



Delta Corporation

LIMITED

BUSINESS UPDATE

FOR

THE 2012 AGM

25 July 2012

ISSUES COVERED

- 1. Volumes**
- 2. Revenue Growth**
- 3. Earnings Performance**
- 4. Update on Initiatives**
- 5. Prospects for the year**

OVERVIEW

**EARNINGS GROWTH REMAINS
STRONG DRIVEN BY PRODUCT MIX
AND VALUE CHAIN MANAGEMENT**

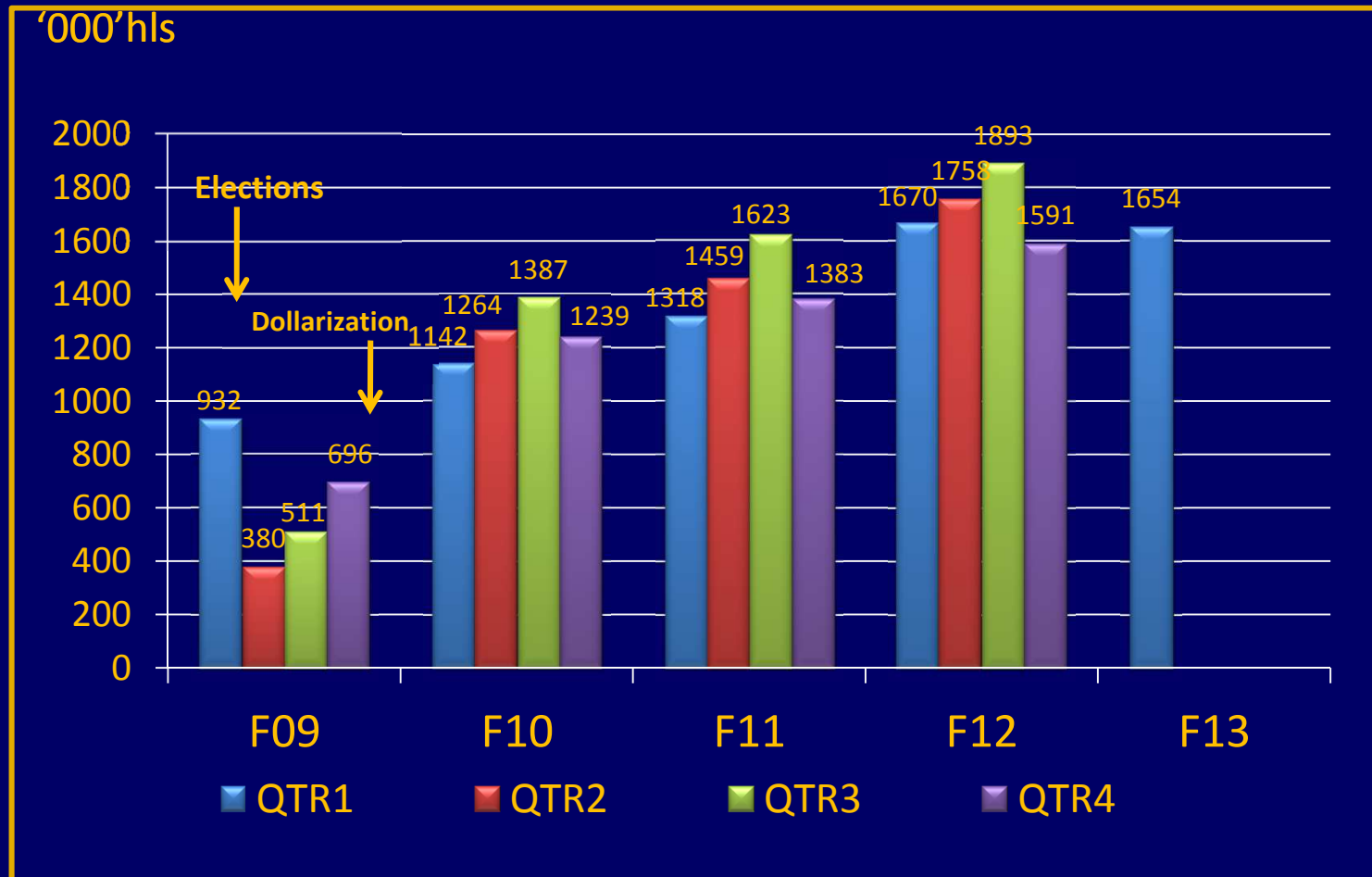
QUARTERLY VOLUME GROWTH BY CATEGORY VS. PRIOR YEAR

% Growth	Lager Beer	Sorghum Beer	Sparkling Beverages	Total Beverages	Plastic Packaging
Qtr 1 Vs. Pr. Yr.	10%	(6)%	(0)%	(1)%	20%
YTD July vs. Pr Yr.	10%	(6)%	6%	5%	20%

Comments:

