Preliminary Announcement

Release date: 23 May 2013

SABMiller drives strong revenue and earnings growth

SABMiller plc, one of the world's leading brewers, reports its preliminary (unaudited) results for the twelve months to 31 March 2013.

Operational Highlights

- Broad-based growth in our developing markets driven by brand development, with investments in capacity and commercial capability
- Reported group revenue growth of 10% with organic, constant currency group revenue up 7%
- Group revenue per hectolitre (hl) up 3% on an organic, constant currency basis
- Lager volumes rose 3% on an organic basis with growth in all divisions except North America
- Organic, constant currency EBITA growth of 9% with reported EBITA growth of 14%, reflecting the inclusion of Foster's and other business combinations, partially offset by adverse currency movements
- EBITA margin improvement of 70 basis points (bps) to 18.6%, with organic, constant currency EBITA margin improvement of 40 bps
- Progress with the Foster's integration and synergies remains ahead of schedule, with lager volume growth in the continuing brand portfolio in the fourth quarter versus the prior year
- Adjusted earnings up 12%, with adjusted EPS up 11% to 238.7 US cents per share
- Declines in profit before tax and attributable profit due to exceptional gains reported last year
- Full year dividends per share up 11% to 101.0 US cents

Financial highlights	**2013 US$m**	2012 US$m	% change
Group revenue[a]	**34,487**	31,388	10
Revenue[b]	**23,213**	21,760	7
EBITA[c]	**6,421**	5,634	14
Adjusted profit before tax[d]	**5,630**	5,062	11
Profit before tax[e]	**4,712**	5,603	(16)
Profit attributable to owners of the parent	**3,274**	4,221	(22)
Adjusted earnings[f]	**3,796**	3,400	12
Adjusted earnings per share			
- US cents	**238.7**	214.8	11
- UK pence	**151.1**	134.4	12
- SA cents	**2,031.3**	1,607.0	26
Basic earnings per share (US cents)	**205.9**	266.6	(23)
Dividends per share (US cents)	**101.0**	91.0	11
Free cash flow	**3,230**	3,048	6

a Group revenue includes the attributable share of associates' and joint ventures' revenue of US$11,274 million (2012: US$9,628 million).

b Revenue excludes the attributable share of associates' and joint ventures' revenue.

c Note 2 provides a reconciliation of operating profit to EBITA which is defined as operating profit before exceptional items and amortisation of intangible assets (excluding computer software) but includes the group's share of associates' and joint ventures' operating profit, on a similar basis. EBITA is used throughout this preliminary announcement.

d Adjusted profit before tax comprises EBITA less adjusted net finance costs of US$747 million (2012: US$542 million) and share of associates' and joint ventures' net finance costs of US$44 million (2012: US$30 million).

e Profit before tax includes exceptional charges of US$203 million (2012: credits of US$1,015 million). Exceptional items are explained in note 3.

f A reconciliation of adjusted earnings to the statutory measure of profit attributable to owners of the parent is provided in note 6.

John Manser, Acting Chairman, said:

"I am delighted to report another year of significant progress and strong results for the group. Through a combination of innovation, effective brand development and good commercial execution we continued to develop the beer category and widen the appeal of our products. Strong growth in our developing markets was supported by investments in additional capacity, commercial capability and distribution reach. Group revenue grew by 10% and the focus on operating efficiencies helped us achieve growth in profit margins."

Business review

The group delivered a strong financial performance achieving growth across a number of its businesses, led by its developing market operations in Africa, Latin America, Asia Pacific and South Africa. Total beverage volume growth of 4% on an organic basis was driven by new product innovations and expansion of brand portfolios, supported by significant investments in new capacity, particularly in Africa. Revenues grew ahead of volumes following selective price increases and a continued focus on expanding our portfolio up and down the price ladder. Following the Foster's acquisition, the business integration plan in Australia is ahead of schedule and showing positive early signs with the continuing brand portfolio returning to growth in the final quarter.

Group revenue grew by 10%, including business combinations and currency translation, with organic, constant currency growth of 7%. Currency movements had an adverse impact of five percentage points on reported group revenue growth mainly due to the weakening of the South African rand and Central European currencies against the US dollar.

EBITA increased by 14% on a reported basis, with significant impact from the Foster's acquisition. On an organic, constant currency basis EBITA grew by 9% through a combination of higher volumes, an increase in group revenue per hl in most divisions and cost efficiencies. Raw material input costs rose in line with expectations by mid-single digits due to higher key commodity costs, partially offset by procurement and other savings. Fixed costs increased due to inflation and investments in capacity and capability to drive growth in some developing markets, partially offset by efficiency initiatives elsewhere. There was continued investment in marketing to support brand and pack innovations, as well as existing offerings, across all divisions. Reported EBITA margin, at 18.6%, also benefited from the business combinations completed in the prior year resulting in overall margin growth of 70 bps. On an organic, constant currency basis EBITA margin advanced by 40 bps following strong group revenue growth on the same basis in Latin America, Africa and South Africa.

Adjusted earnings were 12% higher than the prior year driven by the 14% growth in EBITA and a 50 bps reduction in the effective tax rate to 27%, partially offset by increased finance costs relating to the Foster's acquisition debt. Adjusted earnings per share were up 11% to 238.7 US cents.

Free cash flow was US$3,230 million, an increase of US$182 million compared with the prior year. Higher adjusted EBITDA of US$6,835 million was driven by the benefits of the Foster's acquisition and growth in EBITA, partially offset by adverse currency translation effects due to the weakening of currencies against the US dollar, in particular the South African rand. A reduction in provisions and strong trading in the last month of the year led to an outflow in working capital following a significant inflow in the prior year. Capital expenditure for the year was US$1,479 million as we continued to invest in additional capacity, commissioning new breweries in Zambia, Nigeria and Uganda, and extend existing facilities elsewhere. Our tax cash flow benefited from a one off inflow in Australia that will reverse in the financial year ending 31 March 2014. Net interest increased compared with the prior year due to the addition of the Foster's acquisition debt.

Net debt reduced by US$2,161 million ending the year at US$15,701 million. The group's gearing ratio as at 31 March 2013 was 57.2%. The board has recommended a final dividend of 77.0 US cents per share which will be paid to shareholders on 23 August 2013. This brings the total dividend for the year to 101.0 US cents per share, an increase of 10.0 US cents over the prior year.

Group revenue	Reported 2012 US$m	Net acquisitions and disposals US$m	Currency translation US$m	Organic growth US$m	**Reported 2013 US$m**	Organic, constant currency growth %	Reported growth %
Latin America	7,158	-	136	527	**7,821**	7	9
Europe	5,482	455	(387)	217	**5,767**	5	5
North America	5,250	9	-	96	**5,355**	2	2
Africa	3,686	(210)	(221)	598	**3,853**	18	5
Asia Pacific	3,510	2,171	(106)	110	**5,685**	3	62
South Africa:	6,302	8	(825)	521	**6,006**	8	(5)
- Beverages	5,815	-	(762)	487	**5,540**	8	(5)
- Hotels and Gaming	487	8	(63)	34	**466**	7	(4)
Total	31,388	2,433	(1,403)	2,069	**34,487**	7	10

Group volumes	Reported 2012 hl m	Net acquisitions and disposals hl m	Organic growth hl m	**Reported 2013 hl m**	Organic growth %	Reported growth %
Lager	229	6	7	**242**	3	6
Soft drinks	50	5	2	**57**	4	15
Other alcoholic beverages	7	-	-	**7**	5	7
Total	286	11	9	**306**	4	7

EBITA	Reported 2012 US$m	Net acquisitions and disposals US$m	Currency translation US$m	Organic growth US$m	**Reported 2013 US$m**	Organic, constant currency growth %	Reported growth %
Latin America	1,865	-	42	205	**2,112**	11	13
Europe	836	7	(63)	4	**784**	1	(6)
North America	756	(4)	-	19	**771**	3	2
Africa	743	(2)	(46)	143	**838**	20	13
Asia Pacific	321	524	(12)	22	**855**	7	166
South Africa:	1,303	2	(174)	132	**1,263**	10	(3)
- Beverages	1,168	-	(155)	116	**1,129**	10	(3)
- Hotels and Gaming	135	2	(19)	16	**134**	11	(1)
Corporate	(190)	-	1	(13)	**(202)**		
Total	5,634	527	(252)	512	**6,421**	9	14

- In **Latin America** EBITA grew by 13% (11% on an organic, constant currency basis) with a healthy balance of volume growth, group revenue per hl gains and cost improvements. Reported group revenue grew by 9% (7% on an organic, constant currency basis) with selective price increases and premium mix benefits contributing to a 4% gain in group revenue per hl. Lager volume growth of 3% was driven by the expansion of our bulk pack offerings, product innovation, increasing consumer accessibility and continued focus on effective trade execution. Soft drinks volumes grew 3%, with non-alcoholic malt beverages performing well in most markets due to wider availability and pack range extensions. EBITA margin expansion was driven by production and distribution cost efficiencies and fixed cost productivity.

- In **Europe** reported EBITA was down 6% (up 1% on an organic, constant currency basis), adversely impacted by the weakening of European currencies against the US dollar. Group revenue for the year was 5% higher on a reported and organic, constant currency basis driven by total volumes advancing 6% on the prior year on an organic basis. The group revenue growth followed the successful launches of brand and pack innovations and came despite challenging economic conditions. Selective price reductions in Poland and above average growth in the economy segment, however, reduced group revenue per hl which was down 1% on an organic, constant currency basis.

- In **North America** reported EBITA was 2% ahead of the prior year. Group revenue increased by 2% driven by favourable pricing, beneficial brand mix and the positive impact of innovations in the year. Volumes in total declined in line with the market, although the Tenth and Blake craft and imports division registered significant volume growth. The advances in group revenue were partially offset by increased marketing and administrative expenses.

- In **Africa** EBITA increased by 13% (20% on an organic, constant currency basis) following a 5% increase in reported group revenue. On an organic, constant currency basis group revenue was 18% ahead of the prior year, with group revenue per hl up 10% on the same basis following selective price increases and higher premium brand sales of Castle Lite in particular. The revenue growth was supported by additional capacity coming on stream in the year, with increased sales and marketing activity behind our mainstream brands and premium offerings also driving growth. Organic, constant currency EBITA growth was achieved through strong revenue growth and increased local sourcing, while synergies from the combination of our Angolan and Nigerian businesses with Castel further assisted strong EBITA margin expansion.

- **Asia Pacific** reported EBITA increased by 166%, benefiting from the full year impact of the Foster's acquisition and some acquisitions in China in the prior year, with organic, constant currency EBITA up 7%. Group revenue advanced 62% again reflecting the impact of the Foster's acquisition. On an organic, constant currency basis group revenue increased by 3%, driven by strong growth in China and India, offset partially by the loss of discontinued brands in Australia. On a *pro forma*[1] continuing basis[2], lager volumes in Australia were 5% lower than the prior year in a weak market. However, volumes in the fourth quarter were 3% ahead of the prior year on the same basis driven by the resurgence of the Victoria Bitter brand and strong growth in the premium segment. Progress on the integration programme remains ahead of schedule, with significant cost productivity benefits delivered to date. Our associate in China, CR Snow, delivered group revenue growth on an organic, constant currency basis of 5%, despite challenging trading conditions during the year, with growth in premium Snow variants. Group revenue on an organic, constant currency basis in India grew by over 20%, cycling trade restrictions in the prior year, with good performances across most key states. The organic, constant currency EBITA growth of 7% was driven by increased profitability in both China and India and synergy delivery in Australia.

- **South Africa: Beverages'** reported EBITA decreased by 3% (but increased by 10% on a constant currency basis) due to the depreciation of the South African rand against the US dollar in the year. Reported group revenue declined by 5% also due to the weakness of the South African rand against the US dollar. Group revenue on a constant currency basis grew by 8% with group revenue per hl increasing by 6% on the same basis as a result of selective price increases in the year and benefits of higher premium lager sales following the growth of Castle Lite. Lager volume growth of 2% for the year was achieved, despite a deteriorating consumer environment, driven by effective through-the-line promotional campaigns and innovative retail execution. Soft drinks volumes grew 2%, cycling a strong comparative in the prior year and benefiting from increased market penetration, improved customer service levels and focused channel execution. The organic, constant currency EBITA growth was driven by the benefit of strong revenue growth on the same basis, complemented by productivity initiatives that limited the impact of currency depreciation increasing the cost of imported raw materials.

- The **business capability programme** progressed, with net operating benefits of US$321 million and incremental operating benefits in the year of US$162 million, ahead of expectations. Total business capability programme exceptional costs were US$141 million (2012: US$235 million). Key activities completed in the year include the deployment of the global IS solution in Ecuador in the first half and preparation for deployment in Poland in the second half; this has since gone live.

[1] *Pro forma* volumes and financial information are based on results reported under IFRS and SABMiller accounting policies for the period from 1 April 2011 to 31 March 2012, as if the Foster's and Pacific Beverages transactions had occurred on 1 April 2011.
[2]*Pro forma* continuing basis adjusts for the impact of discontinued licensed brands in all comparative information.

Outlook

Trading conditions are expected to be broadly unchanged, affording opportunities to grow our categories further, particularly in developing markets. We will continue to develop and differentiate our beer and soft drink brand portfolios, leveraging local insights to bring the right products to each market and capture value. We will take price increases selectively and unit input costs are expected to rise in low to mid-single digits in constant currency terms. Focus will be maintained on cost effectiveness, including continued synergy delivery in Australia and expanding the scope of globally managed procurement. Cash generation will remain a priority. Targeted investments in production capacity, marketing and sales capability will continue in order to drive growth.

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A live audio webcast of a presentation to the investor community by Chief Executive, Alan Clark, and Chief Financial Officer, Jamie Wilson will begin at 9.30am (GMT) on 23 May 2013. To register for the webcast, download the slide presentation, view management video interviews and download photography and b-roll, visit our online Results Centre at www.sabmiller.com/resultscentre.

To monitor Twitter bulletins throughout the day follow www.twitter.com/sabmiller or #sabmillerresults.

