



Tanzania Breweries Limited

Tanzania Breweries Limited today announces its results for the six months period ended 30 September 2015.

Highlights are as follows:

HEADLINE RESULTS

	2015 Tsh 'm	2014 Tsh 'm	% change
Total Revenue	550,108	516,880	6
Gross Profit	269,827	257,310	5
Operating Profit	159,258	149,248	7
Basic earnings per share	372	337	10
Dividend per share	300	250	20

Company Profile

Tanzania Breweries Limited (TBL) is a subsidiary of SABMiller. TBL manufactures and sells and distributes clear beer, alcoholic fruit beverages and non-alcoholic beverages within Tanzania. TBL as a major player in the beverage sector is committed to the export of its products to niche and neighboring markets under the East Africa common market trading arrangement. TBL has controlling interest in Tanzania Distilleries Limited and Darbrew Limited. TBL's most popular clear beer brands include Safari Lager, Kilimanjaro Premium Lager, Ndovu Special Malt, Castle Lager and Castle Lite. Other prominent brands associated with the TBL group are Konyagi Gin, Amarula Cream and Redds Premium Cold. The TBL group is listed on the Dar es Salaam Stock Exchange, employs about 1,700 people and is represented throughout the country with four clear beer breweries, a distillery, a traditional beer business, a malting facility and 10 distribution depots.

Overview of SABMiller

SABMiller is one of the world's largest brewers with brewing interest or distribution agreements in over 60 countries across six continents. The group brands include premium international brands such as Miller Genuine Draft, Peroni Nastro Azzurro, Grolsch, Fosters and Pilsner Urquell, as well as an exceptional range of market leading local brands. SABMiller is listed on the London and Johannesburg stock exchanges.

Financial Review

Tanzania Breweries Limited Group of Companies has delivered a satisfactory set of results for the six months ended 30th September 2015 despite challenging market and economic conditions. Revenue growth of 6% over last year was driven by higher volumes, as well as positive product mix. Overall volumes were up for the half year compared to same period prior year. The favourable volume growth was due to selling price stability largely as a result of no increase in excise rates for alcohol as contained in this year's Finance Act. Operating profit for the period ended

30th September 2015 was 7% ahead of the prior year. This was despite the significant depreciation of the Tanzania Shilling over the period which increased the cost of imported production materials. Production and distribution efficiencies assisted in leveraging growth. Total cash generated from operations amounted to Tsh 179 billion, of which Tsh 43 billion was utilised to pay corporate tax, while the remaining Tsh 136 billion funded interest and capital expenditure as well as paying dividends of Tsh 88 billion to Company shareholders. The growth in earnings was achieved largely through volume growth, improved efficiencies as well as focused cost management whilst operating in a challenging environment. I would like to thank the Board, management and employees for their efforts and continued support as well as our customers, consumers and all stakeholders for their loyalty.

Roberto Jarrin
Roberto Jarrin
Managing Director

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2015

	2015 Tsh 'm	2014 Tsh 'm	% Change
Revenue	550,108	516,880	6
Cost of sales	(280,281)	(259,570)	
Gross profit	269,827	257,310	5
Selling and distribution costs	(71,751)	(78,078)	
Administrative expenses	(34,121)	(29,813)	
Other income	(4,697)	(171)	
Derivative income/(losses)	(584)	(438)	
Operating profit	159,258	149,248	7
Finance costs	1,966	(4,136)	
Profit before income tax	161,224	145,112	11
Income tax expense	(50,122)	(43,783)	
Profit for the period	111,102	101,329	10
Attributable to			
Equity holders of the parent	107,437	97,472	
Non-controlling interests	3,665	3,857	
	111,102	101,329	10
Total number of shares in issue	294,928,463	294,928,463	
Less: Treasury shares	(5,898,596)	(5,898,596)	
Weighted ave. number of shares in issue	289,029,867	289,029,867	
Basic earnings per share (Tsh)	372	337	10
Diluted earnings per share (Tsh)	364	330	10
Interim dividend per share (Tsh)	300	250	

STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2015

	30-Sep 2015 Tsh 'm	30-Sep 2014 Tsh 'm	% Change
ASSETS			
Non-current assets			
Intangible assets	48,992	49,441	
Property plant and equipment	511,432	479,360	
Investments	88	88	
	560,512	528,889	6
Current assets			
Derivative financial instruments	1,368	1,014	
Inventories	128,050	152,966	
Accounts receivable	155,304	110,565	
Bank and cash balances	53,177	19,429	
	337,899	283,974	11
Total assets	898,411	812,863	11
EQUITY			
Share capital	29,493	29,493	
Share premium	45,346	45,346	
Other reserves	(13,262)	(12,205)	
Retained earnings	557,946	502,746	
	619,523	565,380	10
Non-controlling interests	12,153	11,426	
Total equity	631,676	576,806	10
Non-current liabilities			
Borrowings	1,125	1,825	
Deferred income tax	53,977	48,755	
	55,102	50,580	
Current liabilities			
Provisions	739	1,194	
Derivative financial instruments	3,499	553	
Trade and other payables	145,211	139,917	
Income tax payable	171	7,058	
Borrowings	62,013	36,755	
	211,633	185,477	14
Total equity and liabilities	898,411	812,863	11

STATEMENTS OF CASH FLOWS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2015

	2015 Tsh 'm	2014 Tsh 'm	% Change
Cash generated from operating activities			
Operating profit	159,258	149,248	7
Adjusted for:			
Depreciation & amortisation	25,995	22,697	
Loss (Profit) on sale of property plant and equipment	(14)	73	
Foreign exchange losses on loans	128.00	-	
Other non-cash items		727	
	185,367	172,745	7
Changes in working capital	(6,281)	3,868	
Cash generated from operations	179,086	176,613	1
Interest paid	(4,667)	(3,975)	
Taxation paid	(42,652)	(38,600)	
Net cash inflow from operation activities	131,767	134,037	-2
Cash flows from investing activities			
Purchase of property plant and equipment	(34,041)	(35,472)	-4
Proceeds from disposals	81	673	
Net Cash used in investing activities	(33,960)	(34,799)	-2
Cash flows from financing activities			
Dividends paid to group shareholders	(87,629)	(73,827)	
Dividends paid to minority shareholders	(4,409)	(1,968)	
Repayments of bank borrowings	(375)		
Net Cash used in financing activities	(92,413)	(75,795)	
Net increase/(decrease) in cash and cash equivalents	5,394	23,444	
Cash and cash equivalents at 1 April	(19,661)	(40,770)	
Exchange (loss)/gain on cash and cash equivalent	6,761		
Cash and cash equivalents at 30 Sept	(7,506)	(17,326)	

STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2015

GROUP	Share	Share	Other	Retained	Minority	Total
	Capital	Premium	Reserves	Earnings	interest	Tsh 'm
	Tsh 'm	Tsh 'm	Tsh 'm	Tsh 'm	Tsh 'm	Tsh 'm
Balance at 1 April 2014	29,493	45,346	(10,888)	479,007	9,645	552,603
Net profit after tax	-	-	-	97,472	3,857	101,329
Cash flow hedge fair value gain	-	-	(1,317)	-	(108)	(1,425)
Interim dividend payable	-	-	-	(73,733)	(1,968)	(75,701)
Balance at 30 September 2014	29,493	45,346	(12,205)	502,746	11,426	576,806
Balance at 1 April 2015	29,493	45,346	(14,680)	538,979	13,657	612,795
Net profit after tax	-	-	-	107,437	3,665	111,102
Cash flow hedge fair value gain	-	-	1,418	-	(752)	666
Interim dividend	-	-	-	(88,470)	(4,417)	(92,887)
Balance at 30 September 2015	29,493	45,346	(13,262)	557,946	12,153	631,676