- Decline in cereals output
- Deferred spend on cotton – to impact on July
- Twin peak sustained by higher tobacco revenues
- Sorghum beer price increase effected due to value chain costs

QUARTERLY TOTAL BEVERAGE VOLUME TRENDS F09-F13

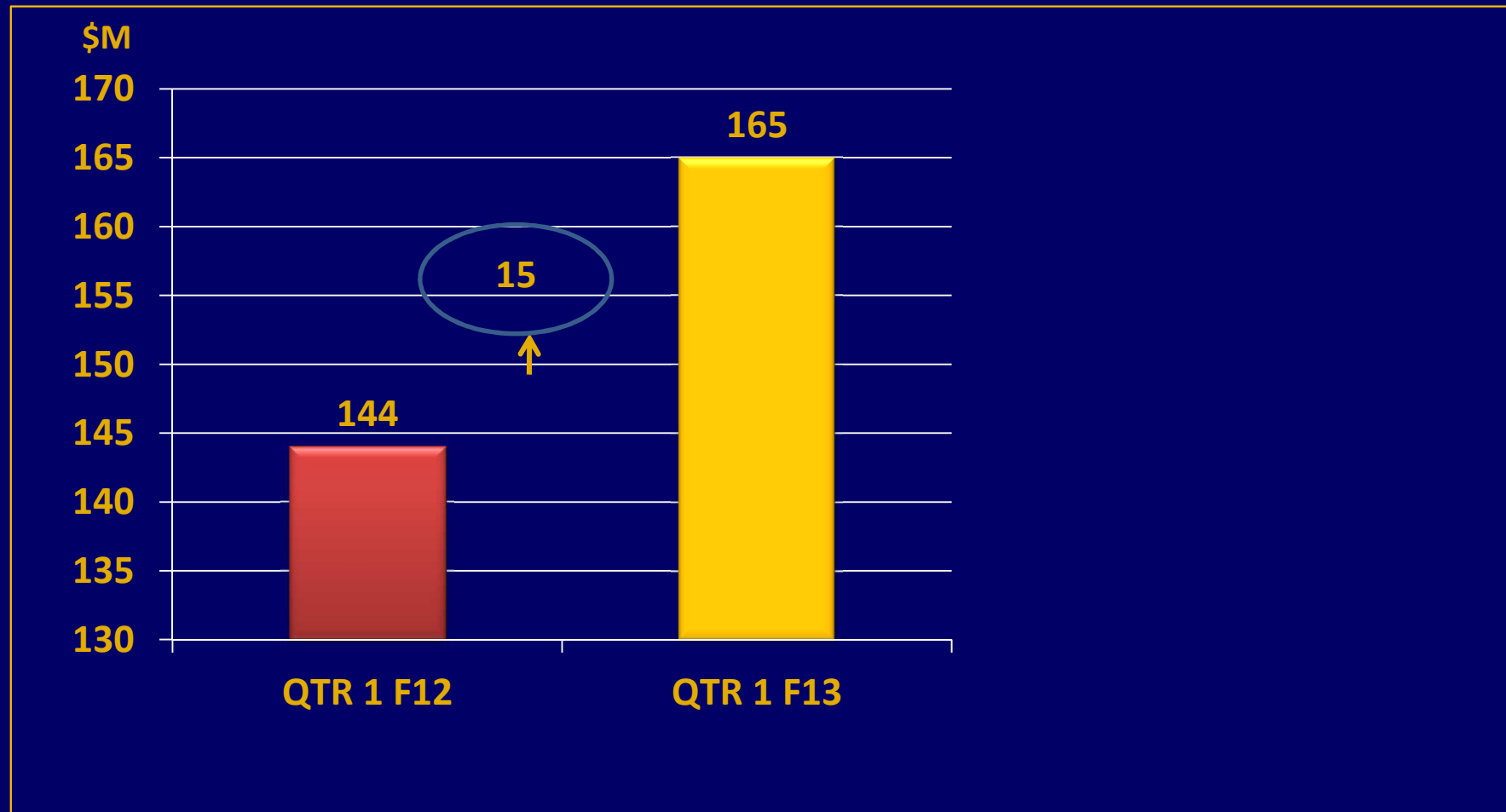


F13 Qtr 1
Volume
performance

+4% to last Qtr
to March

-1% to Pr. Yr
(due to
sorghum)

GROSS REVENUE GROWTH QTR 1 F13



SUMMARY OF FINANCIAL PERFORMANCE

QUARTER ENDING JUNE 2012

	<u>ACTUAL</u>	<u>GROWTH ON PR. YR</u>
<u>Volumes (hls)</u>		
• Lager Beer	505 000	+10%
• Sorghum Beer	797 000	-6%
• Soft Drinks	332 000	(0)%
Total Beverages	1 654 000	(1)%
Sales	\$165m	+15%
EBIT	\$24,3m	+38%
Attributable Earnings	\$17,6m	+37%
EBITDA	\$30,8m	+36%
EBIT Margin	20%	17%