Copies of the press release and detailed Preliminary Announcement are available from the Company Secretary at the Registered Office.

Operational review

Latin America

Financial summary	Reported 2012	Net acquisitions and disposals	Currency translation	Organic growth	**Reported 2013**	Organic, constant currency growth %	Reported growth %
Group revenue (including share of associates) (US$m)	7,158	-	136	527	**7,821**	7	9
EBITA[1] (US$m)	1,865	-	42	205	**2,112**	11	13
EBITA margin (%)	26.1				**27.0**		
Sales volumes (hl 000)							
Lager	41,596	-		1,411	**43,007**	3	3
Soft drinks	17,418	-		448	**17,866**	3	3

[1] In 2013 before exceptional charges of US$63 million being business capability programme costs (2012: US$119 million being business capability programme costs of US$85 million and integration and restructuring costs of US$34 million).

In Latin America lager volumes were up 3% compared with the prior year. Firmer pricing underpinned reported group revenue growth of 9%, while further cost leverage resulted in reported EBITA growth of 13%. Effective marketing campaigns, successful innovations and excellent trade execution contributed to alcohol market share gains across all countries. In Colombia, Honduras and El Salvador the continued expansion of our bulk pack offering made beer more affordable for low income consumers, while our efforts to drive premiumisation, particularly with the Miller brand range, have shown encouraging results. Financial results were aided by a reduction in real terms of unit production costs, distribution efficiencies and fixed cost productivity, while marketing investment further supported expanded reach and innovation initiatives. EBITA margin increased 90 bps to 27.0%, or 80 bps on an organic, constant currency basis. In January 2013 we announced the signing of an agreement to dispose of our milk and juice business in Panama, which received regulatory approval earlier this month. The disposal will streamline the Panama business and allow management to focus on our core lager and soft drinks businesses.

In **Colombia**, which saw a softening of economic growth and private consumption, lager volumes grew by 3%, while our share of the alcohol market improved by 150 bps, reflecting the widening appeal of our brand and pack range. In line with our commercial strategy, the roll-out of bulk packs continued to drive incremental volume, while the December 2012 price increase on our mainstream single serve packs and selective price increases on our premium brands earlier in the year, boosted revenue growth. Our enhanced sales service model, with enhanced account development, helped to improve trade coverage and product availability. The light beer segment performed well on the back of Águila Light's double digit volume growth, reflecting both the appeal of light beer and the success of the bulk pack. Product costs showed a real reduction reflecting plant efficiencies, while distribution costs benefited from the insourcing of transport operations. In the non-alcoholic malt beverages category, volumes declined by 3% as a result of price reductions in the soft drinks market, although our value share remained stable.

Peru continued to perform strongly with full year lager volume growth of 5%. Lager share gains continued, notwithstanding price increases taken ahead of the peak period, supported by increased trade coverage and fridge investment. Our flagship brand, Cristal, grew volumes by 15% reflecting the strong resonance of this brand with consumers, underpinned by its food and football communication platforms. Pilsen Trujillo continued to expand by sourcing consumers from illegal alcohol, recording double digit volume growth for the year. In the premium segment our local premium brand, Cusqueña, saw softer volumes on the back of earlier price increases and the cycling of high growth in the prior year. In the soft drinks category, volume growth was strong, with our non-alcoholic malt brand, Maltin Power, up 32%, supported by digital campaigns and further penetration of the education channel.

Ecuador lager volumes were up 2% despite increased trade restrictions and the loss of three trading days during Presidential elections in February 2013, while two price increases during 2012 boosted revenue growth. In the mainstream segment, Pilsener Light volumes more than doubled, reflecting the appeal of lighter beer in areas with warmer climates and benefiting our revenue mix. Our local premium brand, Club, also saw double digit growth from the addition of the Club Roja red beer variant. The expanded direct service model improved trade presence and enabled healthy gains in our share of the alcohol market. We continued expansion of the new PET packs for the non-alcoholic malt brand, Pony Malta, resulting in volume growth of 25%. As part of the group business capability programme the global IS solution was deployed in the first half of the year, which has helped streamline processes and improve productivity.

In **Panama** our lager volume growth of 7% was underpinned by healthy economic growth and low unemployment. Our brand portfolio development and market execution has significantly boosted our market share, with the premium segment seeing robust growth, driven by the strong adoption of Miller Genuine Draft and Miller Lite. Miller Lite more than tripled its volumes, while both brands consolidated their positions as market leaders in their respective premium priced segments. Our non-alcoholic malt brand, Malta Vigor, recorded 13% growth, while soft drinks volumes declined due to heightened price competition.

In **Honduras** our focus on making beer more accessible to low income consumers with our affordable bulk packs has solidified our market position, with over 500 bps improvement in share of the alcohol market. This is against the backdrop of the government's fiscal deficit and continuing security concerns, which have impacted both our ability to trade and consumer spending patterns, where we have seen a structural shift over the last few years to more off-premise consumption. Nevertheless, volumes were marginally ahead of the prior year with healthy growth shown by Salva Vida and Miller Lite. Soft drinks volumes grew by 1%, aided by further fridge penetration and brand activations aimed at stimulating home consumption.

El Salvador saw robust domestic lager volume growth of 12% with bulk packs growing strongly, which combined with significant fixed cost productivity, boosted operating margins. Our flagship mainstream brand, Pilsener, grew by 19%, while Golden Light, which was repositioned in the upper mainstream segment, grew volumes by double digits. In the premium segment our local brand Suprema grew by 17%, assisted by the launch of the red beer variant Suprema Roja and increased market activations. Soft drinks volumes grew by 3% over the prior year, with particularly strong growth in non-alcoholic malts and juices.

Europe

Financial summary	Reported 2012	Net acquisitions and disposals	Currency translation	Organic growth	**Reported 2013**	Organic, constant currency growth %	Reported growth %
Group revenue (including share of associates) (US$m)	5,482	455	(387)	217	**5,767**	5	5
EBITA[1] (US$m)	836	7	(63)	4	**784**	1	(6)
EBITA margin (%)	15.3				**13.6**		
Sales volumes (hl 000)							
Lager	43,951	(730)		2,110	**45,331**	6	3
Soft drinks	533	6,903		145	**7,581**	28	1,322

¹ In 2013 before exceptional charges of US$64 million being business capability programme costs (2012: net exceptional gains of US$1,135 million being net profit on disposal of businesses of US$1,181 million, a refund of a previous anti-trust fine of US$42 million and business capability programme costs of US$88 million).

In Europe lager volumes were up 3%, 6% on an organic basis. Organic information includes our share of Anadolu Efes's results for March 2013, and excludes trading in Russia and Ukraine in the prior year, following the conclusion of our strategic alliance in March 2012. Despite a challenging economic backdrop, volume growth was delivered through successful launches of brand and pack innovations. Except for the Czech Republic, all our markets saw improved domestic volume performance. Beer market trends continued with growth of the modern trade, especially the discounter channel, and declining on-premise channels together with increased relevance of economy brands and packs. Reported EBITA was down 6% impacted by the weakening of European currencies against the US dollar. Organic, constant currency EBITA was up 1% compared with the prior year with a margin decline of 70 bps on the same basis driven by increased raw material costs and negative mix effects.

In **Poland** lager volumes were up 8% benefiting in the first half from the Euro 2012 football tournament and the cycling of a weak comparative period with performance in the second half assisted by brand innovations and buying ahead of price increases at the end of March 2013. Selective resetting of price points assisted growth of our core brands. Tyskie gained market share supported by the successful '5th stadium' campaign and the launch of Tyskie Klasyczne while growth of mainstream brand Zubr was driven by effective promotional activities. The launch of Lech Shandy helped develop a new category and boosted the performance of premium brand Lech. EBITA was level with the prior year as increases in revenue per hl and volumes were offset by raw material cost increases and higher marketing investment to support key campaigns and innovation launches.

Domestic volumes in the **Czech Republic** were down 3%. Channel dynamics affected performance with the continuing consumer shift from the high value on-premise channel to the off-premise channel, along with selective price increases in the off-premise channel in October which impacted the third quarter. Consequently our performance in the super-premium and mainstream segments was adversely impacted, as Pilsner Urquell and Gambrinus respectively are heavily skewed to the on-premise channel. Premium segment performance was boosted by Kozel 11, with outlet expansion driving growth along with the successful launch of Gambrinus Radler. EBITA declined due to channel mix and increased input costs despite operational cost efficiencies.

In **Romania** lager volumes grew by 24% primarily driven by the growth of economy brand Ciucas in a new PET pack launched at the end of the prior financial year. Mainstream brand Timisoreana performed ahead of prior year benefitting from growth in PET and marketing activity associated with the national football team sponsorship. Our premium brand Ursus also grew assisted by the launch of a new bottle in the second half of the year along with a supporting promotional campaign. Increased investment in discounts and marketing resulted in EBITA below the prior year.

Domestic lager volumes grew 4% in **Italy** despite a particularly challenging economic environment and poor consumer sentiment. Growth was mainly driven by the mainstream and economy segments with Peroni benefiting from the expansion of draught volumes and economy brand Wuhrer performing well in the off-premise channel. Premium brand Nastro Azzurro performance was ahead of the prior year with the subdued market impacting performance in the on-premise channel but off-premise growth was supported by promotional activities. Despite negative sales mix and higher input costs, volume growth resulted in EBITA growth.

In the **United Kingdom** the continued growth of Peroni Nastro Azzurro through on-premise expansion resulted in volume growth of 4%. EBITA grew ahead of the prior year with revenue per hl growth and volume increases.

In the **Netherlands** domestic lager volumes were up 1% in a highly competitive environment impacted by low consumer confidence resulting from economic uncertainty. In this environment the on-premise channel was negatively impacted but growth was delivered in the off-premise channel. Volume growth and revenue per hl improvements resulted in increased EBITA compared with the prior year.

In the **Canaries** lager volumes grew 2% against a backdrop of weak consumer sentiment in a challenging economic environment driven by strong performance in the off-premise channel while the on-premise channel continued to be subdued. Volumes grew 8% in **Slovakia** driven by the successful launch of Smadny Mnich Radler along with growth of Kozel and Pilsner Urquell. In **Hungary** volumes were up 5% boosted by strong promotional support in the on-premise channel along with the successful launch of Hofbrau Radler.

On a *pro forma*[2] basis, our associate Anadolu Efes grew total volumes by 6% for the full year, with a 8% decline in beer more than offset by soft drinks growth of 14%.

[2] *Pro forma* volumes are based on volume information for the period from 1 April 2011 to 31 March 2012 using SABMiller's definition of volumes for the enlarged Anadolu Efes group as if the strategic alliance had commenced on 1 April 2011.

North America

Financial summary	Reported 2012	Net acquisitions and disposals	Currency translation	Organic growth	**Reported 2013**	Organic, constant currency growth %	Reported growth %
Group revenue (including share of joint ventures) (US$m)	5,250	9	-	96	**5,355**	2	2
EBITA[1] (US$m)	756	(4)	-	19	**771**	3	2
EBITA margin (%)	14.4				**14.4**		
Sales volumes (hl 000)							
- Lager – excluding contract brewing	41,346	32		(793)	**40,585**	(2)	(2)
MillerCoors' volumes							
- Lager – excluding contract brewing	39,848	32		(612)	**39,268**	(2)	(1)
- Sales to retailers (STRs)	39,760	n/a		n/a	**38,818**	n/a	(2)
- Contract brewing	4,549	n/a		n/a	**4,760**	n/a	5

[1] In 2013 before exceptional charges of US$nil (2012: US$35 million being the group's share of MillerCoors' impairment of the Sparks brand).

North America
The North America segment includes the group's 58% share of MillerCoors and 100% of Miller Brewing International and the group's North American holding companies. Total North America reported EBITA was 2% higher than the prior year, driven by firm pricing and favourable mix.

MillerCoors
For the year ended 31 March 2013, MillerCoors' US domestic STRs declined by 2% on a trading day adjusted basis amid weaker industry performance. Domestic sales to wholesalers (STWs) were down by 2% on an organic basis. EBITA increased by 1% as the impact of lower volumes, increased costs of goods sold and higher marketing spend was more than offset by strong revenue management and favourable sales mix.

Premium light volumes were down by low single digits, as the continued growth in Coors Light was offset by a mid single digit decline in Miller Lite. Coors Light has benefited from the brand's 'Refreshment as cold as the Rockies' campaign and focus on multicultural outreach, while Miller Lite has continued to invest in the 'It's Miller Time' campaign. The Tenth and Blake division saw double digit volume growth driven by Blue Moon and Leinenkugel's and their seasonal variants, with Leinenkugel's Summer Shandy performing particularly well. The economy segment declined by mid single digits as consumers continued to trade up to other categories. The premium regular segment was also down by mid single digits, with a double digit decline in Miller Genuine Draft partly offset by mid single digit growth in Coors Banquet. Other brands in the above premium segment grew by low single digits following the national launch of Redd's Apple Ale and Third Shift Amber Lager.

MillerCoors' revenue per hectolitre grew by 3% due to strong pricing and favourable brand mix, following growth in the Tenth and Blake division and the above premium segment, together with a decline in the economy segment. Cost of goods sold per hectolitre increased by low single digits, due to higher brewing material costs and adverse pack mix linked to product innovation, partly offset by cost saving initiatives.

Increased media investment behind the premium light portfolio, together with higher spending on new products and packaging innovation, led to an increase in marketing spend. Our share of impairment charges relating to the discontinuation of Home Draft packaging and of information systems assets related to MillerCoors' Business Transformation project was taken during the year.

