



Delta Corporation LIMITED

TRADING UPDATE FOR THE FIRST QUARTER ENDED 30 JUNE 2018

The Company today issues an update for the first quarter ended 30 June 2018. The business continues to record positive volume trends. There were significant product supply gaps arising from the shortages of imported raw materials and services as the access to foreign currency remains constrained.

Lager beer volume is up 56% over prior year for the quarter matching the historical peak run rates post dollarisation. Whilst product supply is largely stable, imported inputs remain a constraint.

The Sparkling beverages volume increased by 23% over prior year for the quarter. The soft drinks category was adversely affected by the challenges in securing imported raw materials, leading to extended periods of production stoppages and out of stock situations.

In Zimbabwe, the Sorghum beer volume declined by 5% mainly due to shortages of packaging materials for Chibuku Super. Product supply had improved by the end of the quarter. The product mix has shifted to Chibuku Super which grew by 28% to contribute 84% of the volume.

National Breweries Plc - Zambia (Natbrew Plc) recorded a volume growth of 21% on improved product supply and competitive pricing.

Group revenue increased by 40% (34% organic growth) for the quarter reflecting the changes in category mix. All beverage categories recorded increases in revenue which has positively impacted on profitability and cashflows.

REMINDER ON CAUTIONARY STATEMENT

Shareholders are reminded that the Company is trading under a cautionary issued with respect to the notice received from The Coca-Cola Company (TCCC) advising of an intention to terminate the Bottler's Agreements with the Group entities (Notified Intention). This followed the merger of AB InBev and SABMiller Plc in October 2016 and the subsequent agreement in principle reached between TCCC and AB InBev to explore options to restructure the bottling operations in a number of countries. The discussions amongst the parties are ongoing.

DIVIDEND NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Board of Directors has declared an Interim Dividend, number 120, of US2,0 cents per share payable in respect of all the qualifying ordinary shares of the Company to be paid out of the profits for the current financial year. This will be payable to shareholders registered at the close of business on 27 July 2018. The dividend will be paid by direct transfers or other approved forms of payment as per the following timetable.

Action	Date
Announcement Date	12 July 2018
Last Date to Trade – cum dividend	24 July 2018
Share Trade Ex Dividend	25 July 2018
Last Record Date (LDR)	27 July 2018
Payment Date	31 July 2018
Dividend Amount	US\$25,2 million

By Order of the Board


A. Makamure

Company Secretary

12 July 2018



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