



## From the Office of the Sales & Distribution Director

65 Park Lane, Sandown, Sandton, 2196

Tel: +27 (0) 11 881 8784,

Fax: +27 (0) 84 197 8643

PO Box 782178,

Sandton,

2146

14 September 2007

Dear customer,

Our supplies continue to remain tight and I am aware of the inconvenience and frustration that this is causing for your business. I want to reassure you that we are committed to doing everything possible to alleviate the situation and in particular, to keep the line of communication open with you so that you are as informed as you can be on the matter.

The fact of the matter is that our supplies are constrained and may remain so for some time. But it is important to highlight that there is not a critical shortage of beer in the country. The challenge lies in our stock holding levels which are running tight and below the levels that make it possible to supply you as efficiently as you are accustomed to. Our efforts are focused on building up our stock levels.

To put the issue in context, you will recall that a few factors have precipitated the situation :

- Volume growth has exceeded expectation despite the loss of Amstel from our portfolio. In other words, demand is currently outstripping supply
- The need to import glass to supplement local supplies has created logistical challenges in our operations
- We have had to retool recently for the 330ml can conversion

All of these factors have made our planning more complex and our ability to respond more difficult.

We are doing everything possible to build up our stock levels to meet and service demand, including:

- Our breweries are running at full capacity 24 hours, 7 days a week
- We are transporting beer around the country to meet high demand areas
- We are continuing to drive our investment initiatives in capacity and capability (e.g. new packaging lines) to gear up for the longer-term

At this stage the most important thing is to keep an open line of communication. I would urge you to stay in touch with your local sales teams who have been fully briefed on the situation in your area. In the event that its useful, you are also invited to call our toll free number on 0860 12 14 14.

Thank you again for your understanding and co-operation and please bear with us during this tough time. I will keep you updated as the situation develops

Kind regards  
**Wayne McCauley**  
Sales & Distribution Director

#### Directors

E A G Mackay (Chairman)\*, C A van Kralingen (Managing Director), N J Adami \*, S D Bluen, I H F Boesenberg, IV Everitt-Penhale (*British*), M P Fandeso\*, K I Hitchcock, J M Kahn\*, K D Moroka#, W McCauley, J Nel\*, M M Ngoasheng#, B N Njobe, A C Parker\*, C D Raphiri, G D Saunders, M I Wyman\* (*British*) Company Secretary M C B Saxby

\* Non Executive

#Independent Non Executive

Reg. No. 1998/006375/06



A subsidiary of SABMiller plc