Africa

Financial summary	Reported 2012	Net acquisitions and disposals	Currency translation	Organic growth	**Reported 2013**	Organic, constant currency growth %	Reported growth %
Group revenue (including share of associates) (US$m)	3,686	(210)	(221)	598	**3,853**	18	5
EBITA[1] (US$m)	743	(2)	(46)	143	**838**	20	13
EBITA margin (%)	20.2				**21.7**		
Sales volumes (hl 000)							
Lager	17,374	35		1,036	**18,445**	6	6
Soft drinks	13,475	(1,570)		1,058	**12,963**	9	(4)
Other alcoholic beverages	5,330	75		321	**5,726**	6	7

¹ In 2013 before net exceptional credits of US$79 million being profit on disposal of business (2012: net exceptional gains of US$185 million being profit on disposal of business of US$67 million, profit on disposal of investment in associate of US$103 million and the group's share of the profits on transactions in associates of US$23 million, net of US$8 million business capability programme costs).

In Africa lager volumes grew 6% despite cycling strong comparative growth of 14% in the prior year. Double digit volume growth was achieved in a number of territories but this was partially offset by the impact of a significant excise increase in Tanzania dampening sales and softer trading in Uganda driven by a weaker economy. The Castle brand family continued to deliver robust growth, in particular the premium offering Castle Lite which grew by 43% for the year. We continue to invest in the future growth of the region with the commissioning of two new facilities at Onitsha in Nigeria and Ndola in Zambia during the year. In addition, capacity constraints were further alleviated during the year by expansions in Ghana, South Sudan and Zimbabwe.

Soft drinks volumes on an organic basis grew strongly at 9% supported by continued growth in the non-alcoholic malt beverages category, most notably in Nigeria and Tanzania, and sparkling soft drinks growth in Ghana, Zambia, Zimbabwe and Castel. Reported soft drinks volumes declined as a result of the prior year management ownership changes related to the Angolan businesses. Other alcoholic beverages organic growth of 6% was dampened by a decline in Botswana due to the zoning legislation enacted during the year which negatively impacted Chibuku volumes. As part of our affordability strategy and to take share from informal alcohol, traditional beer is now available in 10 markets as we continue to expand our geographic footprint. Chibuku Super, a traditional beer that is bottled in PET and has a longer shelf life, is performing particularly well in Zambia and was recently launched in Zimbabwe.

Reported EBITA growth of 13% (20% on an organic, constant currency basis) was achieved through a combination of volume growth, improving group revenue per hl driven by pricing and positive segment mix in lager. Increased local sourcing of raw materials, efficiencies gained through our capacity expansion and synergy benefits from the combination of our Angolan and Nigerian businesses with Castel underpinned EBITA growth. This was partially offset by costs associated with our capacity expansion and increasing market facing investment, including growing our sales force and increasing marketing spend in markets. Strong EBITA margin expansion of 150 bps, to 21.7%, was principally driven by synergies in Angola and Nigeria as well as geographic mix benefits.

In **Tanzania**, where we were cycling a strong comparative, lager volumes declined by 8% mainly due to the negative impact of the 25% excise increase and softer consumer spending. However lager volumes returned to growth at the end of the year and the fourth quarter was in line with the prior year. Castle Lite outperformed the market with growth of 17% despite the tough trading conditions. The wines and spirits business continued to grow driven by new product and pack innovations.

Lager volumes in **Mozambique** grew by 11% underpinned by our full portfolio offering. In the mainstream segment both 2M and Manica posted double digit growth while Castle Lite grew at a significantly higher rate in the premium segment in the first full year since its launch. Impala, our cassava-based affordable offering, continues to impress as we begin to expand its reach.

Capacity constraints that had previously limited growth in **Zambia** have now been alleviated with the commissioning of the brewhouse at Ndola in November 2012. Lager volume growth of 12% was achieved through improved availability and an improved economic environment. The premium portfolio benefited from strong growth of Castle Lite, while Castle Lager and Mosi performed well in the mainstream segment. Soft drinks delivered strong volume growth. Traditional beer volumes also posted good growth aided by the launch of Chibuku Super in the first half of the year which has begun to revolutionise the category.

In **Nigeria** lager volumes grew significantly, both as reported and organically, due to the additional capacity provided by the commissioning of our greenfield brewery in Onitsha in August 2012, the successful launch of Hero lager and the continued growth of the Trophy lager brand.

Botswana continued to feel the impact of anti-alcohol sentiment with the introduction of zoning legislation and a further increase in the alcohol levy. Total alcoholic beverage volumes declined during the year with market share gains in lager volumes more than offset by the decline in traditional beer volumes as a result of the impact of the new zoning regulations.

Lager volumes in **Uganda** ended in line with the prior year as a result of softer consumer spending following a sustained period of high inflation. In **Ghana**, lager volumes grew by 15% driven by the continued growth of Club lager. In addition we launched our second African cassava-based lager in March 2013. Despite challenges in **South Sudan**, particularly in the second half of the year, double digit growth in lager volumes was achieved led by the White Bull brand. In **Zimbabwe**, lager volumes at our associate Delta were dampened by excise related pricing in November 2012 and a more subdued economic landscape. Lager volume growth of 4% on an organic basis was achieved through an increased focus on market activations on premium brands, while traditional beer volumes declined marginally.

Our associate **Castel** delivered *pro forma*[2] lager volume growth of 6% with good volume performances in Cameroon, Ethiopia and Burkina-Faso. *Pro forma*[2] soft drinks volumes grew by 9%.

[2] *Pro forma* volumes are based on volume information for the period from 1 April 2011 to 31 March 2012 for the Castel business as if the management combinations in Angola and Nigeria and the Castel acquisition in Madagascar had occurred on 1 April 2011.

Asia Pacific

Financial summary	Reported 2012	Net acquisitions and disposals	Currency translation	Organic growth	**Reported 2013**	Organic, constant currency growth %	Reported growth %
Group revenue (including share of associates) (US$m)	3,510	2,171	(106)	110	**5,685**	3	62
EBITA[1] (US$m)	321	524	(12)	22	**855**	7	166
EBITA margin (%)	9.1				**15.0**		
Sales volumes (hl 000)							
Lager	58,121	5,960		3,211	**67,292**	6	16

¹ In 2013 before exceptional charges of US$104 million being integration and restructuring costs of US$74 million and impairments of US$30 million (2012: US$70 million being transaction-related costs of US$109 million, integration and restructuring costs of US$26 million, business capability programme costs of US$1 million and a gain on remeasurement of existing interest in joint venture on acquisition of US$66 million).

In Asia Pacific lager volumes for the year grew by 6% on an organic basis, with reported volume growth of 16% reflecting the Foster's acquisition and some acquisitions in China, all of which were completed in the prior year. Reported EBITA grew by 166% and group revenue per hl grew by 40% primarily due to the inclusion of Foster's. EBITA margin increased by 590 bps on a reported basis also due to the benefit of the Foster's acquisition.

In **Australia** lager volumes on a *pro forma*[2] continuing basis[3] delivered an improving trend, with 3% growth in the fourth quarter versus the prior year. This strong performance has been underpinned by flagship brand, Victoria Bitter, returning a second consecutive quarter of sales growth since its relaunch in October 2012; the first such growth in over a decade. The fourth quarter performance was further supported by strong growth in the contemporary mainstream and premium segments, with brands such as Carlton Dry, Great Northern Brewing Co, Peroni and Miller all performing strongly.

Full year volumes were lower by 5% on a *pro forma*[2] continuing basis[3], while total volumes, including discontinued brands, were down 13%. Weak underlying market growth in the first three quarters of the year underpinned the majority of the *pro forma*[2] decline.

Our strategy to restore the core has resulted in strong volume resurgence by both Victoria Bitter in the second half of the year and Crown Lager for the full year, while Carlton Dry continued with solid growth compared with the prior year. Focus on premium growth opportunities has seen volumes for Peroni and Miller Genuine Draft grow on a *pro forma*[2] basis compared with the prior year, due to increased marketing campaigns and from leveraging CUB's extensive distribution network. In addition we have introduced a number of innovative cider variants to continue the strong growth within this premium margin market segment, delivering full year *pro forma*[2] volume growth of 7% compared with the prior year.

Promotional optimisation strategies implemented post acquisition focused on delivering greater value both for our customers and ourselves resulting in *pro forma*[2] group revenue per hl up 4%. This result was underpinned by an increased focus on profitable revenue growth, as well as strong execution behind our premium portfolio. The integration programme continues to progress well and ahead of expectations, with half the anticipated annual net operating profit synergies already delivered for the group. Initiatives driving this benefit include the integration of the Pacific Beverages business, world class manufacturing and procurement programmes and grid and logistics improvement initiatives. The integration programme has also increased capability across all functions, with deliberate prioritisation of revenue and people management, marketing and manufacturing via the roll out of SABMiller's Capability Ways. All of these factors combined enabled solid *pro forma²* domestic EBITA growth with *pro forma²* EBITA margin advancing in excess of 300 bps.

The sale of Foster's interests in its Fijian beverage operations, Foster's Group Pacific Limited, to Coca-Cola Amatil Ltd (CCA) was completed on 7 September 2012 and Foster's soft drinks assets were also sold to CCA on 28 September 2012. There was no gain or loss on either disposal. With effect from 1 October 2012, our associate distribution business in Dubai previously reported as part of Australia has been transferred to our Europe division.

In **China**, lager volumes grew 6% on a reported basis (5% on an organic basis). Our associate, CR Snow, continued to expand its national market share although market growth was affected by heavy and prolonged rains and cooler temperatures that affected certain key provinces particularly during the first and third quarters of the financial year. Market share increases were delivered in Jiangsu, Guizhou, Shanxi, Inner Mongolia, Guangdong and Heilongjiang, although market share was lost in Sichuan, Anhui and Zhejiang provinces.

Group revenue per hl on a reported basis was broadly level with the prior year impacted by provincial mix. The underlying trend continues to be positive in most provinces driven by CR Snow's strategy of premiumisation of the portfolio underpinned by the growth of key Snow variants, notably Snow Draft and Snow Brave the World. The rising costs of raw materials, higher labour costs and shifting product mix have increased operating costs substantially but EBITA margin increased driven by cost-control and efficiency initiatives with a double digit increase in EBITA as a result.

In February 2013 CR Snow entered into an agreement to acquire the brewery business of Kingway Brewery Holdings Limited. The transaction was approved by shareholders of Kingway on 9 May 2013 but remains subject to regulatory approval.

Lager volumes in **India** grew 20% with strong performance across the year and the cycling of trade restrictions in Andhra Pradesh to the end of August 2012. Good growth was achieved in most states in which the business operates including the key states of Karnataka, Haryana, Madhya Pradesh, Punjab, Maharashtra and Andhra Pradesh underpinned by strong performance from the core mainstream brands and innovation in the premium segment with the continued roll-out of Miller High Life. Group revenue per hl increased by 7% on a constant currency basis, reflecting price increases in certain states and a continued focus on higher margin brands, packs and states. The strategy of focusing resources on areas of greater profitability continues to yield strong results and EBITA increased more than 70% when compared with the prior year.

[2] *Pro forma* volumes and financial information are based on results reported under IFRS and SABMiller accounting policies for the period from 1 April 2011 to 31 March 2012, as if the Foster's and Pacific Beverages transactions had occurred on 1 April 2011.
[3] *Pro forma* continuing basis adjusts for the impact of discontinued licensed brands in all comparative information.

South Africa: Beverages

Financial summary	Reported 2012	Net acquisitions and disposals	Currency translation	Organic growth	**Reported 2013**	Organic, constant currency growth %	Reported growth %
Group revenue (including share of associates) (US$m)	5,815	-	(762)	487	**5,540**	8	(5)
EBITA[1] (US$m)	1,168	-	(155)	116	**1,129**	10	(3)
EBITA margin (%)	20.1				**20.4**		
Sales volumes (hl 000)							
Lager	26,859	-		421	**27,280**	2	2
Soft drinks	17,979	-		389	**18,368**	2	2
Other alcoholic beverages	1,565	-		48	**1,613**	3	3

[1] In 2013 before exceptional charges of US$22 million being charges incurred in relation to the Broad-Based Black Economic Empowerment scheme of US$17 million, integration and restructuring costs of US$17 million, net of business capability programme credits of US$12 million (2012: US$41 million being Broad-Based Black Economic Empowerment scheme charges of US$29 million and business capability programme costs of US$12 million).

The **South Africa: Beverages** business reported a 3% decline in reported EBITA due to the weakness of the South African rand against the US dollar but delivered strong constant currency EBITA growth of 10% and improved EBITA margins. The continued focus on market-facing activities and enhanced retail execution helped drive good volume growth, in spite of a deterioration in consumer confidence towards the latter part of the year.

Group revenue declined by 5% on a reported basis, due to the continued depreciation of the rand, but was up 8% on a constant currency basis. Group revenue per hl grew by 6% on a constant currency basis while net revenue growth, after excise, was curtailed by the 10% beer excise increase implemented in February 2012. Lager revenue benefited from strong growth in the premium beer portfolio and a moderate price increase in February last year. In the soft drinks portfolio, revenue growth was tempered by well below inflationary price increases across the portfolio.

We continued to make significant investments in market facing operations, funded largely by savings in non-market facing areas.

Lager volumes grew 2% despite the worsening consumer environment, and we continued to gain market share as volumes benefited from innovative through-the-line promotional campaigns. Castle Lite gained additional market share in the premium segment, increasing its share of the total beer industry to more than 10%. This was achieved by continuing to leverage its unique 'Extra Cold' brand positioning. Castle Lager continued its strong growth following the success of the 'It all comes together with a Castle' campaign which draws on its combination of the finest home-grown ingredients. Carling Black Label's rate of decline was reversed, supported by the award winning marketing campaign 'Carling Cup'. In addition, Carling's 'Be the Coach' campaign won four Cannes Lions awards, the first ever South Africa Breweries has been awarded.

Lager sales benefited from continued innovation in retail execution as well as continuing improvements in customer service. There was a strong focus on key trade marketing and customer loyalty programmes tailored to specific key classes of trade. There was a significant increase in the sales force and the role of the customer interaction centre was enhanced.

A number of measures were implemented to drive social responsibility during the year, including the development of a detailed water risk map for the supply chain which led to the first time introduction of sustainable agriculture principles to 500 farmers. In addition, our efforts to promote responsible consumption continued through a new public private partnership established with the National Institute for Crime Prevention and the Reintegration of Offenders (Nicro) to further our work on tackling drink driving.

