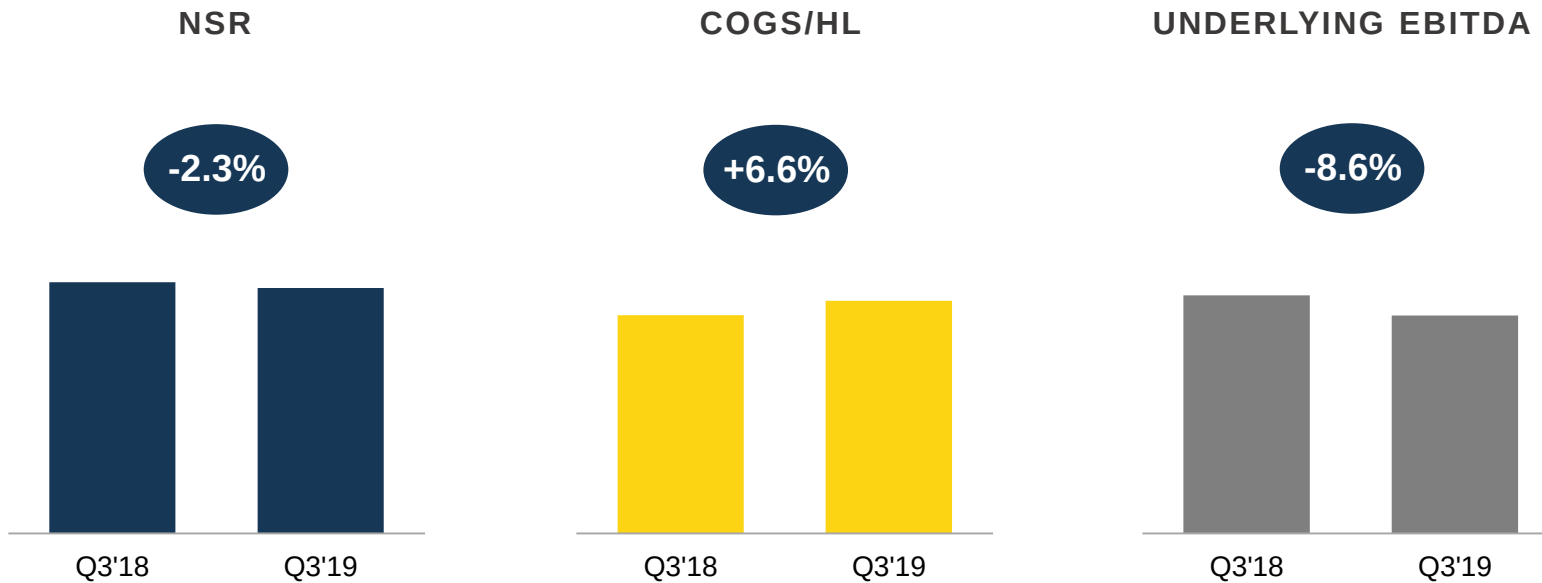
Third Quarter 2019



KEY TAKEAWAYS

- Strong pricing in all BUs
- Positive global sales mix
- Offset by volume declines
- Inflation, volume deleverage, partially offset by savings
- Lower incentive compensation
- Marketing spend per hectoliter up slightly in Q3 and YTD
- Maintained cash flow focus

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. COGS/HL on a financial volume basis in constant currency.

