

SABMiller restarts reporting of Zim ops

Global brewing giant SABMiller Plc said Monday (18 October 2010) that it has recommenced reporting the results of its Zimbabwe associate, Delta Corporation with effect from 1 April 2010. The business contributed total beverage volumes in the six months to September 2010 of 1.0 million hectolitres, including lager volumes of 0.3 million hectolitres.

Delta, in which SABMiller Africa now holds a 36% interest, had previously been a significant contributor to SABMiller's Africa operations.

However, in 2005 the business stopped paying dividends and remitting capital due to foreign currency shortages and in 2006 SABMiller ceased to include the results of Delta in its reporting.

Following the effective 'dollarisation' of the economy in 2009, the end of hyper-inflation and the stabilisation of the Zimbabwean economy, SABMiller is including its share of Delta's volumes and financial results in its reporting from the beginning of the current financial year.

Delta is the largest brewer and soft drinks bottler in Zimbabwe, with additional interests in the production of malted barley, the manufacture of PET plastic products, food processing and the production and distribution of wines and spirits.

While not included in SABMiller's results, in the year ended March 2010 Delta's sales volumes (based on SABMiller Africa's 36% interest) were 0.4 million hectolitres of lager, 0.3 million hectolitres of soft drinks and 1.1 million hectolitres of other alcoholic beverages.

Its key lager brands include Castle Lager, Eagle, Lion Lager, Carling Black Label, Golden Pilsener and Bohlinger's.

Its soft drinks portfolio includes a range of Coca-Cola brands and it also manufactures Chibuku, the market leader in the traditional sorghum beer category.

Mark Bowman, Managing Director of SABMiller Africa, commented: "All credit goes to the Delta management team, whose efforts in keeping the business running in the last few years have been little short of heroic.

"Despite extreme hardship and untold obstacles, they have continued to supply Zimbabwean consumers with quality products and to secure the livelihoods of many thousands of people, either directly employed by the business or dependent on it for a living."

Joe Mutizwa, Chief Executive of Delta, commented: "Managing the company over the last 8 years has been the business equivalent of white water rafting. The challenges have been large, varied and relentless.

"The demands have been many, requiring perpetual vigilance and constant adaptation.

"The greatest reward, for me, has been to assist young managers to take charge of the destiny of the company in the middle of a blinding macro-economic sandstorm.

Our motto was: 'If it is to be, it is up to us!' .My team lived up to this motto and now we are enjoying a remarkable turnaround. It has been well worth it! We are now better placed to face new and different challenges going forward."

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