Soft drinks volumes grew 2%, cycling a strong performance in the second half of the prior year and despite a more challenging consumer landscape and a double-digit price increase on the core returnable glass pack in December 2012. The growth in volumes was driven largely by increased market penetration, improved customer service levels and focused channel execution, with particularly strong growth in two litre PET packs. Improved market penetration was achieved through the use of market logistics partnerships and reward structures. Growth in the still drinks portfolio was well above the portfolio average with strong performances from Powerade and Play.

On a reported basis our associate **Distell** posted a decline in group revenue but on an organic, constant currency basis group revenue grew in double digits, driven by an increase in sales volumes in both domestic and international markets, the latter benefiting from a weaker rand. EBITA fell on a reported and organic, constant currency basis, impacted by a one-off excise charge, caused by the reclassification of wine aperitifs by the South African Revenue Service.

Both the beer and soft drinks businesses benefited from planned productivity initiatives, which included vendor contract negotiations, marketing spend effectiveness and optimising spend on freight, as we sought to limit the cost impact of high single digit raw material cost increases and various market-facing initiatives. Reported EBITA declined by 3%, but was up 10% on a constant currency basis due to the revenue growth and productivity improvements, with reported EBITA margin increasing by 30 bps to 20.4%.

South Africa: Hotels and Gaming

Financial summary	Reported 2012	Net acquisitions and disposals	Currency translation	Organic growth	**Reported 2013**	Organic, constant currency growth %	Reported growth %
Group revenue (share of associates) (US$m)	487	8	(63)	34	**466**	7	(4)
EBITA[1] (US$m)	135	2	(19)	16	**134**	11	(1)
EBITA margin (%)	27.7				**28.8**		
Revenue per available room (Revpar) – US$	69.39	n/a	n/a	n/a	**66.20**	n/a	(5)

[1] In 2013 before exceptional charges of US$nil (2012: exceptional gains of US$23 million being the group's share of profits on transactions in associates).

SABMiller is a 39.7% shareholder in the Tsogo Sun Group, which is listed on the Johannesburg Stock Exchange.

Our share of Tsogo Sun's reported revenue was US$466 million, a decrease of 4% from the prior year with organic, constant currency growth of 7%. The operations of Tsogo Sun remain highly geared towards the South African consumer in gaming and the corporate and government markets in hotels with both sectors showed good growth despite the difficult economic climate.

Gaming revenues were 8% up on an organic, constant currency basis. The gaming industry in the major provinces of South Africa experienced varying levels of growth over the prior year with the largest province in terms of gaming win, Gauteng, reporting 7% growth and with KwaZulu-Natal growing by 9%. Three of Tsogo Sun's four large casinos in these provinces outperformed the market growth.

The South African hotel industry continued to show signs of improvement during the year. South African market occupancies averaged 61% in the year compared with 57% in the prior year. Group-wide occupancies ended the year at 65% against prior year occupancies of 62%.

Reported EBITA for the year declined by 1%, with growth of 11% on an organic, constant currency basis. The underlying growth was driven by improved gaming and hotel revenues together with cost savings.

Financial review

New accounting standards and restatements

The accounting policies followed are the same as those published within the Annual Report and Accounts for the year ended 31 March 2012. There were no standards, interpretations or amendments adopted by the group since 1 April 2012 which have had a material impact on group results. The consolidated balance sheet as at 31 March 2012 has been restated for further adjustments relating to the initial accounting for business combinations, details of which are provided in note 13. The Annual Report and Accounts for the year ended 31 March 2012 are available on the company's website: www.sabmiller.com.

Segmental analysis

The group's operating results on a segmental basis are set out in the segmental analysis of operations.

SABMiller uses group revenue and EBITA (as defined in the financial definitions section) to evaluate performance and believes these measures provide stakeholders with additional information on trends and allow for greater comparability between segments. Segmental performance is reported after the specific apportionment of attributable head office costs.

Disclosure of volumes

In the determination and disclosure of sales volumes, the group aggregates 100% of the volumes of all consolidated subsidiaries and its equity accounted percentage of all associates' and joint ventures' volumes. Contract brewing volumes are excluded from volumes although revenue from contract brewing is included within group revenue. Volumes exclude intra-group sales volumes. This measure of volumes is used in the segmental analyses as it closely aligns with the consolidated group revenue and EBITA disclosures.

Organic, constant currency comparisons

The group discloses certain results on an organic, constant currency basis, to show the effects of acquisitions net of disposals and changes in exchange rates on the group's results. See the financial definitions section for the definition.

Adjusted EBITDA

The group uses an adjusted EBITDA measure of cash generation which adjusts EBITDA (as defined in the financial definitions section) to exclude cash flows relating to exceptional items and to include the dividends received from the MillerCoors joint venture. Given the significance of the MillerCoors business and the access to its cash generation, inclusion of the dividends from MillerCoors (which approximate the group's share of its EBITDA) provides a useful measure of the group's overall cash generation. Excluding the cash impact of exceptional items allows the level and underlying trend of cash generation to be understood.

Business combinations and similar transactions

The group completed the acquisition of a 60% interest in Darbrew Limited, a traditional beer business, in Tanzania in March 2013 for cash consideration of US$6 million.

With effect from 1 January 2013, the group's associate Anadolu Efes has fully consolidated Coca-Cola Icecek AS(CCI), the Turkish soft drinks business in which it has a 50.26% interest. While Anadolu Efes has recorded a non-cash gain on the change in control, the group has not recognised its share of the gain as the uplift in value was reflected within the fair valuation on acquisition of the group's investment in Anadolu Efes. The impact of the change in control of CCI has been adjusted in the group's organic results.

Disposals

On 7 September 2012 the group completed the disposal of Foster's interests in its Fijian beverage operations, Foster's Group Pacific Limited, and on 28 September 2012 the group completed the disposal of Foster's soft drinks assets, both to Coca-Cola Amatil Limited (CCA).

On 7 November 2012 Foster's sold its 49.9% interest in Foster's USA LLC to MillerCoors LLC for cash consideration. Foster's USA LLC is now wholly owned by MillerCoors.

Exceptional items

Items that are material either by size or incidence are classified as exceptional items. Further details on the treatment of these items can be found in note 3 to the financial statements.

Net exceptional charges of US$203 million before finance costs and tax were reported during the year (2012: net exceptional credits of US$1,037 million), including net exceptional charges of US$3 million (2012: credits of US$11 million) related to the group's share of associates' and joint ventures' exceptional items. The net exceptional charge included:

- US$79 million additional profit on the prior year disposal of the group's Angolan operations;
- US$141 million (2012: US$235 million) charge related to business capability programme costs in Latin America, Europe, South Africa: Beverages and Corporate;
- US$91 million charge related to integration and restructuring costs in Asia Pacific and South Africa: Beverages (2012: US$60 million related to various integration and restructuring projects in Asia Pacific and Latin America);
- US$30 million (2012: US$nil) charge in respect of the impairment of the group's business in Vietnam in Asia Pacific; and
- US$17 million (2012: US$29 million) charge in respect of the Broad-Based Black Economic Empowerment scheme in South Africa.

The group's share of associates' and joint ventures' exceptional items included an impairment of US$3 million in Angola in Africa.

In addition to the amounts noted above, the net exceptional credit in 2012 included a gain of US$1,195 million on the disposal of the group's Russian and Ukrainian businesses to Anadolu Efes in Europe; a gain of US$67 million on the disposal of the group's Angolan businesses to the Castel group in Africa; a gain of US$103 million on the disposal of the group's Kenyan associate in Africa; a gain of US$66 million on the Pacific Beverages transaction in Asia Pacific; a credit of US$42 million relating to the refund of a fine in Europe; a US$14 million loss on the disposal of a business in Europe; and US$109 million of transaction-related costs associated with the Foster's acquisition.

The group's share of associates' and joint ventures' exceptional items in 2012 included profits of US$46 million on transactions in associates including the profit on the disposal of a subsidiary by Castel in Africa; the gain on the remeasurement of Tsogo Sun Holdings Ltd's (Tsogo Sun) existing interest in an associate on the acquisition of the remaining interest and the release of deferred consideration relating to a prior acquisition by Tsogo Sun; partly offset by a charge of US$35 million related to the group's share of MillerCoors' impairment of the Sparks brand.

Within net finance costs in 2012 there was a net exceptional charge of US$22 million comprising US$26 million of transaction-related net finance costs and US$4 million of interest income on the repayment of a fine in Europe.

Finance costs

Net finance costs were US$735 million, a 31% increase on the prior year's US$562 million, mainly as a result of a full year's interest charge on the debt related to the Foster's acquisition. Finance costs in the current year include a net gain of US$12 million (2012: US$2 million) from the mark to market adjustments of various derivatives on capital items for which hedge accounting cannot be applied. Finance costs in the year did not include any exceptional finance costs (2012: US$22 million). The mark to market gains, and the net exceptional finance costs in the prior year, have been excluded from the determination of adjusted net finance costs and adjusted earnings per share. Adjusted net finance costs were US$747 million, up 38%.

Interest cover, as defined in the financial definitions section, has decreased to 9.1 times from 11.4 times in the prior year.

Profit before tax

Adjusted profit before tax of US$5,630 million increased by 11% over the prior year, primarily as a result of increased volumes, improved revenue per hectolitre reflecting positive sales mix and the inclusion of Foster's for the whole year.

Profit before tax (continued)

Profit before tax was US$4,712 million, down 16% on the prior year, including the impact of the exceptional items and other adjusting finance items noted above. The principal differences between reported and adjusted profit before tax relate to exceptional items and the amortisation of intangible assets (excluding computer software). Net exceptional charges were US$203 million compared with net exceptional credits of US$1,015 million in the prior year, principally due to the inclusion of significant one-off gains on transactions in the prior year. Amortisation, including our share of associates' and joint ventures' amortisation, amounted to US$483 million in the year compared with US$264 million in the prior year, with the increase mainly resulting from a full year of amortisation of Foster's and Anadolu Efes' intangible assets.

Taxation

The effective rate of tax for the year before amortisation of intangible assets (excluding computer software) and exceptional items is 27.0% compared with a rate of 27.5% in the prior year. The group rate has been impacted by the Foster's acquisition and the resolution of various uncertain tax positions, and has also benefited from decreases in the corporate income tax rates in certain territories.

Earnings per share

The group presents adjusted basic earnings per share, which excludes the impact of amortisation of intangible assets (excluding computer software), certain non-recurring items and post-tax exceptional items, in order to present an additional measure of performance for the years shown in the consolidated financial statements. Adjusted basic earnings per share of 238.7 US cents were up 11% on the prior year, owing to improved profits, including the impact of acquisitions and business combinations, and a lower effective tax rate, partially offset by higher finance costs and adverse foreign currency movements. An analysis of earnings per share is shown in note 6. On a statutory basis, basic earnings per share were lower by 23% at 205.9 US cents (2012: 266.6 US cents), primarily due to exceptional costs in the year compared with significant exceptional credits in the prior year, higher amortisation of intangible assets (excluding computer software) and finance costs together with adverse currency movements, partially offset by the improved underlying profitability and the impact of acquisitions and business combinations.

Cash flow and capital expenditure

Net cash generated from operations before working capital movements (EBITDA) of US$5,758 million increased by 16% compared with the prior year (2012: US$4,979 million). This increase was primarily due to higher revenue, cost efficiencies, the inclusion of Foster's for a full year and lower cash outflows from exceptional items.

Dividends received from the MillerCoors joint venture (reported within cash flows from investing activities) amounted to US$886 million (2012: US$896 million).

Adjusted EBITDA of US$6,835 million (comprising EBITDA before cash outflows from exceptional items of US$191 million plus dividends received from MillerCoors of US$886 million) increased by 11% compared with the prior year (2012: US$6,183 million), reflecting continuing subsidiary operating performance.

Net cash generated from operating activities of US$4,101 million was up US$164 million primarily reflecting improved EBITDA and lower tax paid due to the receipt of a non-recurring tax refund in Australia partially offset by cash outflow from working capital and higher net interest paid.

Capital expenditure on property, plant and equipment for the year of US$1,335 million has decreased compared with the prior year (2012: US$1,473 million). The group has continued to invest selectively in its operations to support future growth, especially in Africa where capacity constraints have been experienced. New breweries were commissioned in Nigeria, Uganda and Zambia during the year with further capacity expansion completed in Ghana and South Sudan. Capital expenditure including the purchase of intangible assets was US$1,479 million (2012: US$1,639 million).

Free cash flow improved by 6% to US$3,230 million, reflecting higher cash generated from operating activities and decreased capital expenditure. Free cash flow is detailed in note 11b, and defined in the financial definitions section.

Borrowings and net debt

Gross debt at 31 March 2013, comprising borrowings together with the fair value of derivative assets or liabilities held to manage interest rate and foreign currency risk of borrowings, decreased to US$17,872 million from US$18,607 million at 31 March 2012, primarily as a result of the partial repayment of the Foster's acquisition facilities and the repayment on maturity of bonds in Colombia and South Africa. Net debt, comprising gross debt net of cash and cash equivalents, decreased to US$15,701 million from US$17,862 million at 31 March 2012. An analysis of net debt is provided in note 11c.

The group's gearing (presented as a ratio of net debt/equity) has decreased to 57.2% from 68.6% at 31 March 2012 (restated) primarily as a result of the reduction in net debt in the year. The weighted average interest rate for the gross debt portfolio at 31 March 2013 was 4.1% (2012: 4.9%).

On 4 December 2012 SABMiller Holdings Inc issued €1,000 million, 1.875% Notes due January 2020. These notes were issued under the SABMiller Holdings Inc US$3,000 million Euro Medium Term Note Programme established on 12 October 2012 and guaranteed by SABMiller plc.

On 28 March 2013 SABSA Holdings Ltd issued ZAR1,000 million, 7.125% Notes due March 2018. The notes were issued under the ZAR6,000 million Domestic Medium Term Note Programme established on 13 December 2012 and guaranteed by SABMiller plc.

