

AUDITED FINANCIAL INFORMATION FOR THE YEAR ENDED 31 MARCH 2015

SALIENT FEATURES (CONTINUING OPERATIONS)

Revenue

Decreased by 4% to US\$ 576,6 million

Operating Income

Decreased by 14% to US\$ 111,1 million

EBITDA

Decreased by 10% to US\$ 143,2 million

Earnings per share

Decreased by 13% to US\$7,44 cents

Attributable Income

Decreased by 13% to US\$ 91,9 million

Dividend per share up 3%

Interim dividend paid per share - US\$1,35 cents
Final dividend proposed per share - US\$2,30 cents

Government Taxes

Total tax remittances for the year - US\$ 166,2 million

Investing activities

To maintain and expand operations - US\$ 41,5 million

GROUP STATEMENT OF FINANCIAL POSITION

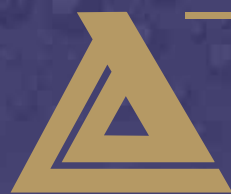
	AUDITED As At 31 March 2015 US\$'000	AUDITED As At 31 March 2014 US\$'000
ASSETS		
Non-current assets		
Property, plant and equipment	341 099	353 209
Investments in associates	33 474	21 378
Investments, loans and trademarks	11 995	13 850
	386 568	388 437
Current assets		
Inventories	98 262	100 153
Trade and other receivables	45 224	44 807
Cash and cash equivalents	133 611	86 489
	277 097	231 449
TOTAL ASSETS	663 665	619 886
EQUITY AND LIABILITIES		
Capital and reserves		
Issued share capital	12 366	12 342
Share premium	32 234	28 982
Share option reserve	4 531	3 527
Retained earnings	407 514	361 219
Equity attributed to equity holders of the parent	456 645	406 070
Non-controlling interests	-	8 309
Shareholders' equity	456 645	414 379
Non-current liabilities		
Long term borrowings	70 000	-
Deferred tax liabilities	41 780	35 769
	111 780	35 769
Current liabilities		
Short term borrowings	-	71 293
Trade and other payables	86 939	95 679
Current tax liability	8 301	2 766
	95 240	169 738
TOTAL EQUITY AND LIABILITIES	663 665	619 886
Net asset value per share (cents)	36,96	32,87

GROUP STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	AUDITED Year ended 31 March 2015 US\$'000	AUDITED Year ended 31 March 2014 US\$'000
CONTINUING OPERATIONS		
Revenue	576 552	602 224
Operating income	111 136	129 803
Finance cost	(5 378)	(5 122)
Finance income	12 740	9 331
Share of profit of associates	3 265	2 283
Profit before tax	121 763	136 295
Income tax expense	(29 809)	(32 222)
Profit for the year from continuing operations	91 954	104 073
DISCONTINUED OPERATIONS		
Profit for the year from discontinued operations	846	3 120
Profit for the year	92 800	107 193
Other comprehensive income	-	-
Total comprehensive income for the year	92 800	107 193
Profit for the year from continuing and discontinued operations attributable to:		
Owners of the parent	91 943	105 664
Non-controlling interests	857	1 529
	92 800	107 193
Weighted average shares in issue (millions)	1 235,5	1 235,5
Earnings per share (cents)		
From continuing and discontinued operations:		
Attributable earnings basis	7,44	8,55
Fully diluted basis	7,40	8,49
From continuing operations:		
Attributable earnings basis	7,44	8,42
Fully diluted basis	7,40	8,36