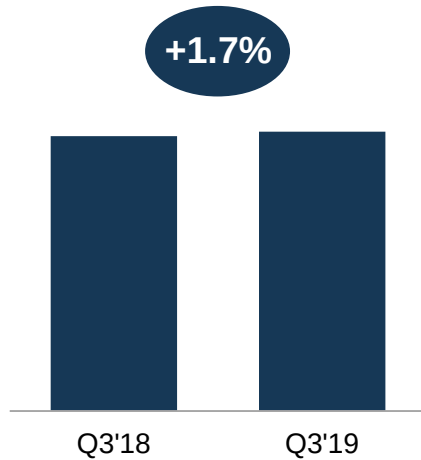
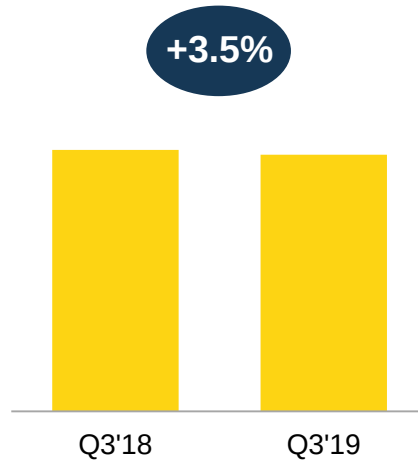
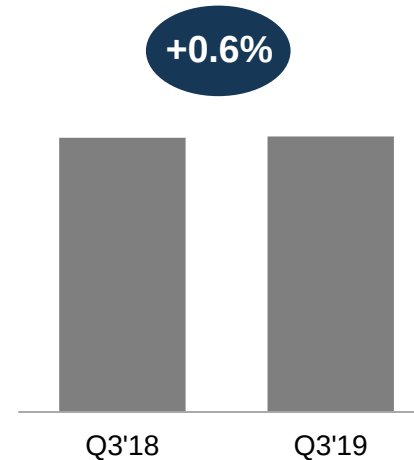


KEY TAKEAWAYS

- Strong pricing, mix positive for first time since Q2 2017
- Unfavorable brand volume and negative impacts of timing of distributor inventory levels
- Inflation, volume deleverage, unanticipated increase in property tax in Golden, partially offset by savings
- Cycling a net benefit from amicable resolution of vendor dispute
- Marketing spend up for premiumization priorities, including Blue Moon, Peroni, Cape Line

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. COGS/HL on a financial volume basis.

Q3 2019 Performance

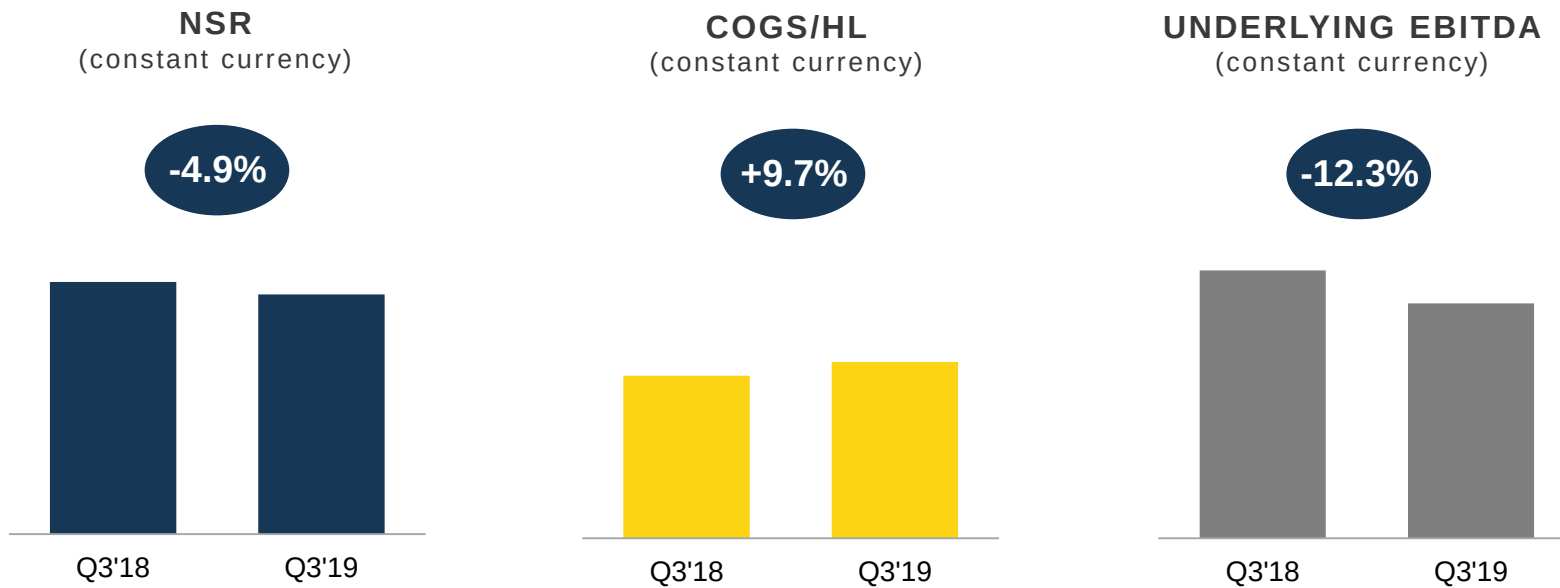
NSR
(constant currency)COGS/HL
(constant currency)UNDERLYING EBITDA
(constant currency)

KEY TAKEAWAYS

- Positive pricing and mix
- Volume down slightly
- COGS/HL increase driven by inflation
- Lower incentive compensation
- Higher total marketing investment focused on national champion brands and premiumization

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. COGS/HL on a financial volume basis in constant currency.