On 15 March 2013 SABMiller plc extended the maturity date of its US$2,500 million committed syndicated revolving credit facility to 6 April 2018.

At 31 March 2013, the group had undrawn committed borrowing facilities of US$3,352 million (2012: US$3,810 million).

Total equity

Total equity increased from US$26,032 million (restated – see note 13) at 31 March 2012 to US$27,460 million at 31 March 2013. The increase was primarily owing to profit for the year, partly offset by dividend payments and adverse currency translation movements.

Goodwill and intangible assets

Goodwill decreased to US$19,862 million (2012: US$20,171 million) primarily due to foreign exchange movements. Intangible assets decreased in the year to US$9,635 million (2012: US$9,958 million) primarily as a result of amortisation charges for the year, partly offset by additions. The comparatives for goodwill and intangible assets have been restated to reflect adjustments to provisional fair values of business combinations, further details of which are provided in note 13.

Currencies

The exchange rates to the US dollar used in preparing the consolidated financial statements are detailed in the table below, with most of the major currencies in which we operate depreciating against the US dollar during the year.

Years ended 31 March	Average rate		Appreciation/ (depreciation)	Closing rate		Appreciation/ (depreciation)
	2013	2012	%	**2013**	2012	%
Australian dollar (AUD)	**0.97**	0.95	(2)	**0.96**	0.97	1
South African rand (ZAR)	**8.51**	7.48	(12)	**9.24**	7.67	(17)
Colombian peso (COP)	**1,796**	1,831	2	**1,832**	1,792	(2)
Euro (€)	**0.78**	0.72	(7)	**0.78**	0.75	(4)
Czech koruna (CZK)	**19.65**	17.65	(10)	**20.07**	18.52	(8)
Peruvian nuevo sol (PEN)	**2.61**	2.73	5	**2.59**	2.67	3
Polish zloty (PLN)	**3.26**	2.99	(8)	**3.26**	3.13	(4)
Turkish lira (TRY)	**1.80**	1.73	(4)	**1.81**	1.78	(1)

Dividend

The board has proposed a final dividend of 77.0 US cents per share for the year, an increase of 11%. This brings the total dividend for the year to 101.0 US cents per share, an increase of 10.0 US cents over the prior year. Shareholders will be asked to approve this recommendation at the annual general meeting, which will be held on Thursday 25 July 2013. If approved, the dividend will be payable on Friday 23 August 2013 to shareholders registered on the London and Johannesburg registers on Friday 16 August 2013. The ex-dividend trading dates will be Wednesday 14 August 2013 on the London Stock Exchange (LSE) and Monday 12 August 2013 on the JSE Limited (JSE). The payment date is set, in part, with reference to JSE Listings Requirements. As a result of a public holiday in South Africa impacting on our dividend timetable the payment date is set a week later than has become our custom.

As the group reports in US dollars, dividends are declared in US dollars. They are payable in South African rand to shareholders on the Johannesburg register, in US dollars to shareholders on the London register with a registered address in the United States (unless mandated otherwise), and in sterling to all remaining shareholders on the London register. Further details relating to dividends are provided in note 7.

The rates of exchange applicable on Wednesday 24 July 2013 will be used for US dollar conversion into South African rand and sterling. A currency conversion announcement will be made on the JSE's Securities Exchange News Service and on the LSE's Regulatory News Service, indicating the rates of exchange to be applied, on Thursday 25 July 2013.

The JSE Listings Requirements require disclosure of additional information in relation to any dividend payments. Shareholders registered on the Johannesburg register are advised that dividend withholding tax will be withheld from the gross final dividend amount of 77.0 US cents per share (as converted into South African rand in accordance with the paragraphs above) at a rate of 15%, unless a shareholder qualifies for an exemption; shareholders registered on the Johannesburg register who do not qualify for an exemption will therefore receive a net dividend of 65.450 US cents per share (as converted into South African rand in accordance with the paragraphs above).

The company, as a non-resident of South Africa, was not subject to the secondary tax on companies (STC) applicable before the introduction of dividend withholding tax on 1 April 2012, and accordingly, no STC credits are available for set-off against the dividend withholding tax liability on the final net dividend amount. The dividend is payable in cash as a 'Dividend' (as defined in the South African Income Tax Act, 58 of 1962, as amended) by way of a reduction of income reserves. The dividend withholding tax and the information contained in this paragraph is only of direct application to shareholders registered on the Johannesburg register, who should direct any questions about the application of the dividend withholding tax to Computershare Investor Services (Pty) Limited, Tel: +27 11 373-0004.

From the commencement of trading on Thursday 25 July 2013 until the close of business on Friday 16 August 2013, no transfers between the London and Johannesburg registers will be permitted, and from Monday 12 August 2013 until Friday 16 August 2013, no shares may be dematerialised or rematerialised, both days inclusive.

Annual report and accounts

The group's unaudited condensed consolidated financial statements follow. The annual report will be mailed to shareholders in late June 2013 and the annual general meeting of the company will be held at the InterContinental London Park Lane Hotel in London at 11:00 on Thursday 25 July 2013.

SABMiller plc
CONSOLIDATED INCOME STATEMENT
for the year ended 31 March

	Notes	**2013 Unaudited US$m**	2012 Audited US$m
Revenue	2	**23,213**	21,760
Net operating expenses		**(19,010)**	(16,747)
Operating profit	2	**4,203**	5,013
Operating profit before exceptional items		**4,403**	3,987
Exceptional items	3	**(200)**	1,026
Net finance costs	4	**(735)**	(562)
Finance costs		**(1,417)**	(1,093)
Finance income		**682**	531
Share of post-tax results of associates and joint ventures	2	**1,244**	1,152
Profit before taxation		**4,712**	5,603
Taxation	5	**(1,201)**	(1,126)
Profit for the year		**3,511**	4,477
Profit attributable to non-controlling interests		**237**	256
Profit attributable to owners of the parent	6	**3,274**	4,221
	11a	**3,511**	4,477
Basic earnings per share (US cents)	6	**205.9**	266.6
Diluted earnings per share (US cents)	6	**203.5**	263.8

All operations are continuing.

The notes on pages 28 to 41 form an integral part of these condensed consolidated financial statements.

	Notes	2013 Unaudited US$m	2012 Audited US$m
Profit for the year		**3,511**	4,477
Other comprehensive loss:			
Currency translation differences on foreign currency net investments		**(700)**	136
- (Decrease)/increase in foreign currency translation reserve during the year		**(700)**	153
- Recycling of foreign currency translation reserve on disposals		**-**	(17)
Net actuarial losses on defined benefit plans		**(21)**	(9)
Available for sale investments:			
- Fair value losses arising during the year		**(1)**	-
Net investment hedges:			
- Fair value gains/(losses) arising during the year		**63**	(1)
Cash flow hedges:		**(5)**	6
- Fair value losses arising during the year		**(8)**	-
- Fair value losses transferred to inventory		**8**	2
- Fair value (gains)/losses transferred to profit or loss		**(5)**	4
Tax on items included in other comprehensive loss	5	**34**	101
Share of associates' and joint ventures' other comprehensive loss	9, 10	**(70)**	(256)
Other comprehensive loss for the year, net of tax		**(700)**	(23)
Total comprehensive income for the year		**2,811**	4,454
Attributable to:			
Non-controlling interests		**233**	255
Owners of the parent		**2,578**	4,199
Total comprehensive income for the year		**2,811**	4,454

The notes on pages 28 to 41 form an integral part of these condensed consolidated financial statements.

	Notes	2013 Unaudited US$m	2012[1] Unaudited US$m
Assets			
Non-current assets			
Goodwill	8	**19,862**	20,171
Intangible assets	8	**9,635**	9,958
Property, plant and equipment		**9,059**	9,162
Investments in joint ventures	9	**5,547**	5,520
Investments in associates	10	**5,416**	5,072
Available for sale investments		**22**	30
Derivative financial instruments		**732**	732
Trade and other receivables		**144**	136
Deferred tax assets		**71**	117
Loan participation deposit		**100**	100
		50,588	50,998
Current assets			
Inventories		**1,175**	1,248
Trade and other receivables		**2,067**	2,204
Current tax assets		**159**	629
Derivative financial instruments		**111**	24
Available for sale investments		**-**	1
Cash and cash equivalents	11c	**2,171**	745
		5,683	4,851
Assets of disposal group classified as held for sale		**23**	79
		5,706	4,930
Total assets		**56,294**	55,928
Liabilities			
Current liabilities			
Derivative financial instruments		**(34)**	(40)
Borrowings	11c	**(2,469)**	(1,062)
Trade and other payables		**(4,004)**	(4,127)
Current tax liabilities		**(1,460)**	(1,323)
Provisions		**(558)**	(704)
		(8,525)	(7,256)
Liabilities of disposal group classified as held for sale		**(1)**	(7)
		(8,526)	(7,263)
Non-current liabilities			
Derivative financial instruments		**(52)**	(69)
Borrowings	11c	**(16,079)**	(18,164)
Trade and other payables		**(132)**	(112)
Deferred tax liabilities		**(3,507)**	(3,719)
Provisions		**(538)**	(569)
		(20,308)	(22,633)
Total liabilities		**(28,834)**	(29,896)
Net assets		**27,460**	26,032
Equity			
Share capital		**167**	166
Share premium		**6,581**	6,480
Merger relief reserve		**4,586**	4,586
Other reserves		**1,328**	1,978
Retained earnings		**13,710**	11,863
Total shareholders' equity		**26,372**	25,073
Non-controlling interests		**1,088**	959
Total equity		**27,460**	26,032

[1] As restated (see note 13).

The notes on pages 28 to 41 form an integral part of these condensed consolidated financial statements.

	Notes	**2013 Unaudited US$m**	2012 Audited US$m
Cash flows from operating activities			
Cash generated from operations	11a	**5,554**	5,237
Interest received		**468**	516
Interest paid		**(1,238)**	(923)
Tax paid		**(683)**	(893)
Net cash generated from operating activities	11b	**4,101**	3,937
Cash flows from investing activities			
Purchase of property, plant and equipment		**(1,335)**	(1,473)
Proceeds from sale of property, plant and equipment		**30**	116
Purchase of intangible assets		**(144)**	(166)
Proceeds from sale of intangible assets		**4**	-
Purchase of available for sale investments		**-**	(1)
Proceeds from disposal of available for sale investments		**5**	2
Proceeds from disposal of associates		**21**	205
Proceeds from disposal of businesses (net of cash disposed)		**57**	(23)
Acquisition of businesses (net of cash acquired)		**(6)**	(10,951)
Investments in joint ventures	9	**(272)**	(288)
Investments in associates		**(23)**	(52)
Repayment of investments by associates		**-**	14
Dividends received from joint ventures	9	**886**	896
Dividends received from associates		**113**	120
Dividends received from other investments		**1**	1
Net cash used in investing activities		**(663)**	(11,600)
Cash flows from financing activities			
Proceeds from the issue of shares		**102**	96
Proceeds from the issue of shares in subsidiaries to non-controlling interests		**36**	107
Purchase of own shares for share trusts		**(53)**	(52)
Purchase of shares from non-controlling interests		**-**	(27)
Proceeds from borrowings		**2,318**	19,000
Repayment of borrowings		**(2,878)**	(10,139)
Proceeds from associate in relation to loan participation deposit		**100**	-
Capital element of finance lease payments		**(6)**	(5)
Net cash payments on derivative financial instruments		**(5)**	(52)
Dividends paid to shareholders of the parent		**(1,517)**	(1,324)
Dividends paid to non-controlling interests		**(131)**	(109)
Net cash (used in)/generated from financing activities		**(2,034)**	7,495
Net cash inflow/(outflow) from operating, investing and financing activities		**1,404**	(168)
Effects of exchange rate changes		**(51)**	(39)
Net increase/(decrease) in cash and cash equivalents		**1,353**	(207)
Cash and cash equivalents at 1 April	11c	**606**	813
Cash and cash equivalents at 31 March	11c	**1,959**	606

The notes on pages 28 to 41 form an integral part of these condensed consolidated financial statements.

	Called up share capital US$m	Share premium account US$m	Merger relief reserve US$m	Other reserves US$m	Retained earnings US$m	Total shareholders' equity US$m	Non-controlling interests US$m	Total Equity US$m
At 1 April 2011 (audited)	166	6,384	4,586	1,881	8,991	22,008	751	22,759
Total comprehensive income	-	-	-	97	4,102	4,199	255	4,454
Profit for the year	-	-	-	-	4,221	4,221	256	4,477
Other comprehensive income/(loss)	-	-	-	97	(119)	(22)	(1)	(23)
Dividends paid	-	-	-	-	(1,324)	(1,324)	(159)	(1,483)
Issue of SABMiller plc ordinary shares	-	96	-	-	-	96	-	96
Proceeds from the issue of shares in subsidiaries to non-controlling interests	-	-	-	-	-	-	107	107
Non-controlling interests disposed of via business disposal	-	-	-	-	-	-	(64)	(64)
Arising on business combinations	-	-	-	-	-	-	84	84
Dilution of non-controlling interests as a result of business combinations	-	-	-	-	(5)	(5)	5	-
Payment for purchase of own shares for share trusts	-	-	-	-	(52)	(52)	-	(52)
Buyout of non-controlling interests	-	-	-	-	(7)	(7)	(20)	(27)
Credit entry relating to share-based payments	-	-	-	-	158	158	-	158
At 31 March 2012[1] (unaudited)	166	6,480	4,586	1,978	11,863	25,073	959	26,032
Total comprehensive income	-	-	-	(650)	3,228	2,578	233	2,811
Profit for the year	-	-	-	-	3,274	3,274	237	3,511
Other comprehensive loss	-	-	-	(650)	(46)	(696)	(4)	(700)
Dividends paid	-	-	-	-	(1,517)	(1,517)	(128)	(1,645)
Issue of SABMiller plc ordinary shares	1	101	-	-	-	102	-	102
Proceeds from the issue of shares in subsidiaries to non-controlling interests	-	-	-	-	-	-	36	36
Non-controlling interests disposed of via business disposal	-	-	-	-	-	-	(13)	(13)
Arising on business combinations	-	-	-	-	-	-	1	1
Payment for purchase of own shares for share trusts	-	-	-	-	(53)	(53)	-	(53)
Credit entry relating to share-based payments	-	-	-	-	189	189	-	189
At 31 March 2013 (unaudited)	**167**	**6,581**	**4,586**	**1,328**	**13,710**	**26,372**	**1,088**	**27,460**

¹ As restated (see note 13).