GROUP STATEMENT OF CASH FLOWS

	AUDITED Year ended 31 March 2015 US\$'000	AUDITED Year ended 31 March 2014 US\$'000
Cash flow from operating activities		
Operating income	111 136	129 803
Depreciation	32 032	28 901
Other non-cash items	10 179	2 185
Increase in working capital	(14 326)	(14 873)
Cash generated from operations	139 021	146 016
Finance cost	(5 378)	(5 122)
Finance income	12 740	9 331
Income taxation paid	(15 825)	(27 868)
Net cash flow from operating activities - continuing operations	130 558	122 357
Net cash flow from operating activities - discontinued operations	1 132	6 478
Net cash flow from operating activities	131 690	128 835
Cash flow from investing activities		
Purchase of fixed assets for maintaining operations	(22 040)	(36 129)
Purchase of fixed assets for expanding operations	(19 489)	(25 777)
Purchase of shares in associate	(212)	(2 516)
Dividend received from associate	450	227
Decrease in loans and investments	616	162
Proceeds from disposal of property, plant and equipment	385	749
Net cash from disposal of discontinued operations	(684)	-
Net cash invested - continuing operations	(40 974)	(63 284)
Net cash invested - discontinued operations	(934)	(4 369)
Net cash invested	(41 908)	(67 653)
Financing activities from financing activities		
Dividends paid in cash	(44 453)	(43 264)
Increase in shareholder funding	3 399	5 075
Share buy back	(2 638)	(4 280)
Increase/(decrease) in borrowings	1 974	(5 957)
Net cash flow in financing activities - continuing operations	(41 718)	(48 426)
Net cash flow in financing activities - discontinued operations	(942)	(1 355)
Net cash flow in financing activities	(42 660)	(49 781)
Net increase in cash and cash equivalents	47 122	11 401
Cash and cash equivalents at beginning of period	86 489	75 088
Cash and cash equivalents at end of period	133 611	86 489
Cash flow per share (cents)	11,25	12,20



Delta Corporation

LIMITED

AUDITED FINANCIAL INFORMATION FOR THE YEAR ENDED 31 MARCH 2015

GROUP STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

	AUDITED Year ended 31 March 2015 US\$'000	AUDITED Year ended 31 March 2014 US\$'000
Shareholders' equity at beginning of the year	414 379	347 250
Share options exercised	3 399	5 075
Share buy back	(2 638)	(4 280)
Recognition of share based payments	2 324	2 405
Total comprehensive income for the year	91 943	105 664
Dividends paid		
- Prior year final	(27 772)	(27 270)
- Current year interim	(16 681)	(15 994)
Earnings attributable to non-controlling shareholders in discontinued operations	857	1 529
Non-controlling interest, dividend declared	(393)	-
Disposal of subsidiary	(8,773)	-
Shareholders' equity at end of the year	456 645	414 379
Attributable to:		
Owners of the parent	456 645	406 070
Non-controlling interests	-	8 309
	456 645	414 379

SUPPLEMENTARY INFORMATION

	AUDITED Year ended 31 March 2015 US\$'000	AUDITED Year ended 31 March 2014 US\$'000
1. Revenue		
Gross sales	676 850	704 441
Less VAT and discounts	(100 298)	(102 217)
Revenue	576 552	602 224
Less excise duty and levies	(73 152)	(83 338)
Net Sales	503 400	518 886
2. Depreciation of property, plant and equipment	32 032	28 901
3. Taxation		
Current income tax expense	21 118	27 000
Withholding tax	917	538
Deferred tax charge	7 774	4 684
	29 809	32 222
4. Commitments for capital expenditure		
Contracts and orders placed	12 570	12 135
Authorised by directors but not contracted	32 430	41 955
	45 000	54 090

The capital expenditure is to be financed out of the Group's own resources and existing facilities.

5. Currency of reporting

The financial statements reflect United States Dollars. This is the functional currency of the Group.

6. Accounting policies

Accounting policies are consistent with those used in the previous year with no significant impact arising from new and revised International Financial Reporting Standards applicable for the year ended 31 March 2015.

7. Audit Opinion

These financial results should be read in conjunction with the complete set of financial statements for the year ended 31 March 2015, which have been audited by Deloitte & Touche in accordance with International Standards on Auditing. An unmodified audit opinion has been issued thereon. The auditors' report on the financial statements which form the basis of these financial results is available for inspection at the Company's registered office.