Q3 2019 Performance



KEY TAKEAWAYS

- Continued positive pricing
- Lower brand and contract volumes
- Volume deleverage, cycling PY distribution gains, brewery start-up costs and inflation, partially offset by savings
- Lower marketing spend and incentive compensation
- Impairment charge of \$668M

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. COGS/HL on a financial volume basis in constant currency.

NSR
(constant currency)

-15.5%



Q3'18 Q3'19

COGS/HL
(constant currency)

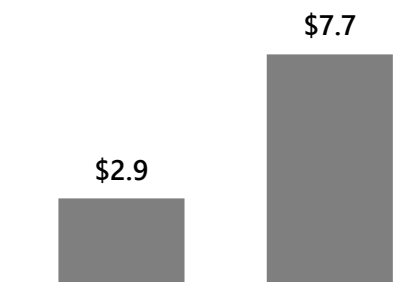
+6.1%



Q3'18 Q3'19

UNDERLYING EBITDA
(USD millions, % constant currency)

+189.7%



Q3'18 Q3'19

KEY TAKEAWAYS

- Volume decline driven by Paraguay, India, Puerto Rico, and shipment timing
- Net sales decrease driven by geographic mix
- Geographic mix, inflation
- Lower marketing spend and incentive compensation expense

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. COGS/HL on a financial volume basis in constant currency.

2019 Outlook

COST SAVINGS

~\$700M 2017-2019

2019 CONSOLIDATED UNDERLYING COGS/HL

Mid-single digit percentage increase constant currency

2019 CONSOLIDATED INTEREST EXPENSE

\$275M +/- 5%

2019 CAPITAL SPENDING

\$700M +/- 10%

2019 UNDERLYING D&A

~\$850M

2019 UNDERLYING FCF

\$1.4 billion +/- 10%

Revitalization Plan



MOLSON Coors

We Have The Scale & Brands To Compete Successfully

MOLSON COORS

- \$10.5 billion in net sales revenue
- Nearly 90 million HL brand volume
- \$2.3 billion in underlying EBITDA
- \$1.3 billion in underlying free cash flow



Note: For the 12-months ended September 30, 2019

Cost Savings

\$700M expected savings from 2017-2019

Strong Cash Flow

Anticipated 3 year **average FCF** delivery of more than **\$1.4B** ⁽¹⁾

Balance Sheet Strength

\$2.7B debt reduction ⁽²⁾

Strong Cash Return

Increased dividend by ~40% in September 2019

⁽¹⁾ Fiscal years 2017 - 2019

⁽²⁾ Debt reduction since Q4'16

What Has Affected Molson Coors Performance

Fundamental Changes in Growth Drivers...

- Rapidly shifting drinking preferences and behaviors
- Innovation and direct customer communication led by disruptive brands
- Overall beer losing share to other alcoholic and non alcoholic beverages
- Fast growing segments: Above Premium, Imports and FMBs

...Opportunity to improve

- Increase exposure to growing segments
- Bigger and faster innovations
- Simplify structure and decision making
- Increase brand investments
- Increase marketing spend and innovation capabilities

Our Revitalization Plan

Strategic



**Invest in our
iconic brands**



**Aggressively
grow above
premium
beer**



**Expand in
adjacencies
and beyond
beer**

Organizational



**Increase
investment in
marketing and
capabilities**



**Streamline our
company to
enable growth**



Invest In Iconic Brands

MOLSON Coors

Stabilize brand performance and position for sustainable growth

- **Accelerating** investment behind our largest brands
- **Focusing on recruitment** of new legal drinking age consumers
- Driving relevance with **breakthrough marketing**
- **Innovating** on core brands to attract new legal age drinkers