The notes on pages 28 to 41 form an integral part of these condensed consolidated financial statements.

1. Basis of preparation

The preliminary announcement for the year ended 31 March 2013 has been prepared in accordance with the International Accounting Standards and International Financial Reporting Standards (collectively IFRS) as adopted by the EU.

The financial information in this preliminary announcement is not audited and does not constitute statutory accounts within the meaning of s434 of the Companies Act 2006. Group financial statements for 2013 will be delivered to the Registrar of Companies in due course. The board of directors approved this financial information on 22 May 2013. The annual financial statements for the year ended 31 March 2012, approved by the board of directors on 11 June 2012, which represent the statutory accounts for that year, have been filed with the Registrar of Companies. The auditors' report on those accounts was unqualified and did not contain a statement made under s498(2) or (3) of the Companies Act 2006.

Items included in the financial information of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial information is presented in US dollars which is the group's presentational currency.

Accounting policies

The financial statements are prepared under the historical cost convention, except for the revaluation to fair value of certain financial assets and liabilities, and post-retirement assets and liabilities. The accounts have been prepared on a going concern basis.

The accounting policies adopted are consistent with those of the previous financial year except for those standards, interpretations and amendments adopted by the group since 1 April 2012, which had no significant impact on the group's consolidated results or financial position.

The following standards, interpretations and amendments to existing standards have been published and are mandatory for the group's accounting periods beginning on or after 1 April 2013, have not been early adopted by the group.

- The amendment to IAS 19 will be adopted by the group retrospectively from 1 April 2013. Under the amended standard, the interest charge on retirement benefit liabilities and the expected return on plan assets will be replaced by a net interest income or expense on net defined benefit assets or liabilities, based on high quality corporate bond rates. The group estimates the adoption of the amended IAS 19 would result in a reduction in profit for the year ended 31 March 2013 of approximately US$20 million (after tax). The change is not expected to have a material impact on the group's net assets.

The following standards, interpretations and amendments to existing standards that are mandatory for the group's accounting periods beginning on or after 1 April 2013 are not yet effective and are not expected to have a material impact on the consolidated results of operations or financial position of the group.

- Amendment to IAS 1, 'Financial statement presentation', is effective from 1 July 2012.
- Amendment to IFRS 7, 'Financial instruments: Disclosures', is effective from 1 January 2013.
- IFRS 13, 'Fair Value Measurement', is effective from 1 January 2013.
- Annual improvements to IFRS 2009-2011, are effective from 1 January 2013.

The group has yet to assess the full impact of the following standards and amendments to existing standards mandatory for the group's accounting periods beginning on or after 1 April 2014 or later periods, which have not been early adopted:

- Amendment to IAS 32, 'Offsetting financial instruments asset and liability', is effective from 1 January 2014.
- IAS 27 (revised), 'Separate Financial Statements', is effective from 1 January 2014.
- IAS 28 (revised), 'Associates and Joint Ventures', is effective from 1 January 2014.
- IFRS 9, 'Financial Instruments', is effective from 1 January 2015[1].
- IFRS 10, 'Consolidated Financial Statements', is effective from 1 January 2014.
- IFRS 11, 'Joint Arrangements', is effective from 1 January 2014.
- IFRS 12, 'Disclosures of Interests in Other Entities' is effective from 1 January 2014.

[1]Not yet endorsed by the EU.

2. Segmental information

Operating segments reflect the management structure of the group and the way performance is evaluated and resources allocated based on group revenue and EBITA by the group's chief operating decision maker, defined as the executive directors. The group is focussed geographically and, while not meeting the definition of reportable segments, the group reports separately as segments South Africa: Hotels and Gaming and Corporate as this provides useful additional information.

The segmental information presented below includes the reconciliation of GAAP measures presented on the face of the income statement to non-GAAP measures which are used by management to analyse the group's performance.

2. Segmental information continued

Income statement

	Group revenue 2013 Unaudited US$m	**EBITA 2013 Unaudited US$m**	Group revenue 2012 Audited US$m	EBITA 2012 Audited US$m
Latin America	**7,821**	**2,112**	7,158	1,865
Europe	**5,767**	**784**	5,482	836
North America	**5,355**	**771**	5,250	756
Africa	**3,853**	**838**	3,686	743
Asia Pacific	**5,685**	**855**	3,510	321
South Africa:	**6,006**	**1,263**	6,302	1,303
- Beverages	**5,540**	**1,129**	5,815	1,168
- Hotels and Gaming	**466**	**134**	487	135
Corporate	**-**	**(202)**	-	(190)
	34,487	**6,421**	31,388	5,634
Amortisation of intangible assets (excluding computer software) – group and share of associates' and joint ventures'		**(483)**		(264)
Exceptional items in operating profit – group and share of associates' and joint ventures'		**(205)**		1,015
Net finance costs – group and share of associates' and joint ventures' (excluding exceptional items)		**(779)**		(570)
Share of associates' and joint ventures' taxation		**(164)**		(170)
Share of associates' and joint ventures' non-controlling interests		**(78)**		(42)
Profit before taxation		**4,712**		5,603

Group revenue (including associates and joint ventures)
With the exception of South Africa: Hotels and Gaming, all reportable segments derive their revenues from the sale of beverages. Revenues are derived from a large number of customers which are internationally dispersed, with no customers being individually material.

	Revenue 2013 Unaudited US$m	**Share of associates' and joint ventures' revenue 2013 Unaudited US$m**	**Group revenue 2013 Unaudited US$m**	Revenue 2012 Audited US$m	Share of associates' and joint ventures' revenue 2012 Audited US$m	Group revenue 2012 Audited US$m
Latin America	**7,821**	**-**	**7,821**	7,148	10	7,158
Europe	**4,292**	**1,475**	**5,767**	5,347	135	5,482
North America	**141**	**5,214**	**5,355**	134	5,116	5,250
Africa	**2,267**	**1,586**	**3,853**	2,299	1,387	3,686
Asia Pacific	**3,797**	**1,888**	**5,685**	1,682	1,828	3,510
South Africa:	**4,895**	**1,111**	**6,006**	5,150	1,152	6,302
- Beverages	**4,895**	**645**	**5,540**	5,150	665	5,815
- Hotels and Gaming	**-**	**466**	**466**	-	487	487
	23,213	**11,274**	**34,487**	21,760	9,628	31,388

Operating profit
The following table provides a reconciliation of operating profit to operating profit before exceptional items.

	Operating profit 2013 Unaudited US$m	**Exceptional items 2013 Unaudited US$m**	**Operating profit before exceptional items 2013 Unaudited US$m**	Operating profit 2012 Audited US$m	Exceptional items 2012 Audited US$m	Operating profit before exceptional items 2012 Audited US$m
Latin America	**1,920**	**63**	**1,983**	1,617	119	1,736
Europe	**588**	**64**	**652**	1,939	(1,135)	804
North America	**7**	**-**	**7**	-	-	-
Africa	**518**	**(79)**	**439**	584	(162)	422
Asia Pacific	**358**	**104**	**462**	54	70	124
South Africa: Beverages	**1,040**	**22**	**1,062**	1,050	41	1,091
Corporate	**(228)**	**26**	**(202)**	(231)	41	(190)
	4,203	**200**	**4,403**	5,013	(1,026)	3,987

2. Segmental information continued

EBITA (segment result)
This comprises operating profit before exceptional items, amortisation of intangible assets (excluding computer software) and includes the group's share of associates' and joint ventures' operating profit on a similar basis. The following table provides a reconciliation of operating profit before exceptional items to EBITA.

	Operating profit before exceptional items 2013 Unaudited US$m	**Share of associates' and joint ventures' operating profit before exceptional items 2013 Unaudited US$m**	**Amortisation of intangible assets (excluding computer software) – group and share of associates' and joint ventures' 2013 Unaudited US$m**	**EBITA 2013 Unaudited US$m**	Operating profit before exceptional items 2012 Audited US$m	Share of associates' and joint ventures' operating profit before exceptional items 2012 Audited US$m	Amortisation of intangible assets (excluding computer software) - group and share of associates' and joint ventures' 2012 Audited US$m	EBITA 2012 Audited US$m
Latin America	**1,983**	**-**	**129**	**2,112**	1,736	-	129	1,865
Europe	**652**	**76**	**56**	**784**	804	11	21	836
North America	**7**	**721**	**43**	**771**	-	711	45	756
Africa	**439**	**392**	**7**	**838**	422	318	3	743
Asia Pacific	**462**	**156**	**237**	**855**	124	132	65	321
South Africa:	**1,062**	**190**	**11**	**1,263**	1,091	211	1	1,303
- Beverages	**1,062**	**67**	**-**	**1,129**	1,091	77	-	1,168
- Hotels and Gaming	**-**	**123**	**11**	**134**	-	134	1	135
Corporate	**(202)**	**-**	**-**	**(202)**	(190)	-	-	(190)
	4,403	**1,535**	**483**	**6,421**	3,987	1,383	264	5,634

The group's share of associates' and joint ventures' operating profit is reconciled to the share of post-tax results of associates and joint ventures in the income statement as follows.

	2013 Unaudited US$m	2012 Audited US$m
Share of associates' and joint ventures' operating profit (before exceptional items)	**1,535**	1,383
Share of associates' and joint ventures' exceptional items in operating profit	**(5)**	11
Share of associates' and joint ventures' net finance costs	**(44)**	(30)
Share of associates' and joint ventures' taxation	**(164)**	(170)
Share of associates' and joint ventures' non-controlling interests	**(78)**	(42)
Share of post-tax results of associates and joint ventures	**1,244**	1,152

Excise duties of US$5,755 million (2012: US$5,047 million) have been incurred during the year as follows: Latin America US$2,019 million (2012: US$1,843 million); Europe US$995 million (2012: US$1,204 million); North America US$4 million (2012: US$3 million); Africa US$418 million (2012: US$408 million); Asia Pacific US$1,369 million (2012: US$626 million) and South Africa US$950 million (2012: US$963 million). The group's share of MillerCoors' excise duties incurred during the year was US$695 million (2012: US$703 million).

EBITDA
The following table provides a reconciliation of EBITDA (the net cash generated from operations before working capital movements) to adjusted EBITDA. A reconciliation of profit for the year for the group to EBITDA after cash exceptional items for the group can be found in note 11a.

	EBITDA 2013 Unaudited US$m	**Cash exceptional items 2013 Unaudited US$m**	**Dividends received from MillerCoors 2013 Unaudited US$m**	**Adjusted EBITDA 2013 Unaudited US$m**	EBITDA 2012 Audited US$m	Cash exceptional items 2012 Audited US$m	Dividends received from MillerCoors 2012 Audited US$m	Adjusted EBITDA 2012 Audited US$m
Latin America	**2,382**	**61**	**-**	**2,443**	2,068	112	-	2,180
Europe	**884**	**61**	**-**	**945**	1,067	58	-	1,125
North America	**29**	**-**	**886**	**915**	22	-	896	918
Africa	**583**	**-**	**-**	**583**	564	13	-	577
Asia Pacific	**754**	**34**	**-**	**788**	159	88	-	247
South Africa: Beverages	**1,257**	**10**	**-**	**1,267**	1,267	13	-	1,280
Corporate	**(131)**	**25**	**-**	**(106)**	(168)	24	-	(144)
	5,758	**191**	**886**	**6,835**	4,979	308	896	6,183

2. Segmental information continued

Other segmental information

Capital expenditure	Capital expenditure excluding investment activity[1] 2013 Unaudited US$m	Investment activity[2] 2013 Unaudited US$m	Total 2013 Unaudited US$m	Capital expenditure excluding investment activity[1] 2012 Audited US$m	Investment activity[2] 2012 Audited US$m	Total 2012 Audited US$m
Latin America	**528**	**-**	**528**	522	(34)	488
Europe	**216**	**-**	**216**	324	17	341
North America	**-**	**272**	**272**	-	288	288
Africa	**391**	**29**	**420**	398	(82)	316
Asia Pacific	**88**	**(78)**	**10**	69	10,931	11,000
South Africa:	**228**	**-**	**228**	284	-	284
- Beverages	**228**	**-**	**228**	284	-	284
- Hotels and Gaming	**-**	**-**	**-**	-	-	-
Corporate	**28**	**(5)**	**23**	42	1	43
	1,479	**218**	**1,697**	1,639	11,121	12,760

[1] Capital expenditure includes additions of intangible assets (excluding goodwill) and property, plant and equipment.
[2] Investment activity includes acquisitions and disposals of businesses, net investments in associates and joint ventures, purchases of shares in non-controlling interests and purchases and disposals of available for sale investments.

3. Exceptional items

	2013 Unaudited US$m	2012 Audited US$m
Exceptional items included in operating profit:		
Net profit on disposal of businesses	**79**	1,248
Business capability programme costs	**(141)**	(235)
Integration and restructuring costs	**(91)**	(60)
Impairments	**(30)**	-
Broad-Based Black Economic Empowerment scheme charges	**(17)**	(29)
Profit on disposal of investment in associate	**-**	103
Gain on remeasurement of existing interest in joint venture on acquisition	**-**	66
Litigation	**-**	42
Transaction-related costs	**-**	(109)
Net exceptional (losses)/gains included within operating profit	**(200)**	1,026
Exceptional items included in net finance costs:		
Litigation-related interest income	**-**	4
Transaction-related net costs	**-**	(26)
Net exceptional losses included within net finance costs	**-**	(22)
Share of associates' and joint ventures' exceptional items:		
Impairments	**(5)**	(35)
Profits on transactions in associates	**-**	46
Share of associates' and joint ventures' exceptional (losses)/gains	**(5)**	11
Non-controlling interests share of associates' and joint ventures' exceptional (losses)/gains	**2**	-
Share of associates' and joint ventures' exceptional (losses)/gains	**(3)**	11
Net taxation credits relating to subsidiaries' and the group's share of associates' and joint ventures' exceptional items	**20**	24

Exceptional items included in operating profit

Net profit on disposal of businesses

During 2013 an additional profit of US$79 million was realised in Africa in relation to the disposal in the prior year of the group's Angolan operations in exchange for a 27.5% interest in BIH Angola, following the successful resolution of certain matters leading to the release of provisions.