COMMENTARY

Overview

The slowdown in the economy resulted in a very difficult trading year. Consumer spend declined significantly. The company continued to focus on taking measures to capture value and retain consumers in its portfolio of beverages while expanding and maintaining its facilities for future recovery. The weakening regional currencies have made this more challenging.

VOLUME AND OPERATIONS REPORT

Lager Beer

Lager beer volume is down 17% on prior year. The rate of decline decelerated in the last half of the year following price reductions that improved the affordability of our brands. The excise duty rate reduction from 45% to 40% ad valorem effected on 1 January 2015 has supported our initiatives on affordability. We remain engaged with the fiscal authorities on the need to continually review excise duty to regional benchmarks in order to restore competitiveness.

Sparkling and Non Alcoholic Beverages

The soft drinks volume comprising both sparkling and alternative beverages is down 6% on prior year. Price adjustments were effected in the last quarter of the year in some brands and packs aimed at improving affordability and competitiveness.

The maheu and dairy mix beverages are up 11% for the year. This category is expected to benefit from the additional production capacity commissioned in October 2014, the refreshed Shumba Maheu packaging and the continued roll out of additional flavours.

Sorghum Beer

Sorghum beer is up 8% on prior year driven by Chibuku Super innovation and investment. The supply of Chibuku Super improved in the last quarter of the year with the brand attaining a 50% contribution by March 2015. The new Chibuku Super production facility in Bulawayo is scheduled for commissioning by July 2015, which will assist in closing the supply gaps.

FINANCIAL RESULTS

Revenue is down 4% on prior year reflecting the effects of lower sales value and volume in both lager beer and sparkling beverages. This was mitigated by a significant increase in Sorghum beer due to the increased contribution of higher value Chibuku Super.

Operating income is down 14% reflecting the changed sales mix in favour of lower priced products and the impact of price reductions. Earnings Before Interest Depreciation Tax and Amortisation (EBIDTA) was down 10% on prior year versus a 14% decline in operating income reflecting a focus on fixed cost management. Finance income has benefited from the net cash holding position throughout the year. Our associates, African Distillers Limited and Schweppes Zimbabwe Limited have registered good profitability growth in the current year.

Cash generated from operations is down US\$7 million on prior year due to lower profitability and reduced creditors. Capital expenditure amounted to US\$41,5 million.

MEGAPAK DEMERGER

MegaPak was demerged effective 1 October 2014 resulting in the company assuming a 21% shareholding in NamPak Zimbabwe Limited. The financial statements show separately the discontinued operations.

OUTLOOK

The difficult economic conditions are forecast to continue. The company remains focused on delivering value to its stakeholders by optimising its operations and product innovations.

DIVIDEND

The Board has declared a final dividend of US2.30 cents per share to be paid on 10th June 2015.

APPRECIATION

I wish to thank all the employees, management, fellow Directors and stakeholders for producing commendable results under the circumstances.

For and on behalf of the Board

C F Dube
Chairman

8 MAY 2015

DIVIDEND DECLARATION

NOTICE is hereby given that on 8 May 2015 the Board of Directors declared a final dividend, number 110, of US2.30 cents per share be paid out of the profits of the Company for the year ended 31 March 2015.

The dividend will be payable in United States Dollars to Shareholders registered in the books of the Company at the close of business on 5 June 2015. Dividend warrants will be posted or direct payments made on or about 10 June 2015.

FURTHER, THAT the share register of the Company will be closed from 6 to 8 June 2015, both dates inclusive.

By Order of the Board

A Makamure
Company Secretary



C F Dube (Chairman), P Gowero (Chief Executive), M J Bowman,
S J Hammond, J A Kirby, G H Nel (Alt) L E M Ngwerume,
Prof. H C Sadza, T N Sibanda, M M Valela

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THE FUTURE IS IN OUR BRANDS