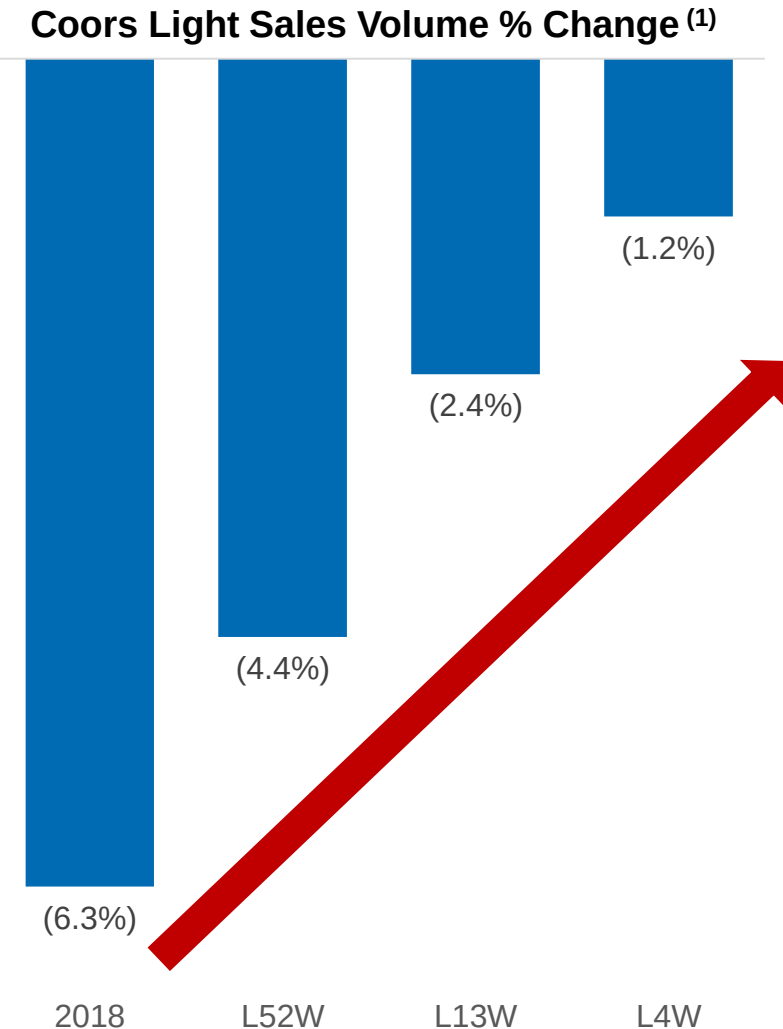
Making Progress on Coors Light, Our Top Priority

MOLSON *Coors*



2 billion
PR impressions
earned in Q3

- Attracting new legal age drinkers
- Refreshed brand purpose; stronger emotional relevancy
- Breakthrough new creative highlighting new occasions
- Driving talkability in culture



(1) Nielsen All Outlet as of October 19, 2019.