In 2012 a profit of US$1,195 million arose in Europe on the disposal of the group's Russian and Ukrainian businesses in exchange for a 24% interest in the enlarged Anadolu Efes group; a profit of US$67 million arose in Africa on the disposal of the group's Angolan operations in exchange for a 27.5% interest in BIH Angola; partially offset by a loss of US$14 million incurred in Europe primarily in relation to the recycling of the foreign currency translation reserve on the disposal of the distribution business in Italy.

3. Exceptional items continued

Business capability programme costs
The business capability programme will streamline finance, human resources and procurement activities through the deployment of global systems and introduce common sales, distribution and supply chain management systems. Costs of US$141 million have been incurred in the year (2012: US$235 million).

Integration and restructuring costs
During 2013 US$74 million of integration and restructuring costs were incurred in Asia Pacific following the Foster's and the Pacific Beverages acquisitions, including the closure of certain beverage lines, and US$17 million of restructuring costs were incurred in South Africa: Beverages.

In 2012 US$34 million of restructuring costs were incurred in Latin America, principally in Ecuador, Peru and the regional office, and US$26 million of integration costs were incurred in Asia Pacific following the Foster's and Pacific Beverages acquisitions.

Impairments
During 2013 a US$30 million (2012: US$nil) impairment charge was incurred in respect of the Vietnam business in Asia Pacific. The impairment charge comprised US$11 million against goodwill and US$19 million against property, plant and equipment.

Broad-Based Black Economic Empowerment scheme charges
US$17 million (2012: US$29 million) of charges have been incurred in relation to the Broad-Based Black Economic Empowerment (BBBEE) scheme in South Africa. This represents the continuing IFRS 2 share-based payment charge in respect of the employee element of the scheme.

Profit on disposal of investment in associate
In 2012 a profit of US$103 million was realised on the disposal of the group's investment in its associate, Kenya Breweries Ltd, in Africa.

Gain on remeasurement of existing interest in joint venture on acquisition
In 2012 the group acquired the remaining 50% interest which it did not already own in Pacific Beverages from Coca-Cola Amatil Limited. This resulted in a US$66 million gain arising on the remeasurement to fair value of the group's existing interest.

Litigation
In 2012 in Europe a US$42 million anti-trust fine paid by Grolsch prior to its acquisition by SABMiller plc was annulled by the EU General Court and the payment refunded.

Transaction-related costs
In 2012 costs of US$109 million were incurred in relation to the Foster's transaction.

Exceptional items included in net finance costs
Litigation-related interest income
In 2012 US$4 million of interest was received in relation to the refund of the anti-trust fine in Europe.

Transaction-related net costs
In 2012 net costs of US$26 million were incurred primarily related to the Foster's transaction and included fees relating to financing facilities and premiums on derivative instruments which were partially offset by mark to market gains on derivative financial instruments taken out in anticipation of the transaction and where hedge accounting could not be applied.

Share of associates' and joint ventures' exceptional items
Impairments
During 2013 an impairment of a soft drinks plant in BIH Angola amounted to US$3 million. After taking account of non-controlling interests, the group's share was US$3 million.

In 2012 the group's share of MillerCoors' impairment of the Sparks brand amounted to US$35 million.

Profits on transactions in associates
In 2012 Tsogo Sun released deferred consideration relating to a prior acquisition of which the group's share was US$13 million; US$10 million profit arose on Tsogo Sun's fair value accounting on the change in control on the acquisition of the outstanding stake in the Formula 1 chain; and a US$23 million profit arose in Africa being the group's share of Castel's profit on the disposal of its subsidiary in Nigeria.

Net taxation credits relating to subsidiaries' and the group's share of associates' and joint ventures' exceptional items
Net taxation credits of US$20 million (2012: US$24 million) arose in relation to exceptional items during the year and include US$nil (2012: US$13 million) in relation to MillerCoors although the tax credit is recognised in Miller Brewing Company (see note 5).

4. Net finance costs

	2013 Unaudited US$m	2012 Audited US$m
a. Finance costs		
Interest payable on bank loans and overdrafts	**183**	170
Interest payable on derivatives	**255**	156
Interest payable on corporate bonds	**677**	463
Interest element of finance lease payments	**1**	1
Net exchange losses on financing activities	**25**	13
Fair value losses on financial instruments:		
- Fair value losses on standalone derivative financial instruments	**220**	144
- Ineffectiveness of net investment hedges[1]	**-**	4
Exceptional interest payable and similar charges[1]	**-**	96
Other finance charges	**56**	46
Total finance costs	**1,417**	1,093
b. Finance income		
Interest receivable	**39**	55
Interest receivable on derivatives	**355**	226
Fair value gains on financial instruments:		
- Fair value gains on standalone derivative financial instruments	**272**	170
- Fair value gains on dividend-related derivatives[1]	**10**	3
Net exchange gains on dividends[1]	**2**	3
Exceptional interest receivable and similar income[1]	**-**	74
Other finance income	**4**	-
Total finance income	**682**	531
Net finance costs	**735**	562

[1]These items have been excluded from the determination of adjusted earnings per share. Adjusted net finance costs are therefore US$747 million (2012: US$542 million).

5. Taxation

	2013 Unaudited US$m	2012 Audited US$m
Current taxation	**1,118**	957
- Charge for the year	**1,131**	986
- Adjustments in respect of prior years	**(13)**	(29)
Withholding taxes and other remittance taxes	**170**	137
Total current taxation	**1,288**	1,094
Deferred taxation	**(87)**	32
- (Credit)/charge for the year	**(28)**	60
- Adjustments in respect of prior years	**5**	(3)
- Rate change	**(64)**	(25)
Taxation expense	**1,201**	1,126
Tax credit relating to components of other comprehensive loss is as follows:		
Deferred tax credit on actuarial gains and losses	**(28)**	(71)
Deferred tax credit on financial instruments	**(6)**	(30)
	(34)	(101)
Effective tax rate (%)	**27.0**	27.5

5. Taxation continued

	2013 Unaudited US$m	2012 Audited US$m
UK taxation included in the above		
Current taxation	**-**	-
Withholding taxes and other remittance taxes	**133**	39
Total current taxation	**133**	39
Deferred taxation	**24**	(24)
UK taxation expense	**157**	15

See the financial definitions section for the definition of the effective tax rate. The calculation is on a basis consistent with that used in prior years and is also consistent with other group operating metrics. Tax on amortisation of intangible assets (excluding computer software) was US$135 million (2012: US$72 million).

MillerCoors is not a taxable entity. The tax balances and obligations therefore remain with Miller Brewing Company as a 100% subsidiary of the group. This subsidiary's tax charge includes tax (including deferred tax) on the group's share of the taxable profits of MillerCoors and includes tax in other comprehensive income on the group's share of MillerCoors' taxable items included within other comprehensive income.

6. Earnings per share

	2013 Unaudited US cents	2012 Audited US cents
Basic earnings per share	**205.9**	266.6
Diluted earnings per share	**203.5**	263.8
Headline earnings per share	**204.5**	179.8
Adjusted basic earnings per share	**238.7**	214.8
Adjusted diluted earnings per share	**236.0**	212.5

The weighted average number of shares was:

	2013 Unaudited Millions of shares	2012 Audited Millions of shares
Ordinary shares	**1,667**	1,661
Treasury shares	**(72)**	(72)
EBT ordinary shares	**(5)**	(6)
Basic shares	**1,590**	1,583
Dilutive ordinary shares	**19**	17
Diluted shares	**1,609**	1,600

The calculation of diluted earnings per share excludes 6,332,436 (2012: 8,362,920) share options that were non-dilutive for the year because the exercise price of the option exceeded the fair value of the shares during the year, 21,226,441 (2012: 14,799,716) share awards that were non-dilutive for the year because the performance conditions attached to the share awards have not been met and nil (2012: nil) shares in relation to the employee component of the BBBEE scheme that were non-dilutive for the year. These share incentives could potentially dilute earnings per share in the future.

6. Earnings per share continued

Adjusted and headline earnings
The group presents an adjusted earnings per share figure which excludes the impact of amortisation of intangible assets (excluding computer software), certain non-recurring items and post-tax exceptional items in order to present an additional measure of performance for the years shown in the consolidated financial statements. Adjusted earnings per share are based on adjusted earnings for each financial year and on the same number of weighted average shares in issue as the basic earnings per share calculation. Headline earnings per share are calculated in accordance with the South African Circular 3/2012 entitled 'Headline Earnings' which forms part of the listing requirements for the JSE Ltd (JSE). The adjustments made to arrive at headline earnings and adjusted earnings are as follows.

	2013 Unaudited US$m	2012 Audited US$m
Profit for the year attributable to owners of the parent	**3,274**	4,221
Headline adjustments		
Impairment of goodwill	**11**	-
Impairment of property, plant and equipment	**39**	-
Loss/(profit) on disposal of property, plant and equipment	**13**	(15)
Net profit on disposal of businesses	**(79)**	(1,242)
Profit on disposal of investment in associate	**-**	(103)
Gain on dilution of investment in associate	**(4)**	-
Gain on remeasurement of existing interest in joint venture on acquisition	**-**	(66)
Tax effects of these items	**(14)**	12
Non-controlling interests' share of the above items	**(3)**	40
Share of associates' and joint ventures' headline adjustments, net of tax and non-controlling interests	**15**	-
Headline earnings	**3,252**	2,847
Business capability programme costs	**141**	235
Broad-Based Black Economic Empowerment scheme charges	**17**	29
Integration and restructuring costs	**71**	60
Net gain on fair value movements on capital items[1]	**(12)**	(2)
Amortisation of intangible assets (excluding computer software)	**394**	218
Transaction-related net costs	**-**	109
Litigation	**-**	(42)
Litigation-related interest income	**-**	(4)
Transaction-related net finance costs	**-**	26
Tax effects of the above items	**(137)**	(101)
Non-controlling interests' share of the above items	**(8)**	(7)
Share of associates' and joint ventures' headline adjustments, net of tax and non-controlling interests	**78**	32
Adjusted earnings	**3,796**	3,400

[1] This does not include all fair value movements but includes those in relation to capital items for which hedge accounting cannot be applied.

7. Dividends

	2013 Unaudited US$m	2012 Audited US$m
Equity		
2012 Final dividend paid: 69.5 US cents (2011: 61.5 US cents) per ordinary share	**1,125**	973
2013 Interim dividend paid: 24.0 US cents (2012: 21.5 US cents) per ordinary share	**392**	351
	1,517	1,324

The directors are proposing a final dividend of 77.0 US cents per share in respect of the financial year ended 31 March 2013, which will absorb an estimated US$1,227 million of shareholders' funds. If approved by shareholders, the dividend will be paid on 23 August 2013 to shareholders registered on the London and Johannesburg registers as at 16 August 2013.

8. Goodwill and intangible assets

	Goodwill US$m	Intangible assets US$m
Net book amount		
At 1 April 2011 (audited)	11,954	4,364
Exchange adjustments	208	280
Additions - separately acquired	-	171
Acquisitions - through business combinations	8,091	5,427
Amortisation	-	(273)
Disposals	(53)	(14)
Transfers to disposal group classified as held for sale	(29)	-
Transfers from property, plant and equipment	-	3
At 31 March 2012[1] (unaudited)	20,171	9,958
Exchange adjustments	(288)	(17)
Additions - separately acquired	-	149
Acquisitions - through business combinations	3	2
Amortisation	-	(450)
Impairment	(11)	-
Disposals	-	(5)
Transfers to disposal group classified as held for sale	(13)	(2)
At 31 March 2013 (unaudited)	**19,862**	**9,635**

[1] As restated (see note 13).

Goodwill

2013

Provisional goodwill arose on the acquisition through business combinations in the year of Darbrew Limited in Tanzania. The fair value exercise in respect of this business combination has yet to be completed.

2012

Goodwill arose on the acquisition through business combinations of Foster's and Pacific Beverages in Australia and International Breweries plc in Nigeria. The fair value exercises in respect of these business combinations are now complete.

9. Investments in joint ventures

	US$m
At 1 April 2011 (audited)	5,813
Investments in joint ventures	288
Transfer to subsidiary undertaking	(100)
Share of results retained	671
Share of other comprehensive loss	(256)
Dividends received	(896)
At 31 March 2012 (audited)	5,520
Investments in joint ventures	272
Share of results retained	717
Share of other comprehensive loss	(76)
Dividends received	(886)
At 31 March 2013 (unaudited)	**5,547**

On 13 January 2012 the remaining 50% interest in Pacific Beverages was purchased and from this date the company has been accounted for as a subsidiary.

10. Investments in associates

	US$m
At 1 April 2011 (audited)	2,719
Exchange adjustments	(102)
Investments in associates	2,056
Repayment of investments by associates	(14)
Acquisitions - through business combinations	186
Disposal of investments in associates	(104)
Share of results retained	481
Dividends receivable	(150)
At 31 March 2012[1] (unaudited)	5,072
Exchange adjustments	(161)
Investments in associates	106
Disposal of investments in associates	(21)
Share of results retained	527
Share of gains recognised in other comprehensive loss	6
Dividends receivable	(113)
At 31 March 2013 (unaudited)	**5,416**

¹ As restated (see note 13).

