



TRADING UPDATE FOR THE FOURTH QUARTER AND FULL YEAR ENDED 31 MARCH 2015

The Company today issues the following update for the fourth quarter and the 12 months ended 31 March 2015.

We report a mixed performance across the beverage categories in an environment of a contracting economy. This is characterised by constrained consumer spending, declining local manufacturing capacity and weakening regional currencies which encourages imports.

The lager beer volume is 3% below prior year for the quarter and down 17% for full year. This reflects a deceleration in the rate of decline compared to the preceding nine months. The price reductions implemented at the beginning of January 2015 have improved the affordability of our brands and should, over time, stem the volume decline.

The soft drinks volumes comprising both Sparkling and alternative beverages are down 5% and 6% for the quarter and the full year, respectively. The recent review of prices of some brands and packs will improve the affordability and competitiveness of this product portfolio. The Maheu and dairy mix beverages recorded a growth of 11% for the full year. This category is expected to benefit from the additional production capacity commissioned in October 2014, the refreshed Shumba Maheu package and the roll out of additional flavours.

The sorghum beer volume is 6% up for the quarter and 8% above prior year for the full year. The supply of Chibuku Super improved during the quarter, with the product attaining a contribution to total volume of about 50% by March 2015. The installation of the new production facility at Fairbridge in Bulawayo is on schedule for full commissioning by July 2015.

Revenue is down 5% for the quarter and 6% for the full year. The full year results will reflect some loss of financial leverage due to the changes in the sales mix and the deliberate strategies to preserve volumes. The financial results are expected to be published on 14th May 2015.

The Group's previous financial statements and other company reports are available on the website www.delta.co.zw.

15 April 2015