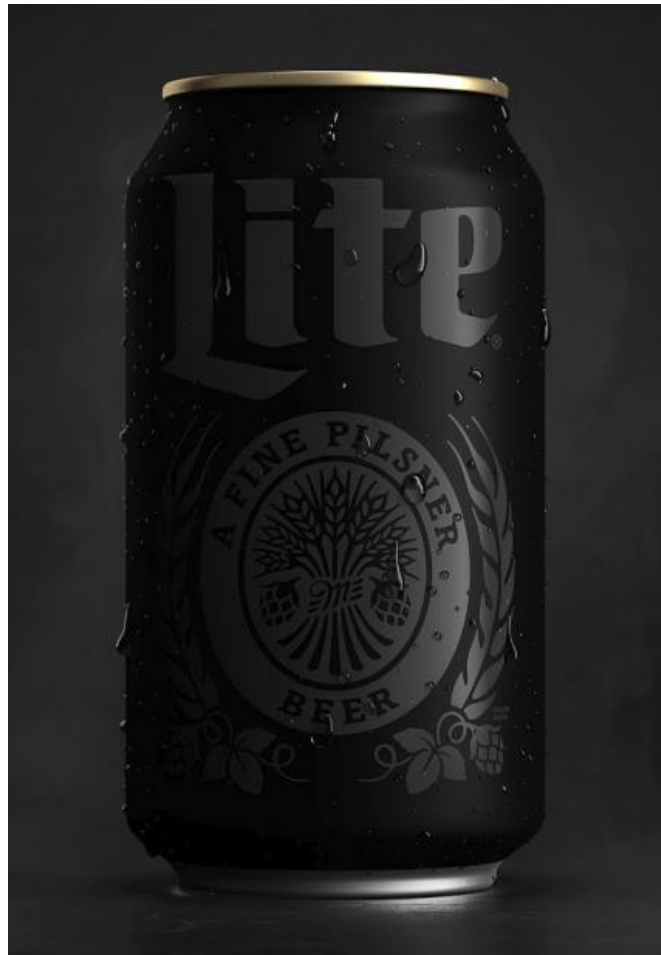


Redefining “Miller Time” For a New Generation

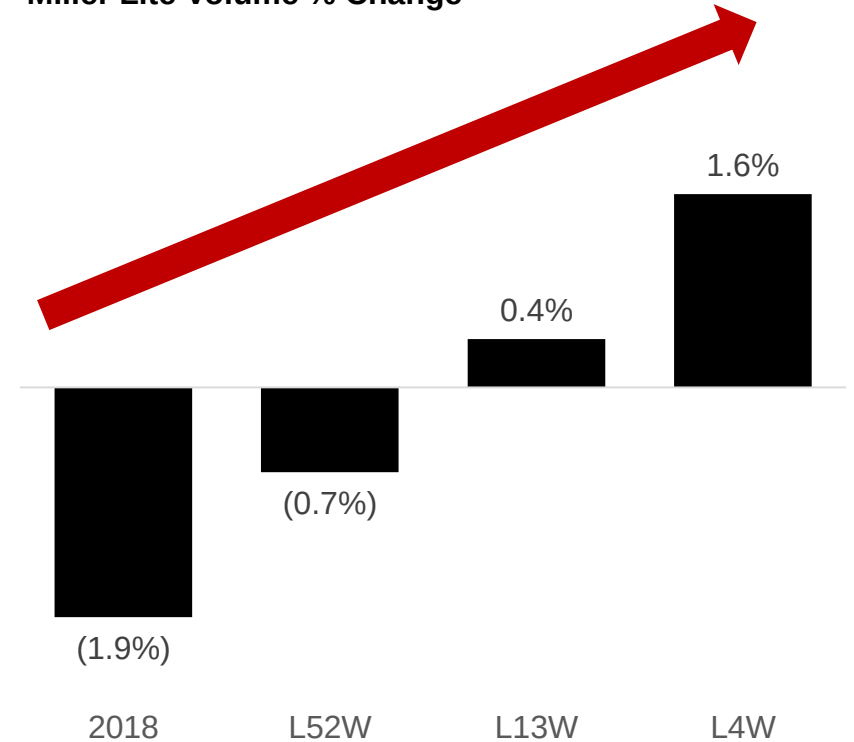
MOLSON *Coors*



(1) Nielsen All Outlet as of October 19, 2019.