UPDATE ON ASSOCIATES

- 1. Afdis is in closed period - performing in line with expectation.**
- 2. Schweppes Zimbabwe Limited volumes impacted by juice quality and supply issues.**
 - New Hotfill line commissioned end of June.**
 - New products launched under the Minute Maid brand.**

UPDATE ON GROUP INITIATIVES

1. Recapitalization

- New packaging line at Southerton to be commissioned mid August.
- PET line for Bulawayo to be commissioned November 2012.
- Innovations on Chibuku. New plant on order to be installed at Chitungwiza
- Deployment of handheld terminals for sales force

2. New Products

- Local production of non-returnable bottles for the full lager brand portfolio.
- Longer shelf-life Chibuku in PET pack.

UPDATE ON GROUP INITIATIVES

3. Supply Chain Update

- Raw materials supplies stable. Focus on reducing value chain costs.
- Constraints on local supply of sugar.
- Zimglass to come on stream by September.
- Barley supplies are secure – contracted for over 7 600 hectares this season.
- Utilities remain a challenge.

4. Funding

- Cash generation positive.

PROSPECTS FOR THE YEAR TO MARCH 2013

1. Revenue

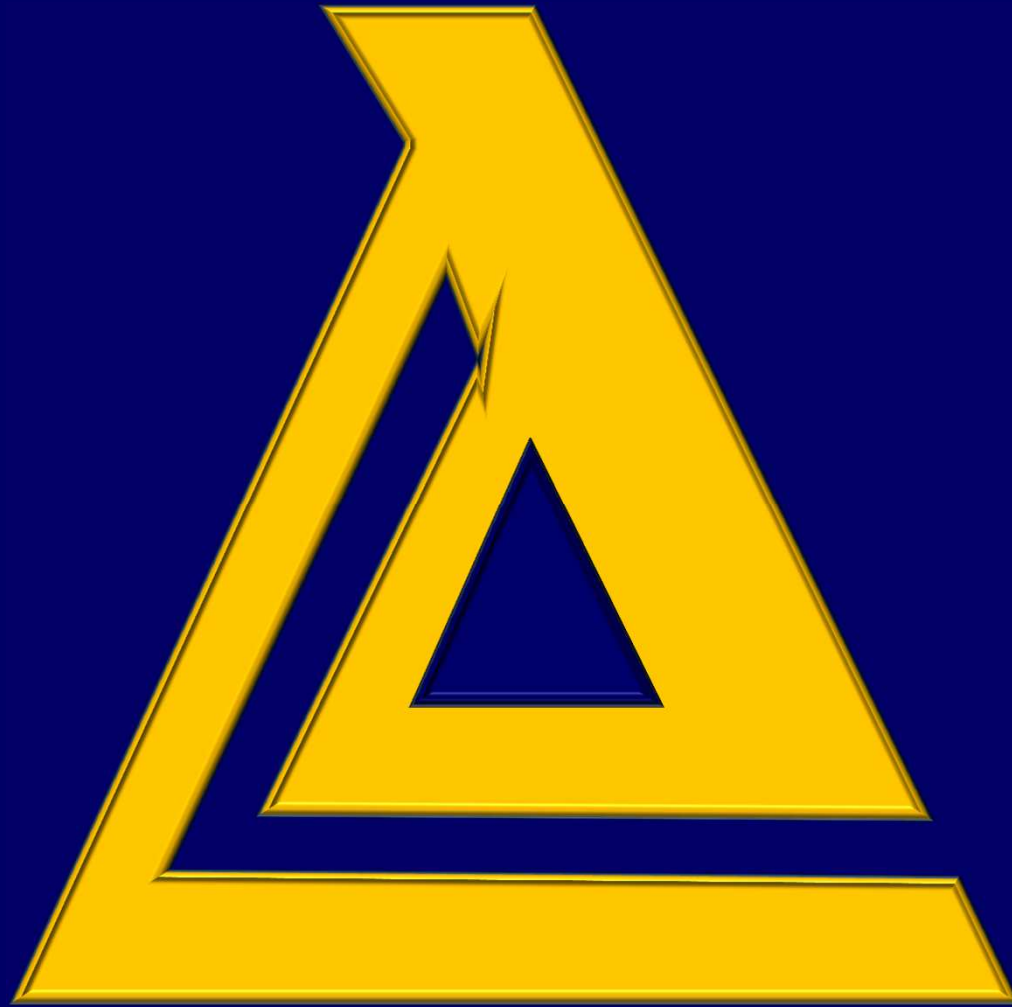
- Revenue growth anticipated to be $\pm 15\%$.

2. Earnings Growth Projection

- 20-25% growth for the year.

3. Dividend

- To pay an interim dividend at half year



THANK YOU