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Molson Coors Brewing Company Q1 2009 Investor Relations Follow-up Call Transcript

Question-and-Answer Session

Operator

(Operator Instructions) Our first question comes from Mark Swartzberg from Stifel Nicolaus.

Mark Swartzberg - Stifel Nicolaus

On your D&A amount for the year, can you give us an idea of what's a good number there? I believe it was \$44 million in the first quarter.

Dave Dunnewold

Yes. We don't tend to get a lot of variability around depreciation and amortization. So the first quarter is probably your best gauge for the year, obviously times for. That would be just for Molson Coors, Miller Coors is a separate question and you're probably aware that at their level to call it 100% level and we get 42% of that that does not flow through our depreciation and amortization line. They though reported \$71 million in the first quarter.

Mark Swartzberg - Stifel Nicolaus

Then in terms of cap spending for Miller Coors, there were some exchange in your call on that given the cash flow statement you all provided for yourselves. I guess you put in \$67 million in the quarter to the JV. Can you tell us, if you're the JV, what, in fact, did the JV spend in the way of CapEx in the quarter?

Dave Dunnewold

They reported additions to properties in intangibles of \$97 million in the first quarter. The \$67 million that shows up in our cash flow statement is a combination of our portion of those additions to properties as well as changes in working capital and other changes in investing activity cash.

Operator

(Operator Instructions) Our next question is from Christine Farkas of Merrill Lynch.

Christine Farkas - Merrill Lynch

I'm going to go back to a question I asked on the call that had to do with the amortization in the JV. If I were to look at what you reported with respect to \$97.1 million of equity income from the JV, that

includes about \$3 million of ongoing amortization. These are the adjustments, I suppose, below the cap share of Miller Coors net income. There just seems to be a lot of variability on that number, and the fourth quarter was \$31 million. Do you know what I'm referring to?

Dave Dunnewold

Yes. I'll take some headlines and then Mark Ingebritson can clean up anything that needs to be. He's the expert on that.

First of all, the depreciation and amortization I gave you works from a cash flow statement standpoint. On the other hand, when you're looking at page ten of our release this morning, you will see a reconciliation table that essentially takes you from net income attributable to Miller Coors and I'm sure this is what you're looking at. Then you have some add backs and so on to get down to equity income in Miller Coors. Part of that you'll see \$3 million of amortization of basis difference between MCBC and contributed cost basis in the underlying equity in net asset.

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