Miller Lite Volume % Change ⁽¹⁾



**20 quarters of consecutive
segment share gain**



Aggressively Grow Above Premium

MOLSON *Coors*



**OVER 30% OF EUROPE
PORTFOLIO IS ABOVE
PREMIUM ⁽¹⁾**



**BLUE MOON
BELGIAN WHITE'S
BEST QUARTER
SINCE 2017 IN THE
US**



**+53% YEAR OVER
YEAR, FASTEST
GROWING TOP-30
IMPORT IN THE US ⁽²⁾**



**+40% YTD
IN CANADA ⁽¹⁾**

(1) Internal data. YTD through September 30, 2019

(2) Nielsen All Outlet through October 19, 2019

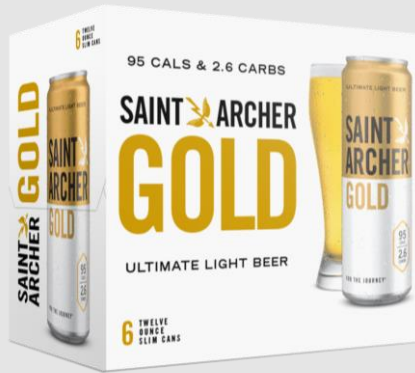


Exciting New Innovation Pipeline for 2020

MOLSON *Coors*

Premiumize

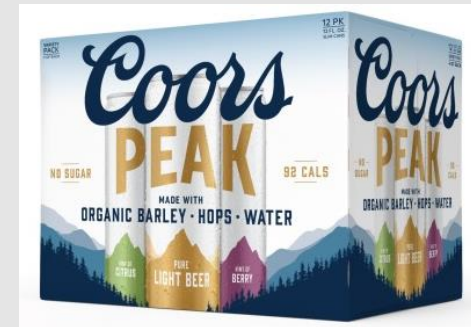
Develop Above Premium Brands to Enhance Value



The ultimate light beer
National distribution to start in 2020



One-of-a-kind taste, lower calories
To launch in 2020



Pure light beer – organic ingredients
To launch in March 2020



Recent Success Expanding into Adjacencies

MOLSON-Coors



**CARLING BLACK
FRUITS DRAUGHT
+75% YEAR OVER
YEAR ⁽¹⁾**



**TOP 10 GROWTH
BRAND ⁽²⁾**

**TWO #1 NEW FMB
BRAND FRANCHISE
IN 2018 AND 2019**



**WINE SPRITZERS, A
LIGHT & REFRESHING
ALTERNATIVE TO
BEER,
4 MONTHS TO
MARKET**



**RAPID SCALE-UP
LEVERAGING
DISTRIBUTION
PLATFORM**

(1) Internal data. YTD through September 30, 2019

(2) Nielsen All Outlet for the 14 weeks ended September 16, 2019



Strong Pipeline of Additional Adjacencies

MOLSON *Coors*



**POSITIVE MARKET
TEST RESULTS
CAPITALIZING ON RTD
COFFEE GROWTH**



**INTRODUCING
VIZZY!
THE FIRST HARD
SELTZER INFUSED
WITH SUPER FRUITS**



**ICONIC BRAND
DELIVERING A LOW
SUGAR AND LOW
CALORIE RECIPE**

truss
Beverage Co.

**EARLY MOVER
ADVANTAGE
FULL PORTFOLIO OF
THC AND CBD NON-
ALC BEVERAGES**



Molson Coors Beverage Company





Increased Investment in Capabilities

MOLSON *Coors*



TARGETED INSIGHTS AND NEW
FORMS OF INNOVATION



ECommerce



PRECISION MARKETING



NEXT-GEN IN-HOUSE MARKETING
CAPABILITIES



Reorganizing to Simplify and Fund Growth

MOLSON *Coors*

Streamlining our company...

- Consolidating operations for the U.S. and Canada
- Two business units: North America and Europe
- Consolidating and reorganizing North America office locations
- Integrated and streamlined leadership team
- Incremental \$150M of cost savings, taking 2020 – 2022 cost savings program to \$600M

...To Support Our Growth

- Delivers nimble, faster moving company
- Creates more accountability within the leadership team
- All cost savings reinvested in brand building and organizational capabilities
- \$120M - \$180M in costs to achieve synergies, to be spread over the balance of this year, 2020 and 2021

Outlook And Capital Allocation

2020 Guidance

- A Transition Year
- Net Sales Revenue expected to be flat to down low-single-digits on a constant currency basis
- Underlying EBITDA expected to be down mid-single-digits on a constant currency basis from trailing twelve months ⁽¹⁾
- Expected Underlying Free Cash Flow of \$1.1 billion +/- 10%
- Expected Cost Savings upsized from \$450M to \$600M for the 2020-2022 program

Post-2020 Guidance

- Improvement in Net Sales Revenue expected
- Expected Underlying EBITDA to grow in constant currency
- Incremental ~\$150M Annual Cost Savings, included within the \$600M program, expected to be reinvested once achieved

Balance Sheet and Return of Capital

- Intend to maintain investment grade rating
- Intend to maintain current dividend payout of 20–25% of trailing annual underlying EBITDA

More Details to Be Provided on 4Q 2019 Call

Note: The change in structure to two business units will not be effective until January 1, 2020, and therefore the resulting financial reporting changes will not be reflected until our first quarter 2020 results

(1) Based on \$2,289 million Underlying EBITDA for the 12-months ended September 30, 2019.

Molson Coors Beverage Company



Questions & Answers



MOLSON Coors