



**KRAFT FOODS SOUTH AFRICA (PTY)
LIMITED**

(REGISTRATION NUMBER: 1989/000735/07)
"KRAFT"

**THE SOUTH AFRICAN BREWERIES
LIMITED**

(REGISTRATION NUMBER: 1998/006357/06)
"SAB"

DISPOSAL OF LECOL BUSINESS

1. INTRODUCTION

The directors of Kraft and SAB are pleased to announce that SAB has acquired the business operations of Lecol from Kraft.

2. NATURE OF BUSINESS

Lecol manufactures and distributes cordial, squash and concentrated beverage products. SAB, through its Amalgamated Beverages Division is South Africa's largest manufacturer and distributor of carbonated and non-carbonated beverages.

3. RATIONALE FOR TRANSACTION

Kraft has chosen to focus on brands in which it has a competitive advantage and has decided to dispose of its beverage interests. The Lecol brands offer SAB an opportunity to participate in the concentrate, cordials and squash sector of the beverage industry. The Lecol portfolio of brands shall be housed and distributed alongside the Appletiser brand.

4. TERMS OF THE TRANSACTION

The terms of the transaction remain confidential.

JULY 2007
SANDTON

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