11a. Reconciliation of profit for the year to net cash generated from operations

	2013 Unaudited US$m	2012 Audited US$m
Profit for the year	**3,511**	4,477
Taxation	**1,201**	1,126
Share of post-tax results of associates and joint ventures	**(1,244)**	(1,152)
Finance income	**(682)**	(531)
Finance costs	**1,417**	1,093
Operating profit	**4,203**	5,013
Depreciation:		
- Property, plant and equipment	**641**	672
- Containers	**226**	237
Container breakages, shrinkages and write-offs	**38**	34
Profit on disposal of businesses	**(79)**	(1,258)
Gain on remeasurement of existing interest in joint venture on acquisition	**-**	(66)
Profit on disposal of investment in associate	**-**	(103)
Gain on dilution of investment in associate	**(4)**	-
Loss/(profit) on disposal of property, plant and equipment	**13**	(15)
Amortisation of intangible assets	**450**	273
Impairment of goodwill	**11**	-
Impairment of property, plant and equipment	**39**	-
Impairment of working capital balances	**31**	16
Amortisation of advances to customers	**45**	24
Unrealised net gain from fair value hedges	**-**	(20)
Dividends received from other investments	**(1)**	(1)
Charge with respect to share options	**184**	132
Charge with respect to Broad-Based Black Economic Empowerment scheme	**17**	29
Other non-cash movements	**(56)**	12
Net cash generated from operations before working capital movements (EBITDA)	**5,758**	4,979
Increase in inventories	**(14)**	(45)
Increase in trade and other receivables	**(107)**	(25)
Increase in trade and other payables	**82**	374
Decrease in provisions	**(177)**	(46)
Increase in post-retirement benefit provisions	**12**	-
Net cash generated from operations	**5,554**	5,237

11a. Reconciliation of profit for the year to net cash generated from operations continued

Profit for the year and cash generated from operations before working capital movements includes cash flows relating to exceptional items of US$191 million (2012: US$308 million), comprising US$140 million (2012: US$228 million) in respect of business capability programme costs, US$51 million (2012: US$50 million) in respect of integration and restructuring costs, US$nil (2012: US$72 million) in respect of transaction-related costs, partially offset by US$nil (2012: US$42 million) in respect of a litigation-related credit.

The following table provides a reconciliation of EBITDA to adjusted EBITDA.

	2013 Unaudited US$m	2012 Audited US$m
EBITDA	**5,758**	4,979
Cash exceptional items	**191**	308
Dividends received from MillerCoors	**886**	896
Adjusted EBITDA	**6,835**	6,183

11b. Reconciliation of net cash generated from operating activities to free cash flow

	2013 Unaudited US$m	2012 Audited US$m
Net cash generated from operating activities	**4,101**	3,937
Purchase of property, plant and equipment	**(1,335)**	(1,473)
Proceeds from sale of property, plant and equipment	**30**	116
Purchase of intangible assets	**(144)**	(166)
Proceeds from sale of intangible assets	**4**	-
Investments in joint ventures	**(272)**	(288)
Investments in associates	**(23)**	-
Repayment of investments by associates	**-**	14
Dividends received from joint ventures	**886**	896
Dividends received from associates	**113**	120
Dividends received from other investments	**1**	1
Dividends paid to non-controlling interests	**(131)**	(109)
Free cash flow	**3,230**	3,048

11c. Analysis of net debt

Cash and cash equivalents on the balance sheet are reconciled to cash and cash equivalents on the cash flow statement as follows.

	2013 Unaudited US$m	2012 Audited US$m
Cash and cash equivalents (balance sheet)	**2,171**	745
Overdrafts	**(212)**	(138)
Overdrafts of disposal group classified as held for sale	**-**	(1)
Cash and cash equivalents (cash flow statement)	**1,959**	606

Net debt is analysed as follows.

	2013 Unaudited US$m	2012 Audited US$m
Borrowings	**(18,301)**	(19,067)
Borrowings-related derivative financial instruments	**676**	620
Overdrafts	**(212)**	(139)
Finance leases	**(35)**	(21)
Gross debt	**(17,872)**	(18,607)
Cash and cash equivalents (excluding overdrafts)	**2,171**	745
Net debt	**(15,701)**	(17,862)

11c. Analysis of net debt continued

The movement in net debt is analysed as follows.

	Cash and cash equivalents (excluding overdrafts) US$m	Overdrafts US$m	Borrowings US$m	Derivative financial instruments US$m	Finance leases US$m	Total gross borrowings US$m	Net debt US$m
At 1 April 2012 (audited)	745	(139)	(19,067)	620	(21)	(18,607)	(17,862)
Exchange adjustments	(83)	32	131	-	1	164	81
Cash flow	1,512	(105)	560	4	6	465	1,977
Disposals	(3)	-	-	-	-	-	(3)
Other movements	-	-	75	52	(21)	106	106
At 31 March 2013 (unaudited)	**2,171**	**(212)**	**(18,301)**	**676**	**(35)**	**(17,872)**	**(15,701)**

The group has sufficient headroom to enable it to comply with all covenants on its existing borrowings. The group has sufficient undrawn financing facilities to service its operating activities and continuing capital investment for the foreseeable future and thus the directors have continued to adopt the going concern basis of accounting. The group had the following undrawn committed borrowing facilities available at 31 March 2013 in respect of which all conditions precedent had been met at that date.

	2013 Unaudited US$m	2012 Audited US$m
Amounts expiring:		
Within one year	**281**	774
Between one and two years	**17**	12
Between two and five years	**554**	788
In five years or more	**2,500**	2,236
	3,352	3,810

12. Business combinations and similar transactions

Acquisitions

The group completed the acquisition of a 60% interest in Darbrew Limited in Tanzania in March 2013 for cash consideration of US$6 million.

Disposals

On 7 September 2012 the group completed the disposal of Foster’s interests in its Fijian beverage operations, Foster’s Group Pacific Limited, and on 28 September 2012 the group completed the disposal of Foster’s soft drinks assets, both to Coca-Cola Amatil Limited (CCA).

On 7 November 2012 Foster’s sold its 49.9% interest in Foster’s USA LLC to MillerCoors LLC for cash consideration. Foster’s USA LLC is now wholly owned by MillerCoors.

13. Balance sheet restatements

The initial accounting under IFRS 3, ‘Business Combinations’, for the Foster’s, the Pacific Beverages and the International Breweries acquisitions had not been completed as at 31 March 2012. During the year ended 31 March 2013 adjustments to provisional fair values in respect of these acquisitions were made. As a result comparative information for the year ended 31 March 2012 has been presented in the consolidated financial statements as if the adjustments to provisional fair values had been made from the respective transaction dates. The fair value exercises in respect of these acquisitions are now complete.

The following table reconciles the impact on the balance sheet reported as at 31 March 2012 to the comparative balance sheet presented in the consolidated financial statements. No material adjustments to the income statement for the year ended 31 March 2012 have been required as a result of the adjustments to provisional fair values.

	At 31 March 2012 Audited US$m	Adjustments to provisional fair values Unaudited US$m	**At 31 March 2012 As restated Unaudited US$m**
Assets			
Non-current assets			
Goodwill	20,128	43	**20,171**
Intangible assets	9,901	57	**9,958**
Property, plant and equipment	9,299	(137)	**9,162**
Investments in joint ventures	5,520	-	**5,520**
Investments in associates	4,946	126	**5,072**
Available for sale investments	30	-	**30**
Derivative financial instruments	732	-	**732**
Trade and other receivables	136	-	**136**
Deferred tax assets	117	-	**117**
Loan participation deposit	100	-	**100**
	50,909	89	**50,998**
Current assets			
Inventories	1,255	(7)	**1,248**
Trade and other receivables	2,156	48	**2,204**
Current tax assets	482	147	**629**
Derivative financial instruments	24	-	**24**
Available for sale investments	1	-	**1**
Cash and cash equivalents	745	-	**745**
	4,663	188	**4,851**
Assets of disposal group classified as held for sale	79	-	**79**
	4,742	188	**4,930**
Total assets	55,651	277	**55,928**
Liabilities			
Current liabilities			
Derivative financial instruments	(40)	-	**(40)**
Borrowings	(1,062)	-	**(1,062)**
Trade and other payables	(4,054)	(73)	**(4,127)**
Current tax liabilities	(910)	(413)	**(1,323)**
Provisions	(717)	13	**(704)**
	(6,783)	(473)	**(7,256)**
Liabilities of disposal group classified as held for sale	(7)	-	**(7)**
	(6,790)	(473)	**(7,263)**
Non-current liabilities			
Derivative financial instruments	(69)	-	**(69)**
Borrowings	(18,164)	-	**(18,164)**
Trade and other payables	(112)	-	**(112)**
Deferred tax liabilities	(3,917)	198	**(3,719)**
Provisions	(586)	17	**(569)**
	(22,848)	215	**(22,633)**
Total liabilities	(29,638)	(258)	**(29,896)**
Net assets	26,013	19	**26,032**
Total equity	26,013	19	**26,032**

14. Share capital

During the year ended 31 March 2013 5,408,316 ordinary shares (2012: 5,283,469 ordinary shares) were allotted and issued in accordance with the group's share purchase, option and award schemes.

15. Post balance sheet events

In January 2013 the group agreed to sell its non-core milk and juice business in Panama, subject to regulatory approval. The regulatory approval for the sale was received in May 2013 and the sale is expected to be completed shortly.

Adjusted earnings
Adjusted earnings are calculated by adjusting headline earnings (as defined below) for the amortisation of intangible assets (excluding computer software), integration and restructuring costs, the fair value movements in relation to capital items for which hedge accounting cannot be applied and other items which have been treated as exceptional but not included above or as headline earnings adjustments together with the group's share of associates' and joint ventures' adjustments for similar items. The tax and non-controlling interests in respect of these items are also adjusted.

Adjusted EBITDA
This comprises EBITDA (as defined below) before cash flows from exceptional items and includes dividends received from our joint venture, MillerCoors. Dividends received from MillerCoors approximate to the group's share of the EBITDA of the MillerCoors joint venture.

Adjusted EBITDA margin
This is calculated by expressing adjusted EBITDA as a percentage of revenue plus the group's share of MillerCoors' revenue.

Adjusted net finance costs
This comprises net finance costs excluding fair value movements in relation to capital items for which hedge accounting cannot be applied and any exceptional finance charges or income.

Adjusted profit before tax
This comprises EBITA less adjusted net finance costs and less the group's share of associates' and joint ventures' net finance costs on a similar basis.

Constant currency
Constant currency results have been determined by translating the local currency denominated results for the year ended 31 March at the exchange rates for the prior year.

EBITA
This comprises operating profit before exceptional items, amortisation of intangible assets (excluding computer software) and includes the group's share of associates' and joint ventures' operating profit on a similar basis.

EBITA margin (%)
This is calculated by expressing EBITA as a percentage of group revenue.

EBITDA
This comprises the net cash generated from operations before working capital movements. This includes cash flows relating to exceptional items incurred in the year.

EBITDA margin (%)
This is calculated by expressing EBITDA as a percentage of revenue.

Effective tax rate (%)
The effective tax rate is calculated by expressing tax before tax on exceptional items and on amortisation of intangible assets (excluding computer software), including the group's share of associates' and joint ventures' tax on the same basis, as a percentage of adjusted profit before tax.

Free cash flow
This comprises net cash generated from operating activities less cash paid for the purchase of property, plant and equipment, and intangible assets, net investments in existing associates and joint ventures (in both cases only where there is no change in the group's effective ownership percentage) and dividends paid to non-controlling interests plus cash received from the sale of property, plant and equipment and intangible assets and dividends received.

Group revenue
This comprises revenue together with the group's share of revenue from associates and joint ventures.

Headline earnings
Headline earnings are calculated by adjusting profit for the financial period attributable to owners of the parent for items in accordance with the South African Circular 3/2012 entitled 'Headline Earnings'. Such items include impairments of non-current assets and profits or losses on disposals of non-current assets and their related tax and non-controlling interests. This also includes the group's share of associates' and joint ventures' adjustments on the same basis.

Interest cover
This is the ratio of adjusted EBITDA to adjusted net finance costs.

Net debt
This comprises gross debt (including borrowings, borrowings-related derivative financial instruments, overdrafts and finance leases) net of cash and cash equivalents (excluding overdrafts).

Organic information
Organic results and volumes exclude the first 12 months' results and volumes relating to acquisitions and the last 12 months' results and volumes relating to disposals.

Sales volumes
In the determination and disclosure of sales volumes, the group aggregates 100% of the volumes of all consolidated subsidiaries and its equity accounted percentage of all associates' and joint ventures' volumes. Contract brewing volumes are excluded from volumes although revenue from contract brewing is included within group revenue. Volumes exclude intra-group sales volumes. This measure of volumes is used for lager volumes, soft drinks volumes, other alcoholic beverage volumes and beverage volumes and is used in the segmental analyses as it more closely aligns with the consolidated group revenue and EBITA disclosures.

This announcement does not constitute an offer to sell or issue or the solicitation of an offer to buy or acquire ordinary shares in the capital of SABMiller plc (the "company") or any other securities of the company in any jurisdiction or an inducement to enter into investment activity.

This announcement is intended to provide information to shareholders. It should not be relied upon by any other party or for any other purpose. This announcement includes 'forward-looking statements' with respect to certain of SABMiller plc's plans, current goals and expectations relating to its future financial condition, performance and results. These statements contain the words "anticipate", "believe", "intend", "estimate", "expect" and words of similar meaning. All statements other than statements of historical facts included in this announcement, including, without limitation, those regarding the company's financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to the company's products and services) are forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the company to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding the company's present and future business strategies and the environment in which the company will operate in the future. These forward-looking statements speak only as at the date of this announcement. Factors which may cause differences between actual results and those expected or implied by the forward-looking statements include, but are not limited to: material adverse changes in the economic and business conditions in the markets in which SABMiller operates; increased competition and consolidation in the global brewing and beverages industry; changes in consumer preferences; changes to the regulatory environment; failure to deliver the integration and cost-saving objectives in relation to the Foster's acquisition; failure to derive the expected benefits from the business capability programme; and fluctuations in foreign currency exchange rates and interest rates. The company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained herein to reflect any change in the company's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. The past business and financial performance of SABMiller plc is not to be relied on as an indication of its